

Section 9. "Improvement" or "Improvements" shall mean and refer to all structures or other Improvements to any portion of the Property, whether above or below grade, including, but not limited to, buildings, tennis courts, recreation area, utility installations, storage, loading and parking facilities, walkways, driveways, landscaping, signs, site lighting, side grading, and any exterior additions including any changes or alterations thereto.

II. PROPERTY

USE

All lots in the Subdivision (excluding Common Area(s)) shall be used for single-family residential purposes only. No owner shall occupy or use his lot or any improvements constructed thereon, or permit the same or any part thereof to be occupied or used for any purpose other than as a private residence for the owner, his family, guests and tenants. Except for simple home offices (not involving visitation at the residence by clients, customers or employees), no business may be operated out of a residence, whether profit or non-profit.

III. PROPERTY

RIGHTS

Section 1. Owner's Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to Common Area, 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 fees for the repair and maintenance of the Common Area, collect all dues, fines and/or other fees of any sort noted in these restrictions and enforce collection of any such monies in accordance with any and/or all terms, conditions or rights set forth within these restrictions.
- (b) the right of the Association to suspend the voting rights of an Owner for any period of time during which any assessment against his Lot remains unpaid;
- (c) the right of the Association to suspend the voting rights of any Owner during any period of time in which an infraction of any of the rules and regulations herein has taken place, and to uphold such suspension for up to 60 days after said Owner's cure;
- (d) the right of the Association to enforce any and all rules and regulations which are a part of these restrictions; and
- (e) the right of the Architectural Control Committee to enforce any and all rules, restrictions and/or regulations which are a part of these restrictions, along with the right to grant variances from such rules, restrictions and/or regulations.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area facilities to the members of his family, his tenants, or contract purchasers who reside on his Lot.

Section 3. Title to and Obligations Regarding Common Area. Notwithstanding any provisions to the contrary, Declarant may retain the legal right to any Common Area until such time as it has completed improvements thereon and all necessary inspections by the applicable Contractor, Engineer, Utility Companies and/or the City, County or any other applicable inspecting body have been satisfied **OR** until such time as, in the opinion of the Declarant and at its sole discretion, the Association are able to maintain the same. In this regard, unless otherwise provided herein, the Declarant hereby covenants for itself, its successors and assigns that title to the Common Area will then be conveyed to the Association at no cost (unless otherwise stated herein), at which time the Association shall then automatically assume responsibility for all obligations of Declarant relating to their respective portion of the Common Area. In addition, at the time of this conveyance, all construction warranties, if any, shall also be automatically transferred to the Association relating to the improvements forming a part of the Association shall indemnify and hold Declarant harmless from any expenses and/or damages of any kind associated with any and all repairs or damage to roads, utilities (water, gas, electric) and any other Common Area improvements, with the Association (and each Owner) agreeing to contract and deal directly with the applicable third party (contractor, engineer, utility company, county or the City of San Antonio) to remedy such repairs and damages.

In connection with any conveyance of any Common Area from the Declarant to the Association, as set forth in these restrictions, the Association shall take responsibility for the ownership and maintenance of any controlled access gates or other elements restricting access to the Subdivision (the "Controlled Access Elements"). Notwithstanding such conveyance, Declarant shall retain full and complete control of the operations of any such Controlled Access Elements regulating access to the Subdivision; it being understood that Declarant shall have the right to maintain control of the Controlled Access Elements and regulate access to the Subdivision as Declarant deems appropriate in Declarant's sole discretion until the earlier of the following: (1) the Subdivision is completely built out, with all lots having been conveyed to third parties and developed by completing construction of a residence thereon; or (2) Declarant specifically conveys control of the Controlled Access Elements over to the Association in writing.

Until title to the Common Areas has been conveyed to the Association by the Declarant, Declarant shall be entitled to exercise all rights and privileges relating to such Areas granted to the Association in this Declaration. Title to any portion of the Area may be dedicated to a governmental entity by the Declarant or the Association and title shall thereafter remain in such governmental entity.

Section 4. Indemnification. The Association shall at all times from and after any turnovers of common area and/or management of the Association indemnify and hold Declarant harmless from any and all liability associated with any and all claims or damages of every kind arising out of the operations of the Properties or the Association. Additionally, Declarant may not be held liable in any way in its role in enforcing or failing to enforce any of the conditions of these restrictions, in protecting its rights or in carrying out any of its duties or obligations. This indemnification shall include the Association payment of any and all expenses including the payment of any and all legal expenses, court costs, all costs associated with the protection of Declarant in any legal actions or proceedings or any other action of any kind. Declarant shall be shown as an additional insured on a liability insurance policy (provided by the Association), which shall be in a form acceptable to Declarant and shall be maintained at the Association's expense.

