Walker County
Kari A. French
Walker County Clerk

Instrument Number: 98880

ERecordings-RP

RESTRICTIONS

Recorded On: May 23, 2024 08:17 AM

Number of Pages: 35

" Examined and Charged as Follows: "

Total Recording: $157.00

*********** **THIS PAGE IS PART OF THE INSTRUMENT** ***********
Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Instrument Number:	98880
Receipt Number:	20240522000017
Recorded Date/Time:	May 23, 2024 08:17 AM
User:	Gerald B
Station:	Recording01

Record and Return To:
Simplifile

STATE OF TEXAS
COUNTY OF WALKER

I hereby certify that this Instrument was FILED In the Instrument Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Walker County, Texas.

Kari A. French
Walker County Clerk
Walker County, TX

Volume 7, Pages 89-94 or Under File Clerks Number NA in the Real Property Records of Walker County, Texas to which map or plat and its recording reference is hereby made for all intents and purposes. The Subdivision shall include any and all annexations filed for record with Walker County.

The Crown Point Subdivision, Section One Amending Plat a Subdivision in Walker County, Texas, according to the map or plat thereof recorded in the office of the County Clerk of Walker County, Texas, on 21 September, 2021, and thereafter filed in the Plat Cabinet Volume 7, Page 102 or Under File Clerks Number NA in the

Amended and Restated Declaration of Restrictive Covenants, Conditions and Restrictions
of
The Crown Point Subdivision

Section One, and Two, in Walker County, Texas

These private land use restrictions for Property situated in Sections One, and Two a Subdivision in Walker County, Texas (the "Restrictions") are executed effective as of the Date hereafter defined by Declarant (as hereafter defined), and in accordance with the definitions, terms, provisions, and other matters hereafter set forth.

Basic Information

Date: 20 May, 2024

Declarants: Waterstone Opportunity Fund, LLC a Texas Limited Liability Company, and Waterstone Development Group, LLC, a Texas Limited Liability Company

Declarant's Address:

Waterstone Opportunity Fund, LLC
185 Cedar Point Drive
Livingston, Texas 77351

Waterstone Development Group, LLC
185 Cedar Point Dr.
Livingston, Texas 77351

Property Owners Association:

The Crown Point Home Owners Association, Inc., a Texas nonprofit corporation

Property Owners Association's Address:

The Crown Point Home Owners Association, Inc.
185 Cedar Point Dr.
Livingston, Texas 77351

Subdivision: The Crown Point Subdivision, Section One a Subdivision in Walker County, Texas, according to the map or plat thereof recorded in the office of the County Clerk of Walker County, Texas, on 3 August, 2021 , and thereafter filed in the Plat Cabinet Volume 7, Pages 89-94 or Under File Clerks Number NA in the Real Property Records of Walker County, Texas to which map or plat and its recording reference is hereby made for all intents and purposes. The Subdivision shall include any and all annexations filed for record with Walker County.

The Crown Point Subdivision, Section One Amending Plat a Subdivision in Walker County, Texas, according to the map or plat thereof recorded in the office of the County Clerk of Walker County, Texas, on 21 September, 2021, and thereafter filed in the Plat Cabinet Volume 7, Page 102 or Under File Clerks Number NA in the

Real Property Records of Walker County, Texas to which map or plat and its recording reference is hereby made for all intents and purposes. The Subdivision shall include any and all annexations filed for record with Walker County.

The Crown Point Subdivision, Section Two a Subdivision in Walker County, Texas, according to the map or plat thereof recorded in the office of the County Clerk of Walker County, Texas, on 9 March, 2022, and thereafter filed in the Plat Cabinet Volume 7, Page 137 or Under File Clerks Number NA in the Real Property Records of Walker County, Texas to which map or plat and its recording reference is hereby made for all intents and purposes. The Subdivision shall include any and all annexations filed for record with Walker County.

Original Declaration of Restrictive Covenants Conditions and Restrictions:

Filed under Document # 2021-71504 in the Real Property Records of Walker County, Texas.

Abandonment and Nullification of Declaration of Restrictive Covenants Conditions and Restrictions:

Filed under Document # 2022-78314 in the Real Property Records of Walker County, Texas

Amended Declaration of Restrictive Covenants Conditions and Restrictions:

Filed under Document #2022-78315 in the Real Property Records of Walker County, Texas.

Filed under Document #2022-85714 in the Real Property Records of Walker County, Texas.

Filed under Document #2023-92775 in the Real Property Records of Walker County, Texas.

Recitals

First. Declarant owns the fee simple title to the land in the Subdivision.

Second. Declarant desires to maintain a uniform plan for the use and improvement of the Subdivision, and Declarant has therefore created the covenants, conditions and restrictions, whether mandatory, prohibitive, permissive, or administrative (collectively called the "Restrictions") to run with the land making up the Subdivision and to regulate the structural integrity, appearance and use of the lots owned by Declarant and depicted upon the plat of the Subdivision and the improvements to be placed on such lots.

Third. The Restrictions are entitled to run with the land comprising the Subdivision because: (i) the Restrictions touch and concern such land by, among other things, benefitting and controlling the use of such land; (ii) privity of estate exists among all of the land in the Subdivision by reason of the Declarant holding legal and equitable title to the land out of which the land shall be conveyed subject to the Restrictions; (iii) notice is given of the Restrictions contained herein when this instrument is filed in the Real Property Records in Walker County, Texas, being the County in which the Subdivision is situated; and (iv) the Restrictions are reasonable in light of their purpose being for the common benefit of all of the land owners in the Subdivision, in order to reduce uncertainty in living conditions, and to encourage investment in the Subdivision.

Fourth. The Restrictions shall run with the land owned by Declarant in the Subdivision and shall be binding upon and inure to the benefit of the Declarant, as well as the

Declarant's successors and assigns; further, each person or entity, by acceptance of title, legal or equitable, to any portion of the Subdivision, shall abide by and perform the Restrictions and the other terms hereof. In the event of the failure of any contract and/or deed to any portion of such land out of the Subdivision to refer to this instrument, the Restrictions and other terms of this instrument shall nevertheless be considered a part thereof, and any conveyance of such land shall be construed to be subject to the Restrictions and other terms hereof. It is understood and agreed that these Restrictions relate to and affect only the Subdivision as described above and no other land owned by Declarant adjacent thereto and/or in the vicinity thereof, and that the only Restrictions are those expressed in this instrument, and no other restrictive covenants are to be implied.

Furthermore, the Restrictions shall apply solely to the Lots, and nothing contained herein shall imply that Reserves if any, as shown upon the Plat(s), as well as any other lands of Declarant shall be subject to the Restrictions applicable to the Subdivision, and no restrictions, covenants or conditions shall be created hereby with respect to any Reserves or common areas, and any other lands owned by Declarant, whether by negative implication or otherwise. In addition to the provisions above, Declarant specifically reserves and retains the right to cut merchantable timber on any lands owned by Declarant adjacent to and/or within the vicinity of the Subdivision, as well as use such other lands as Declarant or the successors or assigns of Declarant may deem appropriate, even if such usage differs from the terms permitted by these Restrictions.

Clauses and Covenants

A. Imposition of Covenants

1. It is the desire of Declarant to place certain restrictions, covenants, conditions, stipulations, and reservations upon and against the subdivision owned by Declarant known, or to be known as Crown Point. Declarant imposes the restrictions, covenants, conditions, stipulations, and reservations on the Subdivision. All Owners and other occupants of the Lots by their acceptance of their deeds, leases, or occupancy of any Lot agree that the Subdivision is subject to the Covenants.

2. The restrictions, covenants, conditions, stipulations, and reservations are necessary and desirable to establish a uniform plan for the development and use of the Subdivision for the benefit of all Owners both present and future. The Covenants run with the land and bind all Owners, occupants, and any other person holding an interest in a Lot.

3. Each Owner and occupant of a Lot agrees to comply with the Dedicatory Instruments and agrees that failure to comply may subject him, her, them, or it to a fine, an action for amounts due to the Association, damages, or injunctive relief.

Article I
Definitions

Wherever used in this Declaration, the following words and/or phrases shall have the following meanings, unless the context clearly requires otherwise:

1.1 **"Property" or "Properties" or "Homes" or "Community"** shall mean and refer to real property in Crown Point, a subdivision in Walker County, Texas, as more fully described hereinabove, and any additional properties made subject to the terms hereof pursuant to the annexation provisions set forth herein.

1.2 **"Lot" and/or "Lots"** shall mean and refer to the Lots listed above shown upon the Recorded Subdivision Plat(s) which are restricted hereby to use for residential purposes, excluding specifically any Common Area or Reserves.

1.3 **"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 Properties, including

contract sellers, but excluding those having such interest merely as security for the performance of an obligation and those having any interest in the mineral estate. However, the term "Owner" shall include any mortgagee or lien holder who acquires fee simple title to any Lot through judicial, non-judicial foreclosure or any other operation of law or agreement that transfers ownership to them.

1.4 **"Subdivision Plat: or "Subdivision Plat(s)** shall mean and refer to the Subdivision Plat(s) entitled Crown Point recorded or to be recorded in the Plat Records of Walker County, Texas as described hereinabove or changes and additions to be filed from time to time.

1.5 **"Association" or "HOA"** shall mean and refer to the CROWN POINT HOME OWNERS ASSOCIATION, INC., its successors, and assigns, as provided for in Article V hereof. This shall be the only Association and there shall be no sub associations.

1.6 **"Declarant"** shall mean and refer to Waterstone Development Group, LLC, a Texas limited liability company, and or Waterstone Opportunity Fund, LLC, a Texas limited liability company, and their respective successors and/or assigns.

1.7 **"Common Area"** shall mean and refer to all those areas of land within the Properties as shown on the Subdivision Plat(s), except the Lots or Reserves shown thereon, together with such other property as the Association may, at any time or from time to time, acquire by purchase or otherwise, subject, however, to the easements, limitations, restrictions, dedications, and reservations applicable thereto by virtue hereof and/or by virtue of the Subdivision Plat(s).

1.8 **"Common Facilities"** shall mean and refer to all existing and subsequently provided and dedicated improvements upon or within the Common Area in any portion of Crown Point except those as may be expressly excluded herein, dedicated to a governmental entity, or by action of Declarant. Also, in some instances, Common Facilities may consist of improvements for the use and benefit of the Owners in the Subdivision, constructed on portions of one or more Lots, Reserves, or on acreage owned by Declarant (or Declarant and others) which has not been brought within the scheme of this Declaration.

1.9 **"Improvement to Property"** shall mean, without limitation: (a) the construction, installation or erection of any building, structure, fence, dwelling home or other Improvements, including utility facilities; (b) the demolition or destruction, by voluntary action, of any building, structure, fence, or other Improvements; (c) the grading, excavation, filling, or similar disturbance to the surface of any Lot, including, without limitation, change of grade, change of ground level, change of drainage pattern, or change of stream bed; (d) installation or changes to the landscaping on any Lot; (e) cutting of any tree more than three (3) inches in diameter and (f) any exterior modification, expansion change or alteration of any previously approved Improvement to Property, including any change of exterior appearance, color, or texture not expressly permitted by this Declaration, or rules and regulations adopted by Declarant or the Board of Directors of the Association with the Declarant's consent. This list is not exclusive and shall include ANY man-made changes to a developed or undeveloped lot.

1.10 **"Improvements"** shall mean all structures and any appurtenances thereto of every type or kind, which are visible on a Lot, including, but not limited to: a dwelling home, buildings, outbuildings, swimming pools, spas, hot tubs, patio covers, awnings, painting of any exterior surfaces of any visible structure, additions, sidewalks, walkways, fire pits, sprinkler pipes, garages, carports, roads, driveways, parking areas, fences, screening, walls, retaining walls, stairs, decks, boathouses, fixtures, windbreaks, basketball goals, yard decorations, benches, flagpoles, or any other type of pole, signs, exterior tanks, exterior air conditioning fixtures and equipment, water softener fixtures, exterior lighting, recreational equipment or facilities, radio, conventional or cable or television antenna or, dish, microwave television antenna, and landscaping that is placed on and/or visible from any Lot. This list is not exclusive and shall include ANY man-made changes

to a developed or undeveloped lot.

1.11 **"Mobile Home"** shall mean and is used here in these documents to describe a generic list of evolutionary and technological changes to a class of homes or structures that are built off site and transported in one or more pieces to the homesite and not stick built on site including but not limited to all factory-built or off site built residential structures or those being proposed to be used as residential structures or improvements regardless of stage of completion upon delivery and regardless of industry, designed or original use, regulatory name or type of foundation. This shall not include or preclude panelized walls or roof sections and trusses.

1.12 **"Development Period"** shall mean the period of time that Declarant reserves the right to facilitate the development, construction, management, and marketing of the Subdivision, which retained rights shall be vested in the Declarant until such time as 1095 days (3 years) have passed since the earlier of (i) termination of Class B as defined in 5.2 and same have not been reinstated per 5.2; or (ii) January 1, 2040 unless extended pursuant to 5.2; or (iii) such time as Declarant assigns to the Home Owners Association or relinquishes all of its retained rights. This period is also known as Marketing Period. During this period, the Declarant shall control the day-to-day operations of the Home Owners Association in all respects without the need for annual meetings, or an elected Board of Directors acting both in its own capacity as well as that of the Board of Directors.