Section 5. Assignment By Declarant. Declarant shall have full right and authority to sell or assign all or part of its rights, duties and obligations under these restrictions in conjunction with a sale of any and/or all of its unsold lots and/or acreage within the Subdivision, and, upon any such action, Declarant shall have no further obligation or liability, implied or otherwise, hereunder.

IV. THE GARDENS AT GREYSTONE OWNERS' ASSOCIATION AND

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Membership and Voting. Declarant shall take all steps necessary to create the Association to which Association the Declarant may assign or delegate on a permanent or temporary basis one or more of the rights, powers, obligations and duties of the Declarant under these restrictions. Every Owner of a Lot within the Properties shall be a member of the Association.

The Association shall have two classes of voting membership:

Class A: Class A members shall be all owners of lots with a dwelling thereon, with the exception of the Declarant, and shall be entitled to one vote for each lot owned. When more than one person owns an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any one lot hereunder.

Class B: All lots owned by Declarant. Declarant shall be entitled to four (4) votes for each developed lot.

Section 2. Turnover. At any time after commencement of operations of the Association, at Declarant's sole discretion, the Owners may be required to take over the management of the Association and relieve Declarant of all duties associated therewith. Upon such "Turnover" by the Declarant, the Owners within the Subdivision will be required to choose their own Board of Directors to represent them and to manage the Association in accordance with the terms and conditions of these restrictions and to establish any and all bylaws, procedures and other management devices by which the Association shall operate. Any Board Members/Directors must be Owners within the Subdivision.

Notwithstanding anything to the contrary, until such "Turnover" has taken place, Declarant shall exercise all authority and perform all duties of the Association, the management of the Association shall be by Declarant and its staff, and any expenses incurred in such management shall be reimbursed to Declarant by the Association. Said reimbursable expenses shall include the cost of Declarant's staff for the time spent in the management thereof of this Association. From and after the time of such turnover, the Association shall indemnify and hold Declarant harmless from and against any and all claims or damages of every kind, arising out of the development and operations of the Properties or the Association.

Section 3. Personal Obligation and Lien Rights Associated with Collection of Dues and Assessments. Each Lot owner, by acceptance of a deed, whether or not it shall be so expressed in such deed, is deemed to agree to pay to the Association regular annual assessments and all other Association dues, fees, fines, assessments or charges of any kind, including special assessments, which may be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, 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. The personal obligation for delinquent assessments shall not pass to any successors or assigns in title unless specially assumed by them.

Section 4. Purpose of Assessments. The assessments levied by the Association shall be used to promote the recreation, health, safety, and welfare of the residents and/or owners of the Properties and for the improvement and maintenance of the Common Area. These expenses may include, but shall not necessarily be limited to, payment of taxes and insurance, construction, repair or replacement of improvements to the Common Area, cost of trash and debris clean-up, street and lot cleaning, cost of professional or other outside services, and labor, equipment, materials, outside management and supervision necessary to carry out its authorized functions. Additionally, any other expenses which, in Declarant's sole discretion, are deemed necessary to uphold the Subdivision's property values and/or are for the overall betterment of the development and its appearance, shall be the responsibility of the Association and shall be paid out of assessments including, but not necessarily limited to, cost of controlled access, lot cleaning, general maintenance and road cleaning.

Section 5. Initial Annual Assessment. Until adjusted pursuant to the terms as noted in this document, the maximum Annual Assessments for lots in the Subdivision shall be initially as follows:

- *Class A: \$ 750 per individual lot
- *Class B: \$ 0 per individual lot

- (a) From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased each year not more than 15% above the maximum assessment for the previous year without a vote of the membership.
- (b) From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased above 15% by a vote of two-thirds (2/3) of the members who are voting in person or by proxy at a meeting duly called for this purpose.
- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.
- (d) In no event will Class B assessments stated above be altered or adjusted.

Section 6. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that 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 that any such assessment shall have the assent of two-thirds (2/3) of the total votes of members who are voting in person or by proxy at a meeting duly called for this purpose.

THE INITIAL SPECIAL ASSESSMENT TO ESTABLISH A CAPITAL ACCOUNT FOR THE ASSOCIATION (NOT SUBJECT TO A VOTE OF THE MEMBERSHIP), SHALL BE \$500.00 AND SHALL BE DUE AND PAYABLE BY THE BUYER AT THE INITIAL CLOSING OF EACH LOT, IN ADDITION TO ANY CONTRACTED PURCHASE PRICE.

Section 7. Notice and Quorum for any Action Authorized Under Sections 5 and 6. Written notice of any meeting called for the purpose of taking any action authorized under Section 5 or 6 above shall be sent to all members not less than 30 days nor more than 60 days in advance of any meeting. At the first such meeting called, the presence of members or proxies entitled to cast sixty percent (60%) of all the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called by 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 60 days following the preceding meeting.

Section 8. Uniform Rate of Assessment. Any and all dues of the Association or special assessments must be fixed at a uniform rate for all lots and may be collected on a semi-annual or monthly basis in lieu of annually by a majority vote of the Board of Directors, or by Declarant at its sole discretion. In this regard, wherever the term "annual(ly)" is referred to in these restrictions pertaining to the Association dues or special assessments, it shall be construed to mean "monthly" or "semi-annually", as the case may be whenever the above event occurs.

Section 9. Date of Commencement of the Annual Assessments. The annual assessments for any particular Lot, by the Association provided for herein shall commence on the date of the initial closing of each lot and shall be due each annual billing date thereafter.

For billing purposes, the annual assessment period will be the **1st** day of each January and shall commence as to each portion of the property on the first day of the month following the time of commencement, as noted above, and shall be prorated accordingly with all dues payable in advance at the closing (or by billing if Lot already sold) up to the time of the next future billing. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto.

The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Notwithstanding any other terms or conditions set forth in these restrictions, any expenses which are incurred by Declarant prior to the establishment of the Association, or prior to sufficient income being received from assessment billings, and which would normally be the responsibility of the Association, shall be reimbursed to Declarant from proceeds of the Association as funds become available from dues and assessments, but, in any case not later than 1 year after the time of establishment of the Association and/or the expense was incurred.

Section 10. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the highest legal rate. The Owners' Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against such Owner's Lot. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. The sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a mortgage foreclosure shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 12. Exempt Property. All Common Areas and other portions of the Properties, if any, which are dedicated to public authorities, shall be exempt from Assessment.

Section 13. Option to Cure. Declarant, or the Association, has the option, but not the obligation to perform any action required of any owner by these restrictions. In the event that Declarant or the Association elects to do so, all sums incurred by the Declarant or the Association in performing the required action shall be charged against the Owner and if not paid within thirty (30) days after it is due said sums shall bear interest at the highest legal rate and shall be secured by a lien (the same as if said sums were dues and/or assessments) on all Lot(s) owned by said Owner. The Declarant or the Association may bring an action at law against the Owner of the lot subject to the assessment for payment thereof and/or bring an action to foreclose the lien which secures the assessment.

V. TRASH

REMOVAL

After Turnover, all lots must be cleaned of all debris/trash or waste material by 5 p.m. on every Friday. Each lot owner is responsible for such lot maintenance regardless of how the material arrived on the lot. The Owner will be fined no less than \$100 and the cost of trash removal per lot each time the lot is not cleaned and requires action by the Declarant and/or the Association. After one written notice of a violation is given to the Owner, the Declarant or the Association may proceed to enforce this requirement which will include the authority to take action to have the lot cleaned or mowed and levy said fine. Charges for such services and fines shall be a charge on the land and shall be a continuing lien upon the property against which each such charge or fine is made. Each such charge or fine shall also be the personal obligation of the person who was the owner of such property at the time when the charge or fine was made. Likewise, no debris/trash, firewood, mulch, compost or other materials may be stored by owners on Common Area adjacent to any lot and any lot owner violating this provision will be subject to the same fines as set forth above.

Unless provided by City or Government services, the Association shall provide trash removal service for detached single-family residences only and the assessments for each Owner shall take into account the trash removal service provided to such Owners.

VI. ARCHITECTURAL

CONTROL

Section 1. Architectural Control Committee. After Turnover, in order to continue to protect the overall integrity of the development as well as the value of improvements of all property owners within the Subdivision, a committee of representatives designated as the Architectural Control Committee (hereinafter referred to as the "Committee"), shall be established to carry out all duties as noted herein with full authority to approve/disapprove and control all remodeling or additional "post build-out construction, improvement activities of any kind (including, without limitation, structures, hardscape and landscape) within the Subdivision and to insure that all such activities are properly constructed in accordance with good workmanship like manners and standard industry trade practices and to insure that all improvements are architecturally, aesthetically and ecologically designed to be compatible with Declarant's conceptual plan for the overall Subdivision as noted herein and/or as decided by the Committee.