1.13 **"Government Agency"** shall include but not be limited to any City, County, State, or Political subdivision thereof claiming now or in the future authority over the subdivision, this shall include the United States Government.

1.14 **"Automatic Annual Increase"** shall mean the automatic increase in annual maintenance fees and any other fees charged by the Association by the greater of 10% annually or the Consumer Price Index "U" as published by the US Bureau of Labor or its successor in September of each year against the same period in the previous year. This increase shall also hereinafter be referred to as automatic increase.

1.15 "**Public Improvement District"** "PID" shall mean any Public Improvement District created by any City, County, or the State by Resolution after a Public Hearing. The Owners of property located within the PID are subject to payment of the Annual District Assessments.

1.16 **"Easements"** means Easements within the Property for streets, utilities, drainage, and other purposes as shown on the Plat(s) or of record.

1.17 **"Builders"** shall only mean commercial home building companies to which the Declarant has directly sold lots for the construction of Homes. Specifically excluded is any company, person or other entity that purchases or obtains by any other means a lot for construction.

1.18 **"Municipal Utility District"** "MUD" shall mean any Municipal Utility District created by any City, County or the State by Resolution or Action. The Owners of property located within the MUD are subject to payment of the Annual District Assessments. This class or description herein of entity shall include any evolutionary naming descriptions so long as 30% of the basic functions are the same.

1.19 **"Commercial Owners"** shall mean any form of entity or natural person that purchases lots in the subdivision for the purposes of renting or leasing the same.

ARTICLE II

RESERVATIONS, EXCEPTIONS AND DEDICATIONS

2.1 The Subdivision Plat dedicates for use as such, subject to the Limitations set forth therein, the streets and easements shown thereon, and such Subdivision Plat further establishes certain restrictions applicable to the Properties, including, without limitation, certain minimum setback lines. All dedications, limitations, restrictions, and reservations shown on the Subdivision Plat are incorporated herein and made a part hereof, as if fully set forth herein, and shall be construed as being adopted by each and every contract, deed or conveyance executed or to be executed, conveying said property or any part thereof, whether specifically referred to in such contract, deed, or conveyance.

2.2 All easements and rights-of-way as shown on the Subdivision Plat(s) for the purpose of constructing, maintaining, and repairing a system or systems of electric lighting, electric power, telegraph, fiber optic or future technological advancements and telephone line or lines, gas, sewer, water, cable, drainage, or any other utility as determined by Declarant or Governmental agency installed and/or to be installed in, across and/or under the Properties shall be specifically, reserved herein. A utility or enterprise wishing to be classified as a utility must initially petition the Declarant for access to and use of the easements and right of ways. Granting of such rights shall be the sole and exclusive discretion of the Declarant.

2.3 Neither Declarant its agents, employees or servants, assigns or permittees nor any utility company its agents, employees or servants, assigns or permittees or governmental agency its agents, employees or servants, assigns or permittees using the easements or rights-of-way as shown on the Subdivision Plat, or that may otherwise be granted or conveyed covering the Properties, or any portion thereof, shall not be liable for any damages done by them, to fences, shrubbery, trees, landscaping, structures, flatwork, flowers or other property of the Owner situated on the land covered by any such easements or rights-of-way, unless grossly negligent.

2.4 It is expressly agreed and understood that the title to any Lot or parcel of land or any reserve or common area owned by the HOA within the Properties conveyed by contract, deed or other conveyance shall be subject to an easement for roadways, drainage, water, gas, sewer, storm sewer, drainage, electric light, electric power, telegraph, telephone or cable purposes and such future utilities and roads as may be developed without limitation and no deed or other conveyance of the Lot shall convey any interest in any pipes, lines, poles or conduits, or in any utility facility or appurtenances thereto constructed by or under any easement Owner, or their agents, though, along or upon the premises affected thereby, or any part thereof, to serve said Properties or other lands appurtenant thereto. The right to maintain, repair, sell or lease such appurtenances to any municipality or other governmental agency or to any public or private service corporation or to any other party, is hereby expressly reserved to Declarant.

ARTICLE III
USE RESTRICTIONS

3.1 **Land Use and Building Type**. All Lots in Subdivision as well as any lots or areas within the boundaries shown or which are annexed from time to time or attached hereto except those marked as reserves or easements shall be known and described and used at all times solely as Lots for single family residential purposes only (hereinafter referred to as "Residential Lots"), and no structure shall be erected, altered, placed, or permitted to remain on any Residential Lot other than one detached single-family dwelling not to exceed two stories in height and or 37 feet of height above the road immediately adjacent to the lot. The home shall be laid out in accordance with the subdivision comprehensive plan in that each garage shall be located on the same side as the electrical transformer and must have a garage capable of housing not less than two (2) cars and provide a minimum of two (2) parking spaces side by side on the driveway per dwelling unit. As used herein, the term "Single family residential purposes" shall be construed to prohibit the use of said Lots for parking, storage or use in any way of camping trailers, motor homes, mobile homes, or other types of manufactured housing whether factory built or not, or housing which is re-tasked from other uses and or is mobile in nature either presently or was at any point in its existence without limitation. Garage apartments shall also be prohibited except as used by

the property owner for their own personal use and not leased or rented unless included with the entire home. No Lot shall be used for business or professional purposes of any kind including short term leases or rentals of less than 12 months, nor for any commercial or manufacturing purposes. Duplex houses, Condominiums, Townhomes, or apartment houses shall only be permitted in areas specifically noted on plat for such use, including unrestricted reserves. Permits, if required by the local governmental authority for any improvements, are the responsibility of the property owner.

The following specific restrictions and requirements shall apply to all Lots in the Property:

(a) Outbuilding. Provided the express written consent of the Architectural Control Committee is secured prior to installation and placement on a Lot, a structure of not more than 8 feet in height shall be permitted between the rear line of the home and the rear property line. In no case can the outbuilding be permanently placed in a utility easement and must be placed so that it does not at any time enter or violate the setbacks. No occupancy of any outbuilding shall be permitted. No Accessory dwelling unit (ADU) which is a separate living or HVAC space regardless of use on your property external to the home itself shall be permitted.

(b) Garages. No garage shall be changed, altered, or otherwise converted for any purpose inconsistent with the housing of a minimum of two (2) automobiles at all times. All Owners, their families, tenants, and contract purchasers shall, to the greatest extent practical, utilize such garages for the garaging of vehicles belonging to them and their guests. Garages may contain living quarters so long as the garage still has parking for 2 vehicles. No rental of this garage-based living space shall be permitted unless the rental also includes the entire home; this is specifically intended to prevent rental garage apartments. Garages shall be constructed in such a way that the garage door wall is parallel to the Front wall of the home and the front property line adjacent to the addressing street. Garages shall be located on the lot in accordance with the subdivision comprehensive plan.

(c) Exterior Wall. No residence shall have less than one hundred (100) percent masonry construction or natural wood on its exterior wall area. As used in this paragraph, the term masonry construction shall include brick, stone, artificial stone, stucco, or equivalent material acceptable to the Architectural Control Committee. Fibrous cement siding (i.e., Hardiplank) shall be included within the term masonry construction. No use of exposed concrete for walls other than as foundations shall be permitted. No materials that are in sheets greater than 1 ft by 3 ft shall be permitted except as cover of foundations, soffits, or gables except when overlaid vertically with 1"x2" Hardie battens on 16 inch centers. Exterior must be in a cottage type or other appropriate design approved by the ACC prior to construction. The sole determination of appropriateness shall rest with the Architectural Control Committee.

(d) Detached Garages must be of the same material and quality of construction as the main living structure and are subject to all terms and restrictions as above on the lot. Garages must have a solid surface driveway without gap between the street and the Garage built in accordance with the standards herein.

(e) Roof Materials. Unless otherwise approved in accordance with the last sentence of this subsection, the roof of all buildings on the Property shall be constructed or covered with asphalt composition shingles, metal R panel roofing, specifically prohibiting the use of corrugated style metal or fiberglass on roofs and or walls. The color of any roofing shall be of wood tone, earth tone, forest green, black or in harmony with earth tone and shall be subject to written approval by the Architectural Control Committee prior to installation. Any other type or color of roofing material may be used only

if approved in writing prior to installation by the Architectural Control Committee. All materials used for roofing must be new and not distressed.

(f) Air Conditioners. No window, wall type air conditioners, or any other air handling unit which penetrates the wall in excess of a 4 inch diameter area regardless of the commercial name or description shall be permitted to be used, erected, placed, or maintained on or in any building or on any Lot. No external ducting shall be permitted including that between unit and the home.

(g) Paint Colors. All homes shall have a minimum of 2 body colors with separate colors for trim and Body. All colors must be approved by the ACC, and no jewel tones will be approved. No requirement to use any specific brand of paint is made. No homes within the community shall be painted the same color as another home located with less than at least 3 separating homes on either side of the street to avoid color duplication.

3.2 Minimum Square Footage Within Improvement. Each dwelling constructed shall contain a minimum of 1,000 square feet of HVAC controlled area not including garage, storage, or non-occupied HVAC controlled areas. Each unit shall have not less than 2 bedrooms and 2 baths. All kitchens shall provide a garbage disposal unit and same must be kept in working order at all times.

3.3 Landscaping. The Owner or builder of each Lot, as a minimum, prior to completion of the construction of a residential dwelling shall solidly sod with natural grass the area between its residential dwelling and the curb line(s) or pavement of the abutting street(s) this area is hereinafter referred to as the "front yard."

All shrubs called for in these restrictions shall be of the evergreen type non deciduous certified for the hardiness zone in which the community is located and without a dormant season. They shall not be flowers or natural growth in the style known as a Cottage Garden consisting of a casual mixture of any of the following; flowers, herbs, vegetables, or unrelated plants. Flowers shall be permitted in addition to the required shrubs provided they are first approved by the association, are not edible, are formal in design, and do not exceed the height or space described as the shrub area in these restrictions.

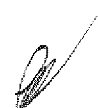
All landscaping must be live product not synthetic, and shrubs or items located in the shrub area shall not be of a size that exceeds 4 foot in height at any point.

Installation of (1) one and not more than (3) three 2-inch diameter shade tree(s) located in the "Front Yard" and (6) six and not more than (12) twelve shrubs that are three gallons in size located only in the "Shrub Area" are required.

All shrubs must be located in the "Shrub Area" defined as adjacent to and at no point more than 4 feet away from in any direction the wall plane(s) of the home and no other location. No raised beds of any type shall be permitted in the front yard area.

Natural stone may be employed as edging around the "Shrub Area" and in a 3 ft diameter around any approved trees provided the stone and resulting bed it is not more than 5 inches in height and neutral in color. No concrete product(s) shall be permitted in the front yard.

Additionally, no fruit bearing shrubs, vegetables, edible plants or gardens reguardles of nature and of any type or size shall be permitted in the front yard. No landscaping of any type other than approved grass to match the remainder of the grass in front yard shall be permitted between the street and the sidewalk or property line. This area between the street and the sidewalk or property line, while not owned by property owner, is nevertheless the maintenance responsibility of the owner of each home. These landscaping items must be kept alive and in healthy condition at all times and must be replaced by like kind and size if they die at any time without limit. This minimum standard shall automatically be modified for future construction at any time a governmental agency with jurisdiction over



community modifies its minimum landscape requirements. However, no reduction of the governmental agency standards shall be construed to reduce below the minimums herein stated. At no time may any area of any Lot covered with sod, designed or designated to be covered with sod or any area not paved be used for parking of any vehicle. Permits, if required by the local governmental authority, are the responsibility of the property owner.

3.4 Sidewalk. No sidewalk, walkway, improved pathway, deck, patio, driveway, or other improvement shall be constructed on any Lot unless and until the plans and specifications therefor are submitted to and approved by the Architectural Control Committee as provided by Article IV below. Driveways and Sidewalks must be constructed of concrete with reinforcement and shall contain a suitable culvert if streets are other than curb and gutter. At no time shall ditches or culverts, if provided for in the original site plan be filled in or reduced. Drainage structures under private driveways shall have a net drainage opening area of sufficient size to permit the free flow of water and shall be a minimum of 18" in diameter pipe culvert or any engineered or Governmental Agency specifications. Permits, if required by the local governmental authority, are the responsibility of the property owner.

3.5 Location of the Improvements Upon the Lot. No building or improvements as described in 1.10 shall be located on any lot nearer to the front lot line, rear lot line or nearer to the street side lot line than the minimum building setback shown on the recorded Subdivision Plat or replat(s) or 10 feet whichever is greater thereof subject to the provisions of Section 3.6 below, no part of the house building shall be located nearer than five (5) feet to an interior side lot line or ten (10) feet to any side exterior Lot line on a corner Lot or the standards of the city or plat whichever is greater.