In this regard, after Turnover, no additional building, fence, house, garage, outbuildings, construction or other structure of any kind shall be erected, placed, constructed or altered and no landscaping or hardscape shall be installed on any lot in the Subdivision, nor shall **any** clearing or site work (including, specifically the removal of trees or any other vegetation) be commenced, until a complete set of plans and specifications shall have been formally submitted to the Committee with a written request for their approval and the Committee's written approval thereof received. Persons intending to submit plans for approval of the Committee are encouraged to submit preliminary or conceptual plans for committee review and comments prior to final plan submittal (pre-submittal conferences are also encouraged).

The Committee may disapprove the construction or design of any improvement, including the removal of any trees or other natural vegetation, on purely aesthetic grounds where, in its sole judgment, such disapproval is required to protect the continuity of design or value of the Property or to preserve the serenity and natural beauty of any surroundings. The Committee shall have the express authority to grant variances from the restrictions set forth in this Declaration. Prior variances, approvals and/or disapprovals of the Committee pertaining to any improvement activities or regarding aesthetics shall not be deemed binding upon the Committee for later and/or future requests for approval if the Committee feels that the repetition of such matters will have an adverse effect on the Property. The Committee shall have the express authority to perform fact-finding functions hereunder and shall have the power to construe and interpret any covenant herein that may be vague, indefinite, uncertain or capable of more than one construction.

The Committee shall have the power to employ professional consultants at the expense of the Association to assist it in discharging its duties. The decision of the Committee shall be final, conclusive and binding upon the applicant. The Committee shall not be entitled to any compensation for services rendered pursuant to this covenant with the exception of outside consultants, whose services will be paid for in accordance with these restrictions as an expense to the Association.

Members of the Committee and their representatives shall not be liable to any person (including members, property owners, builders, homeowners, and/or the Association) subject to or possessing or claiming the benefits of these restrictive covenants for any damage or injury to property or for damage or loss arising out of their acts hereunder. Further, all members, property owners, builders, homeowners and the Association shall indemnify and hold the committee members harmless from any expenses and/or damages associated with actions of any kind which may be brought against said committee members as a result of the carrying out of their duties as noted herein. Said indemnification shall include paying for legal counsel and any and all other expenses and/or damages associated therewith. Payment of all such expenses shall be provided through the Association.

Section 2. Transfer of Authority to the Association. The Declarant shall act as the Committee prior to Turnover, but may, in Declarant's sole discretion, waive any of the above-described procedural or review requirements. The duties, rights, powers and authority of the Committee may be assigned at any time, at or prior to Turnover, at the option and sole discretion of Declarant, to the Board of Directors of the Association. From and after the date of such assignment, the Board of Directors of the Association shall have full right, authority and power, and shall be obligated to perform the functions of the Committee as provided herein, including the right to set the number and terms of Committee members and designate, appoint or remove a representative or representatives to act for it.

VII. SIZE OF

DWELLING

The minimum total floor area of Dwellings, exclusive of open porches, breezeways, carports, garages and other outbuildings, shall be 1600 square feet, if one story and 1800 square feet, if more than one story and no dwelling shall exceed two (2) stories or a maximum of forty (40) feet in height as measured from the finished floor level of the ground floor to the ridge of the roof above said floor.

VIII. OUTBUILDING

REQUIREMENTS

Every outbuilding, inclusive of such structures as a storage building, greenhouse or children's playhouse, shall be compatible with the dwelling to which it is appurtenant in terms of its design and material composition. All such buildings shall be subject to approval of the Committee. In no instance shall an outbuilding exceed the height of the main residence or be located closer to the street than the main residence, unless approved by the Committee.