Any detached or semidetached garage may be located not less than five (5) feet from an Interior side Lot line. Notwithstanding any provision hereof to the contrary, no building or structure constructed on a Lot shall be allowed to encroach upon another Lot or to be situated closer than ten (10) feet to a building or structure on any adjoining Lot. Unless otherwise approved in writing by the Architectural Control Committee, each main residential building shall face the front Lot Line of the Lot. For the purpose hereof, the term "Front Lot Line" shall mean the property line of a Lot that is adjacent to and or contiguous to a street or road shown on the Subdivision Plat, or if two or more property lines are adjacent to a street, the "Front Lot Line" shall be the property line adjacent to a street that has the shortest dimension, and the term "Street Side Lot Line" shall mean and refer to all property lines of any Lots that are adjacent to a street except the front Lot line, and the "Interior Side Lot Line" shall mean and refer to all property lines other than the front Lot line, the rear lot line and the street side Lot line. For the purposes of this covenant, eaves, steps, and unroofed terraces shall not be considered as part of a building provided, however, this shall not be construed to permit any portion of the construction on a Lot to encroach upon another Lot nor affect, modify, redirect, or impede the drainage as established by builder in compliance with that of Declarant. No structural improvements of any type, size, or use shall be located between the home and the street or streets. Permits, if required by the local governmental authority, are the responsibility of the property owner.

3.6 Composite Building Site. Subject to the approval of the Architectural Control Committee, any Owner of one or more adjoining Lots or portions thereof may consolidate such Lots or portions into one building site with the privilege of placing or constructing improvements on such resulting sites, in which case the front footage at the building setback lines shall be measured from the resulting combined lot side property lines rather than from the side Lot lines indicated on the recorded plats except that such measurement cannot reduce the setback to any other portion of the lot. Any such resulting building site must have a frontage at the building setback line consistent with the original restrictions contained herein. If an Owner consolidates two or more adjoining Lots, each original Lot shall continue to be assessed for its full individual maintenance fee as provided in Article VII. No owner may divide a Lot without the written consent of the Declarant, the resulting Lots shall be assessed for maintenance as provided in Article VII as if each resulting Lot were an original Lot.

3.7 Prohibition of Offensive Activities. No activity, whether for profit or not, regardless of duration shall be carried on any Lot which is not related to single family residential purposes unless designated on the plat and approved by Declarant for other use. No noxious

or offensive activity of any sort shall be permitted, nor shall anything be done on any Lot which may be or may become an annoyance or a nuisance to the neighborhood in the sole discretion of the Board with the consent of the Declarant or the Declarant acting on its own. This restriction is not applicable in regard to the normal sales, marketing or construction activities required to develop the community, build, or sell new homes in the Subdivision and the lighting effects utilized to display the model homes. No damage to, vandalism or theft of property owned or maintained by the Association, Declarant, government agency, political subdivision of the state, or regulated utility company shall be permitted, and any offender shall be subject to a fine established by the HOA plus the cost of replacement or repair at the option of the community, Declarant, government agency, political subdivision of the state, or regulated utility company. These restrictions in no way limit the legal rights of Declarant, government agency, political subdivision of the state, or regulated utility company to pursue additional actions. All such charges shall be a charge against the Maintenance Account of the Homeowner regardless of if the event was the homeowner, their family, a guest, tenant, or other invitee.

3.8 Use of Temporary Structures. No structure of temporary character, whether trailer, tent, shack, garage, barn, container, shed, or any other outbuilding, structure, vehicle, or portion thereof regardless of original use or those manufactured or assembled offsite shall be maintained or used on any Lot at any time regardless of duration for any purpose or as a residence, including structures constructed with prior express written consent of the Architectural Control Committee; provided, however, Declarant reserves the right to grant the exclusive right to erect, place and maintain such facilities in or upon any portions of the Lots or Reserves as in its sole discretion may be necessary or convenient while selling Lots, selling, or constructing residences and constructing other improvements upon the Properties. Such facilities may include, but not necessarily be limited to, sales and construction offices, storage areas, containers, model homes, signs, wash out pits, material or equipment storage areas, and portable toilet facilities. Garages, if used during the development phase or new home construction as a sales office, are permissible provided garage is converted to a regular garage capable of housing a minimum of two (2) automobiles prior to conveyance for occupancy by an Owner.

3.9 Storage Buildings. No structure of any type may be located between the street and the garage or home wall closest to the street or streets(s). Storage buildings regardless of location may not be metal, may not be higher than 8 feet, and must be painted the same color as the home. Used storage buildings will not be permitted. Storage buildings are subject to approval and must be located so they are not in violation of setbacks. Basketball goals are permitted on lots adjacent to the driveway and not closer than 5 ft from side lot lines and 1 ft from front lot line.

3.10 Storage of Automobiles, Boats, Trailers, and Other Vehicles. No vehicle with or without motor may be parked, used, or stored on any part of any Lot, easement, right-of-way, or Common Area unless such vehicle is concealed from public view inside a legally permitted garage provided the doors may be and are closed except when actively entering or leaving and secured or other approved enclosure, except passenger automobiles, passenger vans, pick-up trucks or evolutionary vehicles used for transportation that: (1) are in operating condition; (2) have current license plates, insurance, and inspection stickers; (3), are in daily use as motor vehicles on the streets and highways of the State of Texas; and (4) which do not exceed six feet six inches in height, or ninety six inches in width or twenty-three feet in length, and may be parked wholly within the driveway on such Lot.

No motorized or non-motorized vehicle, trailer, boat, marine craft, hovercraft, aircraft, machinery, or equipment of any kind may be parked or stored, on any part of any Lot, easement, right-of-way, or Common Area unless such object is concealed from public view inside a garage provided the doors may be and are closed except when actively entering or leaving and secured or other approved enclosure.

No repair work, dismantling or assembling of motor vehicles or other machinery or equipment shall be done or permitted on any street, driveway, or any portion of the Property unless such object is concealed from public view inside a garage provided the doors may be and are closed except when actively entering or leaving and secured or other approved enclosure. No motor bikes, non-licensed motorcycles or motor scooters, "go-carts", ATV

or recreational vehicles or other similar vehicles shall be permitted to be operated on the properties, streets, or common areas of the community if, in the sole judgment of the Declarant or Board of Directors of the Association with the Declarant's consent, such operation, by reason of noise or fumes emitted, or by reason of manner of use, or actual use shall constitute a nuisance or jeopardize the safety of the Owners, their tenants, and their families. The Board of the Association or Declarant may adopt rules for the regulation of the admission and parking of vehicles within the Common Areas, including the assessment of charges to Owners who violate, or whose invitees violate, such rules.

Any vehicle parked for ANY period of time upon the common area or along the streets may not be reparked upon the common area or along the streets for at least 168 hours. No vehicle shall be parked for more than 48 hours upon the common areas or along the streets without being moved. Vehicles which are registered to or in use by or under the control of the owner or resident, occupant, their immediate family, shall have a maximum period of 12 hours parking upon the common areas or along streets. The term "being moved" shall be defined as movement in which during such movement the vehicle shall not be located upon the common area or streets of the community for at least 168 hours. The process of exchanging one vehicle with another previously upon the lot shall not constitute movement. The intent of this restriction is that all vehicles should be parked upon the owner's driveway or garage and only an occasional guest vehicle should be parked, when necessary, on the street. Owners should park their own and visitors' vehicles primarily in their garage and then on their driveway using the street only as an absolute last solution.

This street parking restriction is intended solely to protect the health and safety of the community, reduce accidents including pedestrian and vehicles, provide unrestricted emergency vehicle access, and room for commercial vehicles conducting deliveries in the course of their commercial use. If a complaint is received about a violation of any part of this section, the Board of Association with consent of Declarant will be the final authority on the matter. This restriction shall not apply to any vehicle, machinery, or maintenance equipment temporarily parked and in use for the construction, repair, or maintenance of subdivision facilities or of a house or houses in the immediate vicinity.

3.11 Mineral Operations. No derrick or other structures designed for the use in boring, transmitting, pumping, extracting, storage, harvesting oil, natural gas, minerals, Geothermal Energy and associated underground resources or any other surface or sub surface materials regardless of nature shall be erected, maintained, or permitted upon any Lot regardless of length of time, or common area owned by the Association, nor shall any tanks, pumps, transfer facility, or related equipment or structures be permitted upon any Lot. No extraction of minerals herein described or other materials by way of any evolutionary means shall be conducted on or originated from the surface of any lot, or any common area, or reserve owned by the Association.

3.12 Animal Husbandry. No animals, snakes, livestock, game, or poultry, or any living creature of any type of species regardless of claims or actual proof of domestication or claims or actual proof of being support animals shall be raised, bred, or kept on any Lot except for common household pets which are defined as dogs or cats provided, they are not kept, bred, or maintained for commercial purposes. No more than three common household pets will be permitted on each Lot. If common household pets are kept, such pets must be restrained and confined to the Owner's Lot. It is the common household pet owner's responsibility to keep the Lot clean and free of pet debris. Common household pets must be on a leash at all times when away from the Lot. At no time shall any animal be kept, bred, or maintained on any Lot which is deemed to be inherently dangerous in the sole and exclusive opinion of the Association or Declarant nor any animal which is trained and/or utilized for fighting. For purposes of this paragraph, the breeds of dogs regardless of mix commonly known as Pit Bull terriers, Dobermans, and Rottweilers are presumptively deemed to be inherently dangerous. Notwithstanding the above any owner with a breed of animal otherwise permitted which normally grows to be more than 45 pounds agrees to provide a liability insurance policy specifically naming the animal as covered and naming the HOA and its members as additional insureds as a condition prior to bringing the animal into the Community.

In the event someone has a service or emotional support animal which is a dog or cat or as described by then current law and certified as such by a doctor licensed in the State of Texas after an in person visit and who is the continuing provider of medical services to the owner and signs an association approved medical necessity form or action or authority from other governmental agency then said individual must provide an insurance policy naming the animal regardless of weight as covered and naming the HOA and its members as additional insured as a condition prior to bringing the animal into the community.

3.13 Exterior Lighting. The Architectural Control Committee must first approve all installation of exterior lighting. No mercury vapor or similar technology lights will be approved and all exterior lighting on the property including home, garage or any other structure without limitation must be designed and installed so that light transmission is limited to the Lot area and not extended beyond same so as to illuminate all or any portion of any adjoining Lot, common areas or the Streets. It is the intent of this paragraph to eliminate light pollution both vertical and horizontal and preserve the darkness around the homes and sky above. The provisions of the Dark Sky Initiative shall be enforced.

3.14 Visual Obstruction at the Intersections of Streets. No object, structure plant, or thing which obstructs site lines at elevations between two (2) feet and eight (8) feet above roadways within the triangular area formed by the intersecting street property lines and a line connecting them at points ten (10) feet from the intersection of the street property lines or extension thereof shall be placed, planted, or permitted to remain on any corner Lots.

3.15 Maintenance of Lots and Improvements. The Owners or occupants of all Lots shall at all times maintain the Lot and all improvements thereon in a sanitary, healthful, and attractive manner. Such maintenance shall include but not be limited to:

(a) Prompt removal of all litter, trash, refuse and waste;
(b) Lawn mowing;
(c) Tree and Shrub pruning;
(d) Watering regularly of grass and landscaping;
(e) Keeping exterior lighting and mechanical facilities in working order;
(f) Keep lawn, trees, shrubs, and garden areas alive and attractive, free of weeds;
(g) Compliance with any and all governmental health and safety requirements, as well as direction of county officials and directions of the Association;
(h) Repair any damages to exterior components, including fences; and
(i) Repaint as needed (with approved colors) improvements.

In no event shall any Lot be used for storage of materials and or equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted, which materials and equipment shall be stored so as not to be visible from any street. The drying of clothes in public view is prohibited. Similarly, all yard equipment, wood piles, storage piles, generators and their propane tanks, and trash receptacles shall be kept screened by a fenced service yard with a consistent height to match other fences on the property not to exceed 6 ft or other similar facilities so as to conceal them from view of neighboring Lots, any street, or other property.

No Lot shall be used or maintained as a dumping ground for trash, nor will the accumulation of garbage, trash, or unused items regardless of value, rubbish of any kind thereon be permitted. Burning trash, garbage, plastics, and any building materials is prohibited. Burning leaves, grass, limbs, or anything else not prohibited above will not be permitted without the prior, express, written consent from the Association, applicable governmental agency, and with the Declarant's consent. Trash, garbage, or other waste materials shall be kept in sanitary containers constructed of metal, plastic or masonry materials with sanitary covers or lids or as required by applicable County or City. Equipment for the storage or disposal of such waste materials used in the construction of improvements erected upon any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without undue delay, until the completion of the improvements, after which these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot. In the event of default on the part of the Owner or occupant of any

Lot in observing any of the above requirements, such default continuing after ten (10) days written notice (or as required under any change in statute) thereof from the Association, by email or being placed in the U. S. mail without the requirement of certification, Association may, without liability to the Owner or occupant, enter upon said Lot and initiate any such maintenance deemed needed to the Lot or Improvement, and/or remove or cause to be removed any such Improvement, garbage, trash and/or rubbish, or do any other thing necessary to secure compliance with these restrictions so as to place said Lot and Improvements in a neat, attractive, healthful, and sanitary condition, and may reasonably charge the Owner or occupant of such Lot for the cost of the work. Said charges shall become an assessment against the Lot as provided in Article VII and may be subject to the filing of a lien.

Minimum standards are defined for any property wherein the grass exceeds the height of six (6) inches or wherein the Directors or their agent determines the existence of weeds not to be consistent with the standard of surrounding properties. The use of cottage styled gardens as landscaping is prohibited. Further, Declarant or its assignee reserves the right to contract or arrange for regular garbage pickup service for the Lot Owners. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of the property to pay for such work or service immediately upon receipt of a statement, the amount thereof may be added to the annual maintenance charge assessed against such Lot and become a charge thereon in the same manner as the regular annual maintenance charge provided for herein.

3.16 Signs, Advertisements, Billboards, Flags. No signs, billboards, posters, or advertising devices of any character shall be erected on any Lot or group of lots of which any portion is under common ownership except one sign of not more than three (3) square feet, advertising the property for sale or signs used by a builder to advertise the property for sale during the construction and sales period. Rental signs of any type or size are prohibited on the exterior of the home or lot, they may be displayed in a window. Association with the Declarant's consent shall have the right to remove any nonconforming sign, advertisement or billboard or structure which is placed on a Lot and in so doing shall not be subject to any liability or damages for trespass, tort or otherwise in connection therewith arising from such removal. The right is reserved for builders, provided, consent is obtained from the Association, which cannot be unreasonably withheld, to construct and maintain signs, billboards, or advertising devices for the purpose of advertising for sale dwellings constructed by the builders and not previously sold by such builder. Signs identifying the homeowner or the homeowner's choice of name for their property shall be permitted upon approval by the Association with the Declarant's consent. No flags shall be permitted other than the American Flag, Flags of other nations recognized by the US Government, State Flags, or US Military flags. Specifically, this shall prohibit any advertising messages, political, religious signs, or flags which in the sole opinion of Declarant or Board of Directors are divisive in nature. Election signs shall be permitted as per the state code.

3.17 Antennas, Satellite Dishes and Related Masts. Any antenna, satellite dish and related masts are permitted to be placed on a Lot only in accordance with guidelines, conditions, standards, and requirements adopted by the Board of Directors of the Association with Declarant's consent and as may be amended with Declarant's consent from time to time.

3.18 Noise. Except in an emergency or when unusual circumstances exist (as determined by the Board of Directors or Declarant), outside construction work or noisy interior construction work shall be permitted only after 7:00 a.m. and before 8:00 p.m. Other than construction no continuance of sound beyond the property lines shall exceed 65dB(A) during daytime hours defined as 7:00 a.m. to 10:00 p.m. or 58 dB(A) levels during nighttime hours defined as 10:00 p.m. to 7:00 a.m. as measured from the property line of the residential or non-residential property receiving the sound toward the source of the sound.

3.19 Fences. Fences are required on the perimeter property lines beginning not less than 3 feet nor more than 5 feet behind the front face of the home as measured from the street but in no case in front of the street side face of the home. Fences shall be constructed of treated wood, or cedar pickets not more than 6 inches in width and be what is commonly known as a privacy fence not to be less than nor more than 6 feet in height and must contain a gate large enough to move lawn equipment through fence on the garage side of the home. No

chain link, Vinyl or metal fences shall be permitted. If Builder does not install such fence, homeowner has 3 months from initial occupancy to submit application and complete erection of said fence. Fences must be maintained to provide an attractive, safe, and structurally sound structure. No painting of fences is allowed, and stains must be wood tone and approved by the Association.

3.20 Deviations in Restrictions. The Association, at its sole discretion provided consent of Declarant is first obtained, or Declarant is hereby permitted to approve deviations in the restrictions set forth herein in instances where in its sole judgment, such deviation will result in a more common beneficial use. Such approvals must be granted in writing and recorded in the county records. Any deviations granted must be in the spirit and intent of the welfare of the overall community.

3.21 No Liability. Neither the Board of Directors of the Association, nor the respective agents, employees, and architects of each, nor the Declarant shall be liable to any Owner or any other party for any loss, claim or demand asserted on account of the administration of these restrictions or the performance of the duties hereunder, or any failure or defect in such administration and performance. These restrictions can be altered or amended only as provided herein and no person is authorized to grant exceptions or make representations contrary to the intent of this Declaration. No approval of plans and specifications and no publication of minimum construction standards shall ever be construed as representing such plans, specifications or standards will, if followed, result in a properly designed residential structure. Such approvals and standards shall in no event be construed as representing or guaranteeing any residence will be built in a good, workmanlike manner. The acceptance of a deed to a residential Lot by the Owner in the subdivision shall be deemed a covenant and agreement on the part of the Owner, and the Owner's heirs, successors, and assigns, that they will fully honor and comply with the restrictions and that Board of Directors of the Association, as well as their agents, employees and architects, and the declarant as well as their agents, employees and contractors shall have no liability under this Declaration except for willful misdeeds.

3.22 Interpretation. If this Declaration or any word, clause, sentence, paragraph, or other part thereof shall be susceptible to one or more conflicting interpretations, the interpretation which is most nearly in accord with the general purposes and objectives of this Declaration shall govern. Declarant reserves the right to modify all language to define its intent more accurately if a party claims in any way that said language is not in keeping with the Declarants original intent in Declarants sole discretion.

3.23 No Business Use. No trade or business may be conducted in or from any Home, except that an Owner or occupant may conduct business activities that are incidental to the Owner's residential use within a Home so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Home; (b) the business activity conforms to all zoning requirements and other restrictive covenants applicable to the Property; (c) the business activity does not involve visitation of the improvements by clients, customers, suppliers, or other business invitees or door-to-door solicitation of residents of the Property; and (d) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security of other residents of the Property, as may be determined in the sole discretion of the Declarant or Board with Declarants consent. By way of illustration but not limitation, a day-care facility, church, nursery, home day care facility, senior care, outpatient facility, half way house, rehab facility, assisted living, group home, emergency shelter, recovery center, animal shelter, timeshare, fractional ownership, temporary housing, lawyer, accountant, or other professional office, beauty parlor, barber shop, pre-school, mechanical, welding, woodworking, or other trades shop of any nature, or other similar facilities regardless of use, classification, or naming that are not used exclusively as single family homes are expressly prohibited.

The terms "business" and "trade" as used in this provision shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis that involves the manufacture or provision of goods or services for or to persons other than the provider's family, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is

intended to or does not generate a profit; or (iii) a license is required therefor. Notwithstanding the above, the leasing of a Home shall not be considered a trade or business within the meaning of this Section. This Section does not apply to any activity conducted by the Declarant or Builder with respect to its development, construction, and sale of the Property.

3.24 Registered Sex Offender. At no time may an Owner of a Lot after the original sale by Builder enter into a contract for rental of the Lot and/or any Improvement located thereon to any individual who is at that time known or should have been known to the Owner to be a registered sex offender as said term as defined in the Texas Penal Code.

3.25 Maximum Occupants of Improvements. At no time shall any improvement on Lot be occupied by more than three (3) adults and six (6) children claiming said Lot as their residential homestead pursuant to the laws of the State of Texas. In the event the occupants are enrolled in a private or public school of higher education for undergraduate, or graduate studies then the maximum shall be 6 adults. However, in no case shall there be more than 2 adults per bedroom.

3.26 Ingress and Egress to Subdivision. At no time shall any Owner of any Lot, their licensee or invitee make entry into and/or exit from the Subdivision over, across and/or through any portion of the Property other than the then existing, designated private or public streets in the Subdivision.

3.27 Speed Limits on Private Streets The Board of Directors of the Association with Declarant's consent shall have the sole and exclusive right to establish maximum and/or minimum speed limits for vehicular traffic over and across the private streets if any in the Subdivision and shall further have the sole and exclusive right to establish and impose fines to be imposed on any violator of such speed limits in accordance with the current fee and fine schedule on file with county.

3.28 Painting and Yard Art. No painting of trees, stones or any other yard art shall be permitted. No exterior adornment of the home, garage, or permitted outbuilding, of any type will be permitted.

3.29 Religious or Political Use of Lots. No improvement on nor any Lot shall be utilized for the promotion of any religion, social position, political party, or political or religious activity irrespective of faith, political affiliation, or social position. An owner or resident may affix or display on the owner's or resident's property or dwelling one or more religious items, the display of which is motivated by the owner's or resident's sincere religious belief, subject to the following restrictions:

a) The religious display must be harmonious with the Community and the existing improvements on the owner's or resident's property and the size of the religious display must be reasonable in relation to its location on the property or dwelling. The display shall have no sound emitting devices and shall not shine light into the public areas or other private residences or properties.

b) The display or affixing of a religious item on the owner's or resident's property or dwelling that threatens the public health or safety is prohibited.

c) The display or affixing of a religious item on the owner's or resident's property or dwelling that contains language, graphics, or any display that is patently offensive to a passerby for reasons other than its religious content is prohibited.

d) The display or affixing of a religious item on the owner's or resident's property or dwelling that violates a law other than a law prohibiting the display of religious free speech is prohibited.

e) The display or affixing of a religious item on property owned or maintained by the Association is prohibited.

f) The display or affixing of a religious item on property owned in common by members of the Association is prohibited.

g) The display or affixing of a religious item to a traffic control device, streetlamp, fire hydrant, utility pole, or sign, or fixture is prohibited.

h) The Display or affixing of a religious item on the owner's or resident's property or dwelling that violates the applicable building line, right of way, sight lines, setback, pr easement is prohibited.

i) Religious displays and items that are not properly maintained, go into a state of disrepair are prohibited and must be promptly repaired, replaced, or removed without the requirement of notice however such notice is permitted.

j) Prior to installation of any religious display, or the affixing of a religious item on the owner's or resident's property or dwelling, the owner or resident must submit to the Association's architectural reviewing body plans and specifications including dimensions, colors, material, and proposed location on the owner's or resident; s property, scaled in relation to all boundary lines, setbacks, and other improvements on the property of the proposed religious display and/or item and receive written approval from the Architectural reviewing Body. Notwithstanding the forgoing religious displays or items attached to any exterior door or door frame of the home that are less than 25 square inches do not require written preapproval by the association. For example, and without limitation, no prior permission is required to place a cross or a mezuzah or other religious symbol from the owners or residents' religious faith smaller than 25 square inches on the home's front door or door frame.

k) Seasonal holiday decorations are not considered religious display items and therefore are governed by the other guidelines adopted by the association.

3.30 Outside Plumbing Facility. No outside toilet facilities, exposed plumbing pipes, plumbing related equipment, supplies, or facilities shall be permitted.

3.31 Firearms. Discharge of any firearm on or from any privately owned Lot, public or private road within the platted subdivision, private or public park, reserve, or any common area owned or maintained by the HOA shall be prohibited.

3.32 Garage Sales. No more than two (2) garage, estate or similar sales may be conducted by any owner in any given calendar year and must be held in conjunction with and at the same time and location as the semiannual community garage sale if any.

3.33 Boats in Ponds. No boats are permitted in ponds, if any and/or any other common area.

3.34 Fishing in Ponds. Fishing is allowed in ponds, if any, and/or other common areas only for those owners and/or guests under the age of 17 years of age and over the age of 65 years of age. All ponds are catch and release only ponds.

3.35 Trash Service. Trash service, if arranged must be subscribed to by each member who must contract with this waste disposal company to remove their trash on the same basis as other members of the community.

In no event shall such containers be stored, kept, placed or maintained on any Lot where visible from the location on the street that is immediately in the front of the home except solely on a day designated for removal of garbage, then such containers may be placed in the designated location for pick-up of such garbage no earlier than 6pm the day before and the container will be removed from view no later than the end of the day the garbage is picked up.

3.36 Fireworks. Fireworks are not allowed to be stored or discharged in the Subdivision at any time.

3.37 Invited Guests. All invited guests are the responsibility of the property owner and owner agree by covenant created upon purchase of property to be responsible for the actions of its guests. As such any infractions of rules or damage caused to the common areas, the roads, or private property of other owners shall be the responsibility of the property owner that invited the guest.

3.38 Leases. Owner shall submit the Association Tenant Data Sheet, proof of background check and any related items described in the Rental Guidelines Document provided on the Association website for approval by the Home Owners Association as well as occupants under said leases at least 3 days prior to occupancy in the form currently used by the Association.

3.39 Window Treatments. The owner shall install and maintain at all times appropriate window treatments, over the windows, and balcony doors, consistent with the aesthetics of the Home within three (3) months of occupying a Home. Appropriate window treatments include, by way of illustration, blinds, or mini blinds of wood or "faux wood" of a neutral color, and/or shutters of the same color or natural wood. Any window treatment or covering visible from the exterior of the Home shall be subject to Rules and Regulations, if any, and/or the Guidelines.