IX. MASONRY

REQUIREMENTS

The exterior walls of all residential buildings shall be composed of at least eighty percent (80%) masonry or masonry veneer. The minimum masonry percentage shall apply to the aggregate area of all exterior walls including chimneys but, exclusive of door, window and similar openings. Masonry or masonry veneer includes stucco, ceramic tile, clay, brick, rock, and all other materials commonly referred to in the San Antonio, Bexar County, Texas, area as masonry. Notwithstanding the foregoing, the Committee is empowered to waive this restriction if, in its sole discretion, such waiver is advisable in order to accommodate a unique or advanced building concept, design, or material, and the resulting structure will not detract from the general appearance of the neighborhood. The sidewall of each home on a corner lot that faces a side street will be designed to create an attractive appearance that is comparable to its front elevation in terms of use of architectural trim and decor, windows, doors and other relief areas. In no instance shall more than eighteen (18) inches of slab be exposed above finished grade as viewed from any street right-of-way or other common area. Planter boxes are encouraged as an integral part of a landscape plan as a means of covering exposed slab areas as would otherwise be viewed from the street right-of-way.

X.

FENCES AND LIGHT POLES

Section 1. Fences. Except for fences along the front of each lot, side fencing on corner lots and any perimeter fencing installed by Declarant (the "Perimeter Fencing"), all fences within the Subdivision shall be of the following composition:

- (1) all masonry; or
- (2) all wrought iron or steel; or
- (3) any combination of wrought iron and masonry; or
- (4) a combination of masonry and cedar; or
- (5) all cedar; or
- (6) steel matching the initially constructed Perimeter Fencing.

No cedar fence may be built facing the front or side streets without approval by the Committee. No fence, wall, or hedge shall be built forward of the setback line. No fence, wall, or hedge may be higher than six (6) feet. Owners shall be responsible for maintaining any portion of the cedar or steel Perimeter Fencing adjoining their property and shall share equally in the cost of maintaining or repairing any fence constructed between two lots.

Hedges may not be installed or maintained forward of the front wall line of the main structure except as part of the landscape plan in conjunction with decorative walls or fences which are part of the architectural design of the main structure.

Notwithstanding the foregoing, the Committee is empowered to waive the aforesaid composition requirements for fences and the aforesaid height or set-back limitation in connection with retaining walls and decorative walls if, in its sole discretion, such waiver is advisable in order to accommodate a unique, attractive or advanced building concept design or material and the resulting fence, decorative wall and/or retaining wall (whichever is applicable) will not detract from the general appearance of the neighborhood. No chain-link fences may be built or maintained on any lot.

No fence, wall, or hedge or shrub planting which obstructs sight lines shall be placed or permitted to remain on any corner lot within the area as designated by the City of San Antonio Code. No tree shall be permitted to remain within such distance of such intersections, unless the foliage is maintained at sufficient height to prevent obstruction of such sight lines.

Section 2. Light Poles. Exterior front light poles/fixtures will be provided and installed by Declarant. Thereafter, Owner of the designated lot shall have the duty and responsibility to maintain and pay for power thereto with the Association's remedy for non-compliance being the same as for a non-payment of Association assessments. Further, being responsible for the maintenance of the power for the light pole, such Owner shall hold Declarant and the Association harmless from any action that would arise from and as a result of the light pole and/or electrical service being located on his/her property as previously set forth in these restrictions.

Service and maintenance of the light pole/fixture will be the responsibility of the Association. It is agreed that any Owner providing power to a light pole/fixture may deduct Sixty Dollars (\$60.00) from each annual Association dues assessment of which the amount may be adjusted in time if electrical rates rise causing this amount to be insufficient.

XI. TEMPORARY

STRUCTURES

No structure of a temporary character, such as a trailer, mobile home, manufactured home, tent, shack, garage, barn dog house, greenhouse, gazebo, playhouse, lawn maintenance equipment storage shed or other outbuilding shall be used on any lot at any time as a residence, either temporarily or permanently. In the event application of the above restriction regarding temporary buildings is specifically waived in writing by the Committee, any such approved temporary structure must be placed on a lot so as to not be visible from any street adjacent to such lot. No trailer, camper, recreational vehicle, or similar vehicle shall at any time be connected to utilities situated within a lot. No dwelling previously constructed elsewhere may be moved on any lot in the Subdivision controlled by these covenants. This covenant specifically prohibits the use of a mobile home or manufactured home in which the axle and wheels have been removed and placed upon a concrete slab or left attached, which said mobile home or manufactured home is hereby specifically prohibited as a residence, either temporarily or permanently. A portable building may be permitted for use as a builder's Sales Office (subject to approval of the Committee), however, any such building or structure must be removed within 6 months of start of construction of any building or structure on any adjacent lot.

XII.