Expressly prohibited before, during, and after the initial three (3) months of occupancy are any temporary or disposable coverings not consistent with the aesthetics of the subdivision, such as reflective materials, newspapers, shower curtains, fabric not sewn into finished curtains or draperies, other paper, plastic, cardboard, or other materials not expressly made for or commonly used by the general public for window coverings in a subdivision of the same caliber as the subdivision.

3.40 Leasing. The leasing of a Home for residential purposes shall not be considered a business use, provided that the Owner and any other Owners with whom such Owner is affiliated do not collectively lease or offer for lease more than one Home at any time, unless they have identified themselves to the Association as professional investors, and further provided that the lease complies with all of the requirements herein and proper notice is regularly and timely provided to the Association, and approval is received.

Permitted leasing for purposes of this Declaration shall not include vacation rentals, boarding house, bed and breakfast, "Airbnb", "Home Away", "VRBO", emergency relocation or shelter or any other short-term rental services paid, or unpaid, and such uses are strictly prohibited and shall conclusively be considered a business use prohibited by this Declaration and a violation of this Declaration. "Leasing" for purposes of this Declaration, is defined as occupancy of a Home by any person other than the record Owner, for which the Owner receives any consideration or benefit financial or otherwise, including, but not limited to, a fee, service, gratuity, emolument, or good will.

Fractional ownership of a property, or any corporate ownership allowing use by the fractional owners, or their appointees, licensees, members, or other users regardless of methodology employed to obtain access or use shall be prohibited.

The Declarant or Board with Declarant's consent is vested with the absolute authority to determine if a lease for a Home complies with this Article VIII and any other Dedicatory Instrument that applies to leasing, and the Declarant's or Board's determination shall be final. Homes may be leased to no more than one single family, which single family must intend to inhabit the Home as their primary or vacation residence. This provision shall not preclude the leasing of a home for student housing while attending the local university or state-chartered school so long as there will not more than 1 student with spouse/partner per bedroom. It is agreed that this use shall supersede the maximum occupancy provisions listed above. This provision shall not preclude the Association, Declarant, or an institutional lender from leasing a Home upon taking title following foreclosure of its security interest in the Home or upon acceptance of a deed in lieu of foreclosure.

All rental units must meet the current standards for HUD approved leasing and submit annually after home is 5 years old an inspection report by a HUD or State licensed or authorized inspector certifying the home would be eligible for HUD rental as a minimum standard for private rental. The submission of this inspection when required must be made without demand 30 days prior to any rental even a continuing rental without change of tenant. Failure to provide the report will result in the need to terminate existing leases, not allow entry into future leases, and be subject to a daily fine until such report is received and approved by the association.

Additionally, the Board is vested with the authority to impose fines upon the Owner for violations of Article VIII and any Dedicatory Instrument that applies to leasing. The Board with Declarants consent is vested with the unilateral authority, as long as it is consistent with Texas law, to set the amount of fines for violations of these leasing restrictions.

Subject to notice as may be required by law, fines will be assessed against the record Owner, and are supported by the Association's assessment lien created herein which runs with title to each lot. The decision as to the amount of the fine to be imposed in any particular case shall be left to the Board's sole and absolute discretion. Such decision shall not be construed as a waiver of the Board's right to set a different fine at a later time under other circumstances or preclude the Board from imposing a fine. In the event of a violation of these leasing restrictions, every day of lease in violation hereof, will be considered a separate violation subject to the full amount of the fine imposed by the Board which shall continue until the lease is terminated and the tenant is removed from the Home. The enforcement of penalties will be fair and equitable in treatment as to all Home Owners in the subdivision.

No Home shall be leased for a term of less than twelve (12) full consecutive calendar months, nor shall any lease be for less than the entire Home except as student housing. No Home shall be leased unless the terms and provisions of such lease specifically provide that such Home may not be sublet to or be occupied by persons other than those named in the lease, or named as a permitted occupant within the lease without the prior written approval of the Board being first obtained, and any lease shall provide that the lessee or occupant and any guest or invitee of such lessee or occupant shall comply with and abide by all of the restrictions pertaining to the use of Homes and the Common Elements set forth in this Declaration and the Dedicatory Instruments and the laws of any governmental agency applicable to the subdivision or association now or hereafter established governing the use of such Lots and the Common Elements. In addition, prior to executing a lease, the lessee shall sign a written agreement provided by the Association, agreeing to not violate the dedicatory instruments and any other ruleset out by the Association. It is not the intent of the Declarant to exclude from a home any individual who is authorized to so remain by any state or federal law.

During the Marketing Period, the Declarant may rent/lease the Declarant owned homes for a rental/lease term as decided upon by the Declarant, whether such rental/lease term is for one (1) evening or longer, in its sole and absolute discretion. Notwithstanding anything contained herein to the contrary, no Home may be used as a Timeshare Home or put to Timeshare Use, as those terms are defined in the Texas Property Code, or its successor statute.

3.41 Easements. Prior to the termination of the Marketing or Development Period (and the Association thereafter) the Declarant has the right to grant to utility companies and other entities without limitation, such easements, rights-of-way, and other rights as may be reasonably necessary to service the subdivision and establish, operate, or maintain the same as a viable subdivision, without the approval or joinder of any other Owners or any Mortgagee.

Each Owner is hereby granted an easement in common with each other Owner for ingress and egress through all Common Elements subject to this Declaration and the subdivision, the Dedicatory Instruments promulgated from time to time unless such area has been leased for use by a specific party. Such easement shall be used jointly and in common with the other Owners and tenants of any Owners, each Mortgagee, and the agents, employees,

guests, licensees, and invitees of each Owner, tenant of each Owner, and each such Mortgagee. Nothing contained herein shall be construed to create any rights of any nature in the public, nor shall any portion of the Common Elements, be deemed to be dedicated for public use.

3.42 Ditches and Drainage. At no time shall any party fully or partially obstruct drainage, including filling in of the ditches, as designed by the declarant nor alter the sheet water drainage areas on their lots or right of ways nor take any action or lack of action that will affect the flow of water in any way through them or the subdivision. Culverts used to create driveway access from the street to the private property lot for each home when ditches are present shall be located at the natural flow line to prevent any retardation of water flow and shall be a minimum of 18 inches in diameter and not more than 30 nor less than 20 feet in length. Culverts and ditches shall be maintained as to not restrict water flow other than set out in the subdivision plat, rules, and engineering drawings. Nothing shall be done to change the water management and flow pattern established by the Declarant. Homeowner shall be responsible for maintenance of the ditches adjacent to their lot up to the roadway surface including regular mowing.

3.43 Swimming Pool Enclosures. A swimming pool enclosure maybe installed around a water feature, including a swimming pool or spa, which is located on an owner's property, under the following conditions:

a) The swimming Pool Enclosure shall conform with all applicable state or local safety requirements and shall not exceed six feet (6') in height and shall not be below the minimum height required by law.

b) The Swimming Pool Enclosure shall be designed not to be climbable.

c) The property owner must apply for and obtain written approval from the Association's Architectural reviewing body prior to installation of a Swimming Pool Enclosure. Applications shall be on the standard form for other improvements and must include details on the size, appearance, color, location, and materials.

d) The swimming pool Enclosure must be kept in good repair and items that are not properly maintained, go into a state of disrepair are prohibited and must be promptly repaired, replaced, or removed without the requirement of notice however such notice is permitted.

e) The Association may prohibit any swimming pool enclosure that is not in compliance with these Swimming Pool Enclosure Guidelines, and may also require the removal of the non-conforming Swimming Pool Enclosure and restoration of the property to its original condition, and

f) The Architectural Reviewing Body and the Associations' Board, and the Declarant, on appeal of the Architectural Reviewing Board decision, have the absolute discretion to deny any Swimming Pool Enclosure that is not black in color and does not consist of transparent mesh set in metal frames.

3.44 Bidding. If the Association proposes to contract for services that will cost more than $30,000 at any one time it shall solicit at least two (2) bids for the contract, if reasonably available in the Community. The Board has the full discretion to accept or reject any bid in its sole and absolute discretion.

3.45 Security Equipment. Property or Home owners may install or build security measures on their lot intended to promote security for their own lot and property while adhering to and promoting the design, harmony, and aesthetics of the Community.

a) Cameras/Motion Detectors Property or Homeowners may place cameras and motion detectors on their own lot as security measures. Cameras and motion detectors may not be placed on the lot of any other owner, or on any Association Property nor directed towards same as its primary view. The Association may place cameras and motion detectors on Association

property.

b) Perimeter Fencing Perimeter fencing is permitted by the association as a security measure provided it complies with these restrictions.

c) Plans and Specifications Prior to Installation of any improvements including these considered security in nature an application must be submitted to the Association in accordance with its standard procedures and installation must await approval of the ACC.

d) Solar Panels shall be allowed provided they comply with the following restrictions.

e) Plans and Specifications Prior to Installation of any improvements including solar panels an application must be submitted to the Association in accordance with its standard procedures and installation must await approval of the ACC.

3.46 Swimming Wading Jumping in Ponds. No Swimming Wading, Jumping or Diving into is permitted in ponds if any and/or any other common area with water.

THE ASSOCIATION DECLARANT OR COMMUNITY DOES NOT PROVIDE SECURITY AND IS/ARE NOT RESPONSIBLE FOR THE SECURITY IN THE COMMUNITY OR INDIVIDUALS, HOMEOWNERS, INVITED OR UNINVITED GUESTS.

THERE IS NO SECURITY

ARTICLE IV
ARCHITECTURAL APPROVAL

4.1 Architectural Control Committee. As used in this Declaration, the term "Architectural Control Committee" shall mean a committee of three (3) members or such number as determined by Declarant from time to time, all of whom shall be appointed by the Declarant, except as otherwise set forth herein. Members of the Architectural Control Committee appointed by the Declarant may be removed at any time by Declarant and shall serve until death, resignation, or removal by Declarant. Builders who submit a home portfolio will have each home within that portfolio approved or disapproved and those approved shall thereafter not require individual approvals of each home built so long as they comply with the pre-approved plan portfolio, color selections and all applicable design elements. No duplication of exterior features of a home shall be allowed with less than three other homes separating said home on the same street. Driveways must follow the pattern established by the Developer with driveways on the side with electrical utilities.

4.2 Approval of Improvements Required. Notwithstanding anything contained in Declaration to the contrary, the approval of a majority of the members and the Chairman of the Architectural Control Committee shall be required for the construction of the initial dwelling Home on a Lot ("New Construction") or for any subsequent Improvement to Property following the construction of the initial dwelling Home on a Lot, ("Modification Construction"). Improvements include any man-made changes to a developed or undeveloped lot. For purposes of this Article IV, the Board and the Architectural Control Committee are each sometimes referred to as the "Approval Entity".

4.3 Address of Approval Entity. The address of the Architectural Control Committee shall be 185 Cedar Point Drive, Livingston, Texas 77351, or such address that may be later filed for record with Walker County.

4.4 Submission of Plans. Before commencement of work to accomplish any proposed Improvement to Property, the Owner proposing to make such Improvement to Property (the "Applicant") shall submit to the proper Approval Entity at its respective office copies of such descriptions, surveys, plot plans, drainage plans, elevation drawings, construction

plans, specifications, and samples of materials and colors which comply with the subdivision color palette as the Approval Entity reasonably shall request, showing the nature, kind, shape, height, width, color, materials, and location of the proposed Improvement to Property, as may be more particularly described from time-to-time in any minimum construction standards and/or architectural guidelines adopted by the Architectural Control Committee (in the case of New Construction) and or the Board (in the case of Modification Construction) (the "Architectural Guidelines"). The Approval Entity may require submission of additional plans, specifications, or other information before approving or disapproving the proposed Improvement to Properly. Until receipt by the Approval Entity of all required materials in connection with the proposed Improvement to Property, the Approval Entity may postpone review of any materials submitted for approval.

4.5 Criteria for Approval. The Approval Entity shall approve any Proposed Improvement to Property only if it determines in its reasonable discretion that the Improvement to Property in the location indicated will not be detrimental to the appearance of the surrounding areas of the Properties as a whole; that the appearance of the proposed Improvement to Property will be in harmony with the surrounding areas of the Properties, including, without limitation, quality, and color of materials and location with respect to topography and finished grade elevation; that the Improvement to Property will comply with the provisions of this Declaration and any applicable plat, ordinance, governmental rule, or regulation; that the Improvement to Property will not detract from the beauty, wholesomeness, and attractiveness of the Property or the enjoyment thereof by Owners; and that the upkeep and maintenance of the proposed Improvement to Property will not become a burden on the Association. Each Approval Entity is specifically granted the authority to disapprove proposed Improvements because of the unique characteristics or configuration of the Lot on which the proposed Improvement would otherwise be constructed, even though the same or a similar type of Improvement might or would be approved for construction on another Lot. The Approval Entity may condition its approval of any proposed Improvement to Property upon the making of such changes thereto as the Approval Entity may deem appropriate.

4.6 Architectural Guidelines. Each Approval Entity from time to time may create, supplement, or amend Architectural Guidelines. The Architectural Guidelines may serve as a guideline only and an Approval Entity may impose other requirements in connection with its review of any proposed Improvements; provided, however, that such other requirements are consistent with this Declaration.

4.7 Decision of Approval Entity. The decision of the Approval Entity shall be made within thirty (30) days after receipt by the proper Approval Entity of all materials required by the Approval Entity. The decision shall be in writing and if the decision is not to approve a proposed Improvement to Property, the reasons therefore shall be stated. The decision of the Approval Entity shall promptly be transmitted to the Applicant at the address furnished by the Applicant to the Approval Entity. The Owner, however, is responsible under all circumstances for conforming to the provisions of these restrictions in their entirety.

4.8 Failure of Approval Entity to Act on Plans. Any request for approval of a Proposed Improvement to Property shall be deemed approved by the appropriate Approval Entity, unless disapproval or a request for additional information or materials is transmitted to the Applicant by the Approval Entity, within thirty (30) days after the date of receipt by the appropriate Approval Entity of all required materials; provided, however, that no such deemed approval shall operate to permit any Owner to construct or maintain any Improvement to Property that violates any provision of this Declaration or the Architectural Guidelines. The Approval Entity shall at all times retain the right to object to any Improvement to Property that violates any provision of this Declaration or the Architectural Guidelines.

4.9 Prosecution of Work After Approval. After approval of any proposed Improvement to Property, the proposed Improvement to Property shall be accomplished as promptly and diligently as possible and in strict conformity with the description of the proposed Improvement to Property in the materials submitted to the Approval Entity. Failure to complete the proposed Improvement to Property within nine (9) months after the date of

approval or such other period of time as shall have been designated in writing by the Approval Entity (unless an extension has been granted by the Approval Entity in writing) or to complete the Improvement to Property in strict conformity with the description and materials furnished, to the Approval Entity, shall operate automatically to revoke the approval by the Approval Entity of the proposed Improvement to Property. No Improvement to Property shall be deemed completed until the exterior fascia and trim on the structure have been applied and finished and all construction materials and debris have been cleaned up and removed from the site and all rooms in the dwelling Home, other than attics, have been finished. Removal of materials and debris shall not take in excess of thirty (30) days following completion of the exterior.

4.10 Inspection of Work. The Approval Entity or its duly authorized representative shall have the right, not the obligation, to inspect any Improvement to Property before or after completion, provided that the right of inspection shall terminate once the Improvement to Property becomes occupied.

4.11 Notice of Noncompliance. If, as a result of inspections or otherwise, the Approval Entity finds that any Improvement to Property has been constructed or undertaken without obtaining the approval of the Approval Entity or has been completed other than in strict conformity with the description and materials furnished by the Owner to the Approval Entity or has not been completed within the required time period after the date of approval by the Approval Entity, the Approval Entity shall notify the Owner in writing of the noncompliance ("Notice of Noncompliance"). The Notice of Noncompliance shall specify the particulars of the noncompliance and shall require the Owner to take such action as may be necessary to remedy the noncompliance within the period of time set forth therein.

4.12 Correction of Noncompliance. If the Approval Entity finds that a noncompliance continues to exist after such time within which the Owner was to remedy the noncompliance as set forth in the Notice of Noncompliance, the Association may, at its option but with no obligation' to do so, (a) record a Notice of Noncompliance against the Lot on which the noncompliance exists in the Office of the County Clerk of Walker County, Texas; (b) remove the noncomplying Improvement to Property; and/or (c) otherwise remedy the noncompliance (including, if applicable, completion of the Improvement in question), and, if the Board elects to take any action with respect to such violation, the Owner shall reimburse the Association upon demand for all expenses incurred therewith. If such expenses are not promptly repaid by the Owner to the Association, the Board may levy an assessment for such costs and expenses against the Owner of the Lot in question and such assessment will become a part of the assessment provided for in Article 7 hereof. The permissive (but not mandatory) right of the Association to remedy or remove any noncompliance (it being understood that no Owner may require the Association to take such action) shall be in addition to all other rights and remedies that the Association may have at law, in equity, under this Declaration, or otherwise.

4.13 No Implied Waiver or Estoppel. No action or failure to act by an Approval Entity shall constitute a waiver or estoppel with respect to future action by the Approval Entity with respect to any Improvement to Property. Specifically, the approval by the Approval Entity of any Improvement to Property shall not be deemed a waiver of any right or an estoppel against withholding approval or consent for any similar Improvement to Property or any similar proposals, plans, specifications, or other materials submitted with respect to any other Improvement to Property by such Person or otherwise.

4.14 Power to Grant Variances. Each Approval Entity may authorize variances from compliance with any of the provisions of Article III and Article IV of this Declaration including restrictions upon placement of structures, the time for completion of construction of any Improvement to Property, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic, environmental, or other relevant considerations may require. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Approval Entity. If any such variance is granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was 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 provision

hereof covered by the variance, nor shall the granting of any variance affect the jurisdiction of the Approval Entity other than with respect to the subject matter of the variance, nor shall the granting of a variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the Lot concerned.

4.15 Compensation of Architectural Control Committee. The members of the Architectural Control Committee shall be entitled to reimbursement by the Association for reasonable expenses incurred by them in the performance of their duties hereunder as the Board from time to time may authorize or approve.

4.16 Non-liability for Approval Entity Action. None of the members of the Architectural Control Committee, the Association, any member of the Board of Directors, or Declarant shall be liable for any loss, damage, or injury arising out of or in any way connected with the performance of the duties of any Approval Entity except to the extent caused by the willful misconduct or bad faith of the party to be held liable. In reviewing any matter, the Approval Entity shall not be responsible for reviewing, nor shall its approval of an Improvement to Property be deemed approval of, the Improvement to Property from the standpoint of safety, whether structural or otherwise, or conformance with building codes, or other governmental laws or regulations. Furthermore, none of the members of the Architectural Control Committee, any member of the Board of Directors, or Declarant shall be personally liable for debts contracted for or otherwise incurred by the Association or for any torts committed by or on behalf of the Association, or for a tort of another of such individuals, whether such other individuals were acting on behalf of the Association, the Architectural Control Committee, the Board of Directors, or otherwise. Finally, neither the Association, the Board, the Architectural Control Committee, Declarant or their officers, agents, members, or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, Improvements, or portion thereof, or for failure to repair or maintain the same.

4.17 Construction Period. Exception During the course of actual construction of any permitted structure or Improvement to Property, and provided construction is proceeding with due diligence, the Approval Entity may temporarily suspend certain provisions of this Declaration as to the Lot upon which the construction is taking place to the extent necessary to permit such construction; provided, however, that during the course of any such construction, nothing shall be done that will result in a violation of any of the provisions of this Declaration upon completion of construction or that will constitute a nuisance or unreasonable interference with the use and enjoyment of other property within the Property.

4.18 Gardens. No gardens may be larger than 10'x10' and gardens cannot be located between the front wall of home and street and shall not be visible from the street or adjoining lot.

ARTICLE V
CROWN POINT HOME OWNERS ASSOCIATION, INC.

5.1 Membership and Voting Rights. Every Owner of a Lot subject to assessment or waiver of assessment as provided below shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership for each Lot owned by an Owner, however each owner will have one membership for each Lot owned without limitation.

Each Owner is required at all times to provide the Association with proper mailing information defined as physical mailing for US Post office should it differ from the property address relative to ownership. Further, each Owner is required to render notice including phone, email, and address of tenant, if any, or agency, if any, involved in the management of said property. The Owner is required and obligated to maintain current information including Email address with the Association or its designated management company at all times. Correspondence of all types shall be delivered by Email unless regular mail is requested by the homeowner or Email specifically prohibited by action of

Law. If regular mail use is requested by a homeowner, or homeowners email address has not been provided they agree by this request or failure to provide that information that a service fee to cover expenses and recordkeeping as proscribed in the Fee and Fine Schedule on file with the county per letter shall be billed to the homeowner's maintenance account unless a greater amount is indicated elsewhere in this document. This shall specifically include the annual Notice of Assessment and its corresponding financial obligation. Owner agrees that should owner fail to maintain a correct registered mailing address with the Association that any and all mail sent to the incorrect on file address shall be deemed as received by the owner for all legal purposes.

5.2 The Association shall have three classes of voting membership:

Class A. Class A members shall be all Owners of Lots of any section that has been incorporated herein and impressed with maintenance fees with the exception of the Declarant, Builders or Commercial Owners and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant or its successors and assigns and Builders as described in 1.17. Class B members shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in Class B votes equal less than ten percent (10%) of the total authorized votes and this continues for 365 days: or
(b) January 1, 2040 unless extended by actions listed in this declaration.

Class C. The Class C member(s) shall be Commercial Owners as defined in 1.19 of lots of any section that has been incorporated herein. Class C member(s) shall be entitled to one (1) vote for each lot owned.

The Class A, Class B and Class C members shall have no rights as such to vote as a class, except as required by the Texas Non-Profit Corporation Act, the Articles of Incorporation or the Bylaws of the Association or as herein provided, and both classes shall vote upon all matters as one group. Notwithstanding the prior provisions of Section 5.2 above, each time additional property is made subject to the jurisdiction of the Association pursuant to a Supplemental Declaration such that Declarant or Builder owns more than ten percent (10%) of the total of all Lots, then Class B membership, this Section 5.2, and the Development Period as described in 1.12 shall be automatically reinstated for an additional 15 years, upon each occurrence.

5.3 Non-Profit Corporation. CROWN POINT HOME OWNERS ASSOCIATION, INC., a non-profit corporation has or will be organized; and it shall be governed by its Articles of Incorporation and Bylaws. All duties, obligations, benefits, liens, and rights hereunder in favor of the Association shall be vested in said corporation. The Association, by a majority vote of the Board of Directors of the Association, shall have the authority to borrow money for the purpose of making capital improvements on property owned by the Association or for any other purpose the Board deems appropriate.

5.4 Bylaws. The Association may make, establish, and amend such rules or bylaws as it chooses to govern the organization and administration of the Association, provided, however, that such rules or bylaws are not in conflict with the terms and provisions hereof. The right and power to alter, amend or repeal the bylaws of the Association, or to adopt new bylaws is expressly reserved by and delegated by the members of the Association to the Board of Directors of the Association.

5.5 Inspection of Records. The members of the Association shall have the right to inspect the books and records for the Association at reasonable times during normal business hours by appointment, at the published costs.

5.6 Turnover of Association Control to Members. Within 120 days of termination of the

Declarant's control over the Association pursuant to termination of the "Development Period" the Declarant shall hold a Transition Meeting with the membership. This meeting shall follow notice as required in this document or state law in effect at the time of the meeting and shall include the election of the initial non-Declarant Board of Directors.

Within 30 days of this Transition meeting the Declarant shall turn over to the newly elected Board of Directors of the Association all records of the Association, including Minutes, stormwater management history, and agreements. Declarant shall provide deeds to common areas if any, as defined by plat, insurance documents if any, and outstanding receivable and payable records. Declarant shall provide status of all suits pending, contemplated, and resolved.

Additionally, Declarant shall turn over ownership records and rosters, ACC records, and other related documentation. A formal transition of bank accounts shall remove the Declarant's name and signature or those of its employees or contractors from these accounts and place that of the elected officers of the association. This transition shall include all bank statements, and creation of a closing balance document for each account which must be signed by both the Declarant and the new Association President prior to turnover of the bank accounts.

The Declarant shall introduce by way of written correspondence the new Association President to any professionals currently employed by the Association to include property management, financial management, legal, stormwater and grounds maintenance companies.

5.7 Notice. Notice for regular meetings shall be by email and provide 7 days' notice. Budget meetings where increases are made to the annual budget will be public.

5.8 HOA Insolvency. In the event Home Owners association becomes insolvent or fails to maintain proper documentation and filings with the State of Texas, County, City, and any other political subdivision causing it to lose its authority to operate and transact business as a property owner's association in the State of Texas and such condition continues uncorrected for 60 days then the City or County shall have the right but is not obligated to enforce the deed restrictions and other matters. This right includes the authority to impose and collect maintenance fees and other necessary fees and assessments to further the upkeep of subdivision improvements.

5.9 HOA Reserves. The HOA shall be required to expend funds to maintain open areas, Common areas, recreational facilities, amenities, buildings, and drainage facilities of all types including but not limited to, Reserves, Ponds, Drainage Easements, Detention and Retention Facilities, and Structures, and shall have assessments sufficient to meet the necessary annual cost of improvements. A Reserve account shall be maintained and 15% of the annual assessment as a minimum of all maintenance fees collected during that year shall be transferred to this reserve account as soon as practical but in all cases within 120 days of the end of each calendar year. In no case will any single expense category, occurrence or event utilize more than 20% of the Reserve account. Expenses greater than this threshold shall require a special assessment to protect the association against shortages for future capital expenditures.

5.10 Enforcement. Any city, county, State, Federal or Political subdivision thereof with jurisdiction over the area of the subdivision shall have the right but not the obligation at any time to enforce the restrictions in addition to or in lieu of the HOA or Declarant.