SIGNS

As a general rule no signs of any kind shall be displayed to the public view on any single-family residential lot except one professional sign of not more than one (1) square foot or one sign of not more than nine (9) square feet advertising the property for sale or rent. However, during the construction and sales period of the initial dwellings within the Subdivision (for a period of time not to exceed 6 months after all lots within the Subdivision have been sold and dwellings built thereon) Declarant may utilize any signage it deems reasonable. No signs which advertise Subdivisions other than those owned by Declarant in any way will be allowed. Declarant or its agent shall have the right to remove any sign not complying with the provisions of this section, and in so doing shall not be liable for any tort arising from such removal.

XIII. MAINTENANCE AND

LANDSCAPING

Grass, weeds and vegetation on each lot sold shall be kept mowed at regular intervals. Trees, shrubs, vines and plants that die shall be promptly removed from the property. Lawns must be properly maintained, fences must be repaired and maintained, and no objectionable or unsightly usage of lots will be permitted which is visible to the public view. Building materials shall not be stored on any lot except when being employed in construction upon such lot, and any excess materials not needed for construction and any building refuse shall promptly be removed from such lot.

Declarant reserves the right to control the landscaping of the corners of all intersections within an area bound by a line extending ten (10) feet along the side of each roadway that meets in the intersection. Declarant will confer with the owner of the lot on which the area reserved for this landscaping is located as to the nature and extent of the landscaping.

Maintenance of all common Area amenities shall be the responsibility of the Association, including all intersections, lot corners or areas designated by the Declarant or the Association. Maintenance of the sanitary sewer and Drainage easement over and across the eastern twenty (20) feet of Lot 5 shall be the responsibility of the Association and the Owner of said Lot 5 shall have no right whatsoever to construct improvements of any kind within this platted easement area. Likewise, maintenance of the 24-foot private driveway easement over the front of Lots 2, 3 and 4 shall be the responsibility of the Association.

While fully sodded yards are not required, all landscape improvements shall be installed and completed within thirty (30) days of occupancy of any residence. EACH OWNER IS ADVISED THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES AS TO THE LIFE EXPECTANCY VITALITY OR FITNESS FOR INTENDED PURPOSE OF ANY TREES OR SHRUBS LOCATED ON THE PROPERTY.

XIV. UTILITY

EASEMENTS

Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, if any, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities; or, in the case of drainage easements, which may change the direction or hinder in any way the flow of water through drainage channels in such easements. The easement area of each lot, if any, and all improvements in such area shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible. Neither Declarant nor any utility company using the easements herein referred to shall be liable for any damage done by them or their assigns, agents, employees, or servants to shrubbery, flowers or driveways or other property of the owners situated on the land covered by said easements.

XV.

VEHICLES

No trailer, tent, boat, or recreational vehicle shall be kept, parked, stored, or maintained on any portion of the front yard in front of the building line of the permanent structure and shall be kept, parked, stored or maintained on other portions of a lot only within an enclosed structure or a screened area which prevents the view thereof from adjacent lots or street. No stripped down, wrecked, junked or inoperable trailers, boats, recreational vehicles or motor vehicles shall be kept, parked, stored or maintained on any lot. No dismantling or assembling of motor vehicles, boats, trailers or other machinery or

equipment shall be permitted in any driveway or yard adjacent to a street. No commercial vehicle bearing commercial insignia or names shall be parked on any lot except within an enclosed structure or a screened area which prevents such view thereof from adjacent lots and streets, unless such vehicle is temporarily parked for the purpose of serving such lot. No resident vehicles of any description may be parked overnight on any street within the Properties. On-street parking is restricted to approved deliveries, pick-up or short-term guests and short-term invitees and shall be subject to such reasonable rules and regulations as shall be adopted by the Declarant or the Association. Parking, but not storage, of automobiles in driveways is permitted.

XVI.

NUISANCES

No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. This includes builders and construction workers working after daylight hours. Violations of such restrictions after one written notice has been sent by the Declarant or Association to the lot owner/builder are subject to a fine of no less than \$100.

No owner shall do any act or any work that will impair the structural soundness or integrity of another residence or impair any easement or hereditament, or do any act or allow any condition to exist which will adversely affect the other residences or their owners.

No exterior lighting of any sort shall be installed or maintained on a lot where the light source is offensive or a nuisance to neighboring property (except reasonable security or landscape lighting that has approval of the Committee).