ARTICLE VI
PROPERTY RIGHTS

6.1 Owner's Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area and common facilities, if any, which shall be appurtenant to and shall pass with the title to every Lot subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the

use of any recreational facility situated upon the Common Area.

(b) The right of the Association to suspend the voting rights and right to use the recreation facility by an Owner; to suspend any other service provided by the Association for an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for each infraction of its published rules and regulations, or breach of any provisions of the Declaration.

(c) The right of the Association to comply with changes to governing laws.

(d) The right of the Association to voluntarily dedicate or transfer all or any part of the Common Area owned by the Association, if any, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of the members agreeing to such dedication or transfer has been recorded in the Official Public Records of Real Property of Walker County, Texas; provided, however, the Board of Directors by majority vote of the Board is authorized and empowered to cause the dedication and conveyance of involuntary dedications or transfers, and the dedication and conveyance of road, drainage, and utility easements and easements for similar purposes without submitting such matter to a vote of the members, and to authorize any officer of the Association to execute the documents required for such dedication or conveyance.

(e) The right of the Association to collect and disburse those funds as set forth in Paragraph 7.1.

(f) The right of the Association, acting through the Board, to dedicate or transfer all or any part of the Common Area other than the granting of easements, shall be subject to the approval of sixty-seven percent (67%) of the votes of all Owners unless such action is order by a court of competent jurisdiction.

6.2 Delegation of Use. Any Owner may delegate in accordance with the Bylaws Owner's right of enjoyment to the Common Area and facilities, if any, to the members of the Owner's family, guests, tenants, or contract purchasers who occupy the residential dwelling of the Owner's Lot.

ARTICLE VII
MAINTENANCE ASSESSMENTS

7.1 Creation of the Lien and Personal Obligation of Assessments. The Declarant for each Lot owned within the subdivision hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed is deemed to covenant and agree to pay to the Association; (1) annual assessment or charges, and (2) special assessments for capital improvements, and (3) other charges assessed against an Owner and his Lot as provided in Sections 3.15, 4.12 and 8.2 and any other sections of this Declaration and/or modification of this Declaration, such assessments, and charges to be established and collected as herein provided. The annual and special assessments, as well as the other charges described in any sections including Sections 3.15, 4.12 and 8.2 and any other sections of this Declaration or additions to, together with interest, collection costs and reasonable attorney's fees, shall be a charge on the Lot and shall be secured by a continuing lien upon the Lot against which each such assessment is made. Each such assessment and other charges, together with interest, collection costs and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due, and the personal obligation for delinquent assessments shall not pass to subsequent Owners of the concerned Lot unless expressly assumed in writing.

7.2 Purpose of Assessments. Assessments levied by the Association on lots shall be held in an account by the Association for the use and benefit of the property owners in and such sections as may be later added provided the members of the new sections are required to

pay maintenance fees equal to or more than those required in original section.

Said funds shall be used to promote the recreation, health, safety, and welfare of the residents, including the mowing of unoccupied lots and the improvement, maintenance and management of the roads and any Common Area and Common Facilities of the Association as well as any esplanades or landscaped areas within street rights-of-way designated by the Declarant.

The responsibilities of the Association shall include, but not be limited to, the maintenance and repair of the Common Area and Common Facilities if any; constructing and maintaining parkways, green belts, detention areas, drainage facilities, rights-of-way, easements, esplanades, Common Areas, sidewalks, roads, walls, streets, bridges, paths, ponds, and other public areas; construction and operations of all streetlights; mail facilities, signage, insecticide services; purchase and/or operating and maintenance expenses of recreation areas, if any; payment of all legal and other expenses incurred in connection with the collection and enforcement of all charges, assessments, covenants, restrictions, and conditions established under this Declaration; payment of all reasonable and necessary expenses in connection with the collection and administration of the maintenance charges and assessments; employing police and/or security service, if desired; caring for vacant Lots and doing other things necessary or desirable in the opinion of the Declarant or Association Board to keep the Lots neat and in good order, or which is considered of general benefit to the Owners or occupants of the Lots and other items as solely determined by the declarant or Association Board.

It is understood that the judgment of the Declarant on the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith. All Lots in the Property shall commence to bear their applicable maintenance fund assessment simultaneously from the date of conveyance of the first Lot by Declarant and or the Builder to an Owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. Lots which are or at any time have been occupied, shall be subject to the annual assessment determined by the Board of Directors according to the provisions of Section 7.3.

The rate of assessment for any calendar year for any individual Lot will change within that calendar year as the character of ownership and the status of occupancy changes, however, once any Lot has become subject to assessment at the full rate, it shall not thereafter revert to assessment at the lower rate. The applicable assessment for each Lot shall be prorated for each calendar year according to the rate applicable for each type of ownership of the Lot during that calendar year.

7.3 Rate of Assessment. The current annual maintenance assessment is $366.00 per year in the base year 2024 with an automatic increase annually of 10% or the Consumer Price Index as defined in 1.14 whichever is greater hereinafter referred to as automatic increase. Property Owners that do not reside in the Subdivision or other areas annexed other than declarants or its assigns which hold property as investors within the Subdivision shall pay one full assessment for each lot owned without limitation. Builders and Declarant shall not pay any assessment.

(a) Annually, the Board of Directors of the Association with Declarant's consent (the "Board of Directors") shall fix the amount of the ensuing year's annual assessment (and the annual assessment for each subsequent calendar year) in excess of the automatic minimum increase at least thirty (30) days in advance of the annual assessment period, which shall begin on the first day of January 1 of each year. Written notice of the annual assessment shall be sent to every Owner subject thereto at the address of each Lot or at such other address provided to the Association in writing pursuant to Section 5.1 (a). Maintenance fees are due on January 1st of each year and considered delinquent if not received by January 31 of that year. If for any reason the Board of Directors fails to fix the annual assessment in excess of the annual minimum increase for any year by December 2 of the preceding year, it shall be deemed that the annual assessment for such year will be increased by the minimum automatic increase as defined above from the preceding

year, and such assessment shall continue to increase annually by the minimum automatic increase unless increased by more than this minimum by the Board of Directors or membership in accordance with the provisions herein.

(b) From and after January 1, the maximum annual assessment may be increased each year by a majority vote of the Board of Directors of the Association only to an amount which is not more than twenty percent (20%) above the maximum annual assessment for the previous year.

From and after January 1, of the year immediately following the conveyance of the first Lot to a resident Owner, the maximum annual assessment may be increased by more than twenty (20%) percent of the previous year's maximum annual assessment only if the increase is due to 1.14 or is approved by the affirmative vote of a majority of those members who are voting, in person or by proxy, at a meeting duly called for the purpose of considering such increase. Subject to the provisions of Section 7.5, the voting process for this action may also be managed by mail ballot as long as the ballots contain the name, property address, certification by the Secretary of the Association, alternate address of the member, if applicable, and the date and signature of the member. Ballots may be returned by U.S. mail in envelopes specifically marked as containing ballots for the special election or may be collected by door to door canvas. Upon levying of any increased assessment pursuant to the provisions of this Section 7.3, the Association shall cause to be recorded in the Official Public Records of Real Property of Walker County, Texas, a sworn and acknowledged affidavit of the President (or any Vice President) and of the Secretary of the Association which shall certify, among other items that may be appropriate, the total number of each class of members as of the date of the voting, the quorum required, the number of votes represented, the number of each class voting "for" and "against" the levy, the amount of the increased assessment and the date by which such increased assessment must be paid in order to avoid being delinquent. If the vote is conducted by mail or door to door canvas, the approval of two-thirds (2/3) of the total membership is required.

7.4 Special Assessment for Capital Improvements. In addition to the annual Assessments authorized above, the Board of Directors may levy, in any assessment year, a special assessment applicable to the current year only for the purpose of defraying, in ,whole or in part, the cost/of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided any such assessment shall have the approval of two-thirds (2/3) of the votes of those members who are voting in person or by proxy at a meeting duly called for this purpose. Likewise, subject to the provisions of Section 7.5, the voting process for this action may also be managed by mail ballot as long as the ballots contain the name, property address, certification by the Secretary of the Association, alternate address of the member, if applicable, and the date and signature of the member.

Ballots may be returned by U. S. mail in envelopes specifically marked as containing ballots for the special election or may be collected by door to door canvas. Upon the levying of any Special Assessment pursuant to the provisions of this Section 7.4, the Association shall cause to be recorded in the Real Property Records of the Walker County Clerk's Office a sworn and acknowledged affidavit of the President (or any Vice President) and of the Secretary of the Association which shall certify, among other items that may be appropriate, the total number of each class of members as of the date of the voting, the quorum required, the number of each class of votes represented, the number of each class voting "for" and "against" the levy, the amount of the special assessment authorized, and the date by which the special assessment must be paid in order to avoid being delinquent.

In the event a governmental agency with jurisdiction over the community requires a capital improvement, repair, or other action of which the cost exceeds 20% of the current reserve funds available, and entity makes the association or its management company aware of the regulation or requirement. Then the association must within 30 days (or sooner if required by the governmental agency) secure 3 bids for the scope of work as defined by the agency. Once the scope has been determined and a 20% contingency fee is added to the selected bid(s) this amount shall be divided by the total number of lots subject to assessment and the resulting prorated amount shall be assessed against each of those lots.

Payment shall be due within sixty (60) days unless a shorter period is required by the governmental agency. Upon completion of the work and full acceptance of the adequacy and compliance is made by the governmental agency, and there are no additional ongoing requirements imposed by the agency then any excess funds shall be refunded within 60 days of the full and final release by all contractors and acceptance by the governmental agency to the paying members on the same basis and proration as the assessment was made.

<u>IN THIS SITUATION NO VOTE SHALL BE REQUIRED</u>.

7.5 <u>Notice and Quorum for Action Authorized under Paragraphs 7.3 and 7.4</u>. Written notice of any meeting called for the purpose of taking any action authorized under Sections 7.3 and 7.4 shall be sent to all members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60) percent of all the votes of all membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. If the vote of the members is conducted by mail or door to door canvas, the approval of two-thirds (2/3) of the total membership is required.

7.6 <u>Effect of Nonpayment of Assessments.</u> Any assessment, annual or special, or other charges assessed in accordance with any section of this document including but not limited to Sections 3, 4.12, 7.1 and 8.2 and such other sections which impose now or in the future Assessments or fines not paid within thirty-one (31) days after its due date shall be subject to a $10.00 monthly service charge and bear interest from the due date at a rate of eighteen percent (18%) per annum on the unpaid balance or the maximum then allowed by law or such number as is included in the current Fee and Fine schedule on file with the County. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien herein retained against the Lot. Interest, costs, and reasonable attorney's fees incurred in any such action shall be added to the amount of such assessment or charge. In order to secure the payment of the assessments or charges hereby levied, a vendor's lien for the benefit of the Association shall be and is hereby reserved in the Deed from the Declarant to the purchaser of each Lot or portion thereof, which lien shall be enforceable through appropriate judicial proceedings by the Association. As additional security for the payment of the assessments hereby levied, each Owner of a Lot in the subdivision, by such party's acceptance of a deed thereto, hereby grants the Association a lien on such Lot which may be foreclosed on by judicial or non-judicial foreclosure and pursuant to the provisions of Section 209.0092 of the Texas Property Code (and any successor statute); or such other statues as are then applicable and each such Owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with judicial foreclosure pursuant to the provisions of said Section 209.0092 of the Texas Property Code (and any successor statute) 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 a written instrument executed by the President or any Vice President of the Association and filed for record in the Real Property Records of Walker County, Texas.

In the event that the Association has determined to judicially foreclose the lien provided herein pursuant to the provisions of said Section 209.0092 of the Texas Property Code (and any successor statute) and to exercise the power of sale hereby granted, the Association shall mail to the defaulting Owner a copy of the Notice of Trustee's Sale not less than twenty-one (21) days prior to the date on which said sale is scheduled by posting such notice through the U. S. Postal Service, postage prepaid, registered or certified, return receipt requested, properly addressed to such Owner at the last known address of such Owner according to the records of the Association. If required by law, the Association or Trustee shall also cause a copy of the Notice of Trustee's Sale to be recorded in the Real Property Records of Walker County, Texas. Out of the proceeds of such sale, there shall first be paid all expenses incurred by the Association in connection with such default, including, reasonable attorney's fees and reasonable trustee's fee; second, from such

proceeds there shall be paid to the Association 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 addition to foreclosing the lien hereby retained, in the event of nonpayment by any Owner, of such Owner's portion of any assessment, the Association may, acting through the Board, upon ten (10) days' prior written notice thereof to such nonpaying Owner, in addition to all other rights and remedies available at law or otherwise, restrict the right of such nonpaying Owner to use the Common Areas, if any, in such manner as the Association, deems fit or appropriate and/or suspend the voting rights of such nonpaying Owner so long as such default exists.

It is the intent of the provisions of this Section 7.6 to comply with the provisions of Section 209.0092 of the Texas Property Code or such other statues as are then applicable relating to judicial and non-Judicial sales by power of sale and, in the event of the amendment of said Section 209.0092 of the Texas Property Code hereafter or such other statues as are then applicable, the President or any Vice President of the Association, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration filed in the Real Property Records of Walker County, Texas, amend the provisions hereof so as to comply with said amendments to Section 209.0092 of the Texas Property Code.