No exterior speakers, horns, whistles, bells or other sound devices (except security devices such as entry door and patio intercoms and alarm systems used exclusively to protect the lot and improvements situated thereon) shall be placed or used upon any lot. Notwithstanding the above, exterior patio speakers are allowed, however, residents must conform to City of San Antonio noise nuisance ordinances.

XVII. GARBAGE AND REFUSE

DISPOSAL

No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage and other waste shall be kept in sanitary containers, screened from the view of adjacent lots and streets, except for days when contents are collected. No trash, ashes or other refuse may be thrown or dumped on any vacant lot, park or drainage area in said Subdivision. See "**TRASH REMOVAL**" clause of these restrictions.

XVIII.

PETS

No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot other than cats, dogs, or other generally recognized household pets of a reasonable number, provided that they are not kept, bred or maintained for any commercial purposes; and provided further, that no more than two (2) adult dogs and two (2) adult cats may be kept on a single lot.

All such animals shall be kept in strict accordance with all local laws and ordinances (including leash laws) and in accordance with all rules established by the Declarant or the Association. It shall be the responsibility of the owners of such household pets to prevent the animals from running loose or becoming a nuisance to the other residents. No animals may be kept on a Lot, unless they are restricted to the Lots of their respective owners by fences or other enclosures or restraints and not allowed to run at large; nor may they be kept if they become offensive or a nuisance by virtue of their numbers, sight, odor or noise. If a question arises as to whether an animal (individually or considered together) is offensive or a nuisance, the Committee shall make the determination and its determination shall be final and binding on all parties. It is specifically understood and agreed that the owners of any pets kept on any Lot, shall be strictly liable for any damages done to the property or person of any third party by such pets which may occur outside the Lot's fence lines.

XIX.

OIL AND MINING OPERATIONS

No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot. No tank for the storage of oil or other fluids may be maintained on any of the lots above the surface of the ground.

XX.

RADIO OR TV ANTENNAE OR DISCS

No radio or television aerial wires, antennae or other special television apparatus or equipment shall be maintained on any portion of any lot forward of the front building line of said lot. Furthermore, no radio or television aerial wires or antennae shall be placed or maintained on any lot which extends more than one meter above the highest part of the roof of the main residence on said lot; and no discs, dishes, or other cable related apparatus or equipment may be situated on any lot without the prior written approval of the Committee, unless such equipment is adequately screened from the view of adjacent lots or streets.

XXI DRAINAGE

EASEMENTS

Easements for drainage throughout the Subdivision are reserved as shown on the aforementioned recorded plats, such easements being depicted thereon as "drainage easements". No owner of any lot in the Subdivision may perform or cause to be performed any act which would alter or change the course of such drainage easements in a manner that would divert, increase, accelerate or impede the natural flow of water over and across such easements. More specifically, and without limitation, no owner may:

- (1) alter, change or modify the existing natural vegetation of the drainage easements in a manner that changes the character of the original environment of such easements;
- (2) alter, change or modify the existing configuration of the drainage easements, or fill, excavate or terrace such easements or remove trees or other vegetation therefrom without the prior written approval of the Committee and the City of San Antonio Drainage Engineer;
- (3) Construct, erect or install a fence or other structure of any type or nature within or upon drainage easements. However, upon approval by the Committee, fencing shall be allowed across drainage easements only such that the bottom of the fence shall be a minimum of the flow depth plus free board above the design flow line of any channel or drain, it being understood that in no case shall the flow of drainage be hampered. Also, certain public drainage easements may require access for city maintenance purposes through an approved type of gate system;
- (4) permit storage, either temporary or permanent, of any type upon or within such drainage easements; or
- (5) place, store or permit to accumulate trash, garbage, leaves, limbs or other debris within or upon the drainage easements, either on a temporary or permanent basis.

The failure of any owner to comply with the provisions of this Article shall in no event be deemed or construed to impose liability of any nature on the Committee and/or Declarant, and such Committee and/or Declarant shall not be charged with any affirmative duty to police, control or enforce such provisions. The drainage easements provided for in this provision shall in no way affect any other recorded easement in the Subdivision.

XXII. MAIL

BOXES

All mail boxes on the property shall conform to the requirements of and be located as directed by the U.S. Postal Service. The Declarant or, after Turn over, the Committee may, subject to the requirements of the U.S. Postal Service, further specify the location, design and appearance of the mail boxes.

XXIII. ATHLETIC

FACILITIES

No basketball goals or backboards or any other similar sporting equipment of either a permanent or temporary nature shall be placed where it can be viewed from the front property line of any lot in the Subdivision without the prior written consent of the Committee as to location, color or screening required in regard to its placement. Basketball backboards shall be constructed of clear, transparent material only.