No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of its Lot. In addition to the above rights, the Association shall have the right to refuse to provide the services of the Association to any Owner who is delinquent in the payment of the above-described assessments.

7.7 Subordination of the Lien to Mortgages. As hereinabove provided, the title to each Lot shall be subject to a vendor's lien and power of sale judicial foreclosure securing the; payment of all assessments and charges due the Association but said vendor's lien and power of sale and judicial foreclosure shall be subordinate to any valid purchase money lien or mortgage covering a Lot and any valid lien securing the cost of construction of home improvements. Sale or transfer of any Lot shall not affect said vendor's lien or power of sale and judicial foreclosure. However, the sale or transfer of any Lot which is subject to any valid purchase money lien or mortgage pursuant to a judicial foreclosure under such lien or mortgage shall extinguish the vendor's lien and power of sale foreclosure securing such assessment or charge only as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot or the Owner thereof from liability for any charges or assessments thereafter becoming due or from the lien thereof. In addition to the automatic subordination provided hereinabove, the Association, in the discretion of the Board of Directors, may subordinate the lien securing any assessment provided for herein to any other mortgage, lien or encumbrance, subject to such limitations, if any, as such Board may determine.

7.8 Future Sections. The Association shall use the proceeds of the assessments for the use and benefit of all residents of the Property, provided, however, that any additional property made a part of the Property by annexation under Section 8.7 of this Declaration, to be entitled to the benefit of this maintenance fund, must be impressed with and subjected to the annual maintenance charge and assessment on a uniform per Lot basis equivalent to the maintenance charge and assessment imposed hereby, and further, made subject to the jurisdiction or the Association.

THE CROWN POINT SUBDIVISION IS NOT LOCATED IN A PUBLIC IMPROVEMENT DISTRICT, COMMONLY REFERRED TO AS A "PID." THE RESIDENTS ARE NOT SUBJECT TO PAYMENT OF THE ANNUAL DISTRICT ASSESSMENTS.

ARTICLE VIII

GENERAL PROVISIONS

8.1 Term. The covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association or the Owner of any land subject to this Declaration or any Supplemental Declaration, their respective legal representatives, heirs, successors, and assigns, for an initial term of twenty (20) years from the date these covenants are recorded or amended. During such initial term, the covenants and restrictions of this Declaration may be changed or terminated only by an affirmative vote of not less than sixty-seven (67%) percent of all the Lots within the Property, so long as Class C ownership does not exceed thirty percent (30%). If Class C ownership exceeds thirty percent (30%) then it will take an affirmative vote of seventy-five percent (75%) of the membership to amend or terminate these Declarations. If Class C ownership is fifty percent (50%) or greater then these Declarations may be changed or terminated by an affirmative vote of not less than eighty percent (80%). The amendment or termination shall not be valid until properly recorded in the Official Public Records of Real Property of Walker County, Texas and any and all court stays have been removed if any.

However, notwithstanding the above language during the Development Period, the Declarant shall have the right and authority to change, modify, terminate, and reinstate the covenants and restrictions of this Declaration. Upon the expiration of such initial term, unless terminated as below provided, said covenants and restrictions (as changed, if changed), and the enforcement rights relative thereto, shall be automatically extended for successive periods of ten (10) years each. At any time during the initial term above stated and at any time during any such ten (10) year automatic extension period, the covenants and restrictions of this Declaration may be changed or terminated only by an instrument signed by the Declarant or the then Owners of not less than sixty-seven (67%) percent so long as Class C ownership does not exceed thirty percent (30%). If Class C ownership exceeds thirty percent (30%) then it will take an affirmative vote of seventy-five percent (75%) of the membership to amend or terminate these Declarations. If Class C ownership is fifty percent (50%) or greater then these Declarations may be changed or terminated by an affirmative vote of not less than eighty percent (80%) of all the Lots in the Property and properly recorded in the Official Public Records of Real Property of Walker County, Texas.

In addition, Declarant shall have the right at any time and from time-to-time, without the joinder or consent of any other party, to amend this Declaration by an instrument in writing duly signed, acknowledged, and filed for record in Walker County, Texas, for the purpose of correcting any typographical or grammatical error, ambiguity, technical correction, to provide the original intent if another interpretation is proposed by another party, error or inconsistency appearing herein, insertion or modification of the terms and requirements, or for the purpose of complying with any statute, regulation, ordinance, resolution, or order of the Federal Housing Administration (the "FHA"), the Veterans Administration (the "VA"), or any federal, state, county, or municipal governing body, or any agency or department thereof; provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and any Supplemental Declaration taken collectively and shall not impair or effect the vested rights of any Owner or mortgagee.

8.2 Enforcement. The Association, Declarant, any Owner, a City, County, State, or Federal Government with jurisdiction, and their respective successors and assigns, shall have the right to enforce by a proceeding at law or in equity all easements, restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration and in connection therewith, shall be entitled to recover all reasonable collection costs and attorney's fees. Failure by the Association or by any other person entitled to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter. It is hereby stipulated that the failure or refusal of any Owner or any occupant of a Lot to comply with the terms and provisions hereof would result in irreparable harm to other Owners, to Declarant and to the Association. Thus, the covenants, conditions, restrictions, and provisions of this Declaration may not only be enforced by an action for damages at law, but also may be enforced by injunctive or other equitable relief (i.e., restraining orders and/or injunctions) by any court of competent jurisdiction, upon the proof of the existence of any violation or any attempted or threatened violation. Any exercise of discretionary authority by the Association concerning a covenant created by

this Declaration is presumed reasonable unless the court determines by a preponderance of the evidence the exercise of discretionary authority was arbitrary; capricious or inconsistent with the scheme of the development (i.e., the architectural approval or disapproval for similar renovations relative to a given location within the Property).

The Association on its own behalf or through the efforts of its management company may initiate, defend, or intervene in litigation or any administrative proceeding affecting the enforcement of a covenant created by this instrument or for the protection, preservation or operation of the Property covered by this Declaration. Notification will be deemed to have been given upon deposit of a letter in the U. S. mail addressed to the Owner alleged to be in violation. Any cost that has accrued to the Association pursuant to this Section shall be secured and collectable in the same manner as established herein for the security and collection of annual assessments as provided in Article VII.

8.3 Severability. Invalidation of any one of these covenants by judgment or other court order shall in no way affect any of the other provisions which shall remain in full force and effect.

8.4 Intention. It is further specifically the intention of the membership that acceptance and approval of the Declaration of these declaration of covenants conditions and restrictions of CROWN POINT, shall also comply with the provisions for amendment as provided. It is anticipated there will be additional sections to the community, and they will be added to and subject to these restrictions.

8.5 Interpretation. If this Declaration or any word, clause, sentence, paragraph, or other part thereof shall be susceptible of more than one or conflicting interpretations, then the interpretation which is most nearly in accordance with the general purposes and objectives of this Declaration shall govern.

8.6 Omissions. If any punctuation, word, clause, sentence, or provision necessary to give meaning, validity or effect to any other word, clause, sentence, or provision appearing in this Declaration shall be omitted here from, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence, or provision shall be supplied by inference.

8.7 Annexation. Additional residential property and "Common Area" maybe annexed to the Properties: With the consent of two-thirds (2/3) of each Class of Members:

(a) Notwithstanding anything contained in (a) above, additional land representing future sections or phases of CROWN POINT may be annexed from time to time by the Declarant, its successors, or assigns, without the consent of other Owners, or their mortgagees.

(b) Existing sections may be modified, re-platted and made into new sections with the same or different restrictions by Declarant at its sole discretion.

(c) The annexation, replat, or addition may be accomplished by the execution and filing for record in the Real Property Records of Walker County, Texas by the owner of the property being added or annexed, of an instrument which may be called "Supplemental Declaration" or other notice of Annexation. Each such instrument evidencing the annexation of additional property shall describe the portion of the property comprising the Lots and Common Area, if any. Such "Supplemental Declaration" or other notice of Annexation may contain such other provisions which are different provided they are not wholly inconsistent with the provisions of this Declaration of Covenants, Conditions and Restrictions or the general scheme or plan of CROWN POINT as a residential development. Nothing in this Declaration shall be construed to represent or imply that Declarant, its successors, or assigns, are under any obligation to add or annex additional property to this residential development.

(d) At such time as the "Supplemental Declaration" or other notice of Annexation is filed for record as hereinabove provided, the annexation shall be deemed accomplished and the annexed area shall be a part of the properties and subject to

each and all of the provisions of this Declaration of Covenants, Conditions and Restrictions and to the jurisdiction of the Association in the same manner and with the same force and effect as if such annexed property had been originally included in this Declaration of Covenants, Conditions and Restrictions as part of the original development.

(e) After additions or annexations are made to the development, all assessments collected by the Association from the Owners in the annexed areas shall be commingled with the assessments collected from all other Owners so that there shall be a common maintenance for the Properties.

Declarant specifically reserves the right and authority to impose an assessment on Lots in any areas annexed to the development in excess of the annual assessments then currently being imposed upon existing Lots in the Association. Any and all such additional assessments over and above said amount shall be expressly reserved to and for the use of the newly annexed area.

EFFECTIVE the 1st Day of May, 2024.

EXECUTED this 22nd Day of May, 2024.

Waterstone Development Group, LLC, a Texas Limited Liability Company,

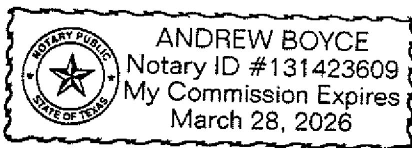
BY:________________________________
Charles Von Schmidt, President Managing Member

THE STATE OF TEXAS §
COUNTY OF POLK §

BEFORE ME the undersigned authority, on this day personally appeared CHARLES VON SCHMIDT, proved to me to be the person whose name is subscribed to the foregoing instrument, as the President Managing Member of Waterstone Development Group, LLC, a Texas limited Liability company and acknowledged to me that he executed the same for the purposes and consideration therein expressed, on behalf of and as deed of said limited liability company.

Given under my hand and seal of office this 22 day of May, 2024.

____
Notary Public, State of Texas



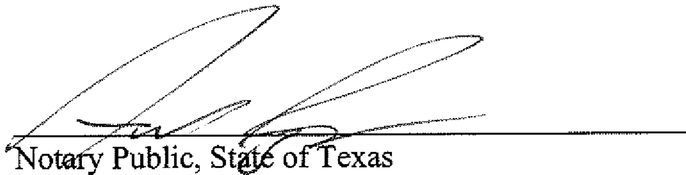
Waterstone Opportunity Fund, LLC, a Texas Limited Liability Company,

BY:________________________________
Charles Von Schmidt, President Managing Member

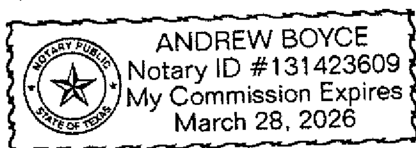
THE STATE OF TEXAS §
COUNTY OF POLK §

BEFORE ME the undersigned authority, on this day personally appeared CHARLES VON SCHMIDT, proved to me to be the person whose name is subscribed to the foregoing instrument, as the President Managing Member of Waterstone Opportunity Fund, LLC, a Texas limited liability company and acknowledged to me that he executed the same for the purposes and consideration therein expressed, on behalf of and as deed of said limited liability company.

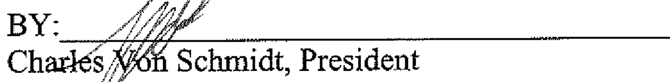
Given under my hand and seal of office this 24 day of May, 2024.



Notary Public, State of Texas



Crown Point Home Owners Association, Inc., a Texas nonprofit corporation

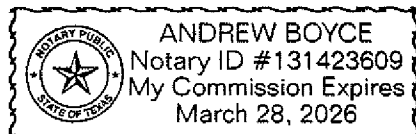


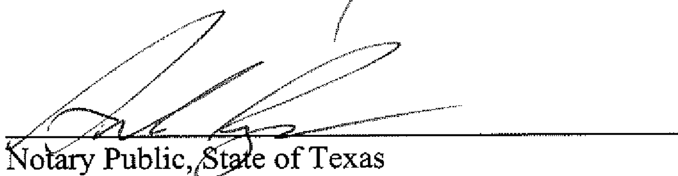
BY:________________________________
Charles Von Schmidt, President

THE STATE OF TEXAS §
COUNTY OF POLK §

BEFORE ME the undersigned authority, on this day personally appeared CHARLES VON SCHMIDT, proved to me to be the person whose name is subscribed to the foregoing instrument, as the President of Crown Point Home Owners Association, Inc., a Texas nonprofit corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, on behalf of and as deed of said limited liability company.

Given under my hand and seal of office this 22 day of May, 2024.





Notary Public, State of Texas

AFTER RECORDING RETURN TO

Waterstone Development Group, LLC
185 Cedar Point Drive
Livingston, Texas 77351
Crocket