XXIV. GARAGES

A garage to accommodate at least two (2) automobiles shall be constructed and maintained for each residence. Garages will be allowed as builder's sales offices prior to permanent occupancy of the main structure, subject to all of the provisions within this document, but shall cease to be used for offices within thirty (30) days from the date of Notice by Declarant.

XXV. ROOFS, WINDOWS AND

BURGLAR BARS

The surface of all roofs of principal and secondary structures shall be of materials with a manufacturer's lifetime warranty of at least thirty (30) years, and shall be either slate, tile, factory fire treated wood, metal as approved by the Committee. The Committee shall have the authority to approve other roof treatments and materials (including shingles of lesser weight classifications) when, in its determination, such treatments and materials in the form utilized will not be a detriment to the quality of the neighborhood.

All windows visible from the street shall be equipped with interior wood shutters or blinds of a natural tone. No bars or obstructions intended for use as burglar bars or sold as devices intended to prohibit forced entry into a residence may be placed on the exterior of a residence, including but not limited to windows and doors.

XXVI. SETBACK LINES AND ZERO LOT LINE

PROVISIONS

All buildings, habitable or not, must be constructed, placed and maintained in conformity with platted setback lines, if any. Unless otherwise provided for by the Restrictions, the minimum setbacks are as hereinafter set forth.

Section 1. Front Setbacks. The minimum front setbacks for lots shall be ten (10) feet.

Section 2. Street Side Setbacks. The minimum street side yard setbacks for lots shall be ten (10) feet.

Section 3. Rear Setbacks. The minimum rear setbacks for lots shall be five (5) feet, except for lots that are located adjacent to Blanco Road, where the rear setbacks for lots shall be fifteen (15) feet.

Section 4. Interior Side Setbacks and Zero Lot Lines. The side lot line minimum setback shall be zero (0) feet on one side, as indicated on the plat, and five (5) feet on the remaining side.

Where a dwelling is constructed on or within three (3) feet of a side lot line (the "zero lot line"), then, for the purposes of this Section, such Lot shall be deemed the "dominant lot" and the abutting Lot (being the lot adjoining the "zero lot line") shall be the "subservient lot". The Owner of a dominant lot shall possess and have and is hereby granted, an easement covering that portion of the subservient lot which is located within five (5) feet of that residence on the dominant lot for the following purposes:

- (a) To maintain roof overhangs and foundation and building encroachments within the easement area to the extent such matters exist at the time of completion of construction and/or are created by settling or shifting of the soil or house;
- (b) To enter upon the easement area for the purpose of constructing, maintaining, repairing and restoring the dwelling on the dominant Lot;
- (c) For the continued use and maintenance of any swale or similar drainage facility situated within the five (5) foot easement area.

The Owner of the dominant lot shall repair and take reasonable precautions to protect the landscaping of the subservient lot and repair any damage or injury to the landscaping and improvements on the dominant lot.

In addition to the foregoing easement, the Owner of the dominant lot shall possess the further easements of ingress and egress over any remaining portions of the subservient lot as may be reasonably required for the purpose of exercising the foregoing rights. The Owner of the subservient lot shall be obligated to trim any shrubs, plants, trees, vines and the like and to remove improvements and any other obstruction which will in any way unreasonably interfere with the rights granted the dominant lot. The dominant lot owner shall repair and restore any damage to the subservient lot owner's landscaping caused by the dominant Lot Owner's use of the easements.

The eaves of buildings shall not be deemed to be part of a building. Porches, but not steps, shall be deemed to be part of a building for the purposes of these restrictions. Notwithstanding the foregoing, eaves of buildings may not project more than eighteen (18) inches into any required setback area.

Notwithstanding the provisions set forth in the preceding paragraphs, all setback line requirements herein specified or set forth on recorded plats may be waived by the Committee in the event the variance requested by the owner of a lot will not, in the opinion and at the sole discretion of said Committee, detract from the general appearance and/or character of the neighborhood or in any way be injurious or harmful with respect to contiguous development, and which may be required to allow for the development in deference to the size and/or shape of a lot, its topography and/or the saving of significant trees.

XXVII.

RESTRICTIONS FOR THE PROTECTION OF THE EDWARDS AQUIFER RECHARGE ZONE, ENDANGERED SPECIES ACT AND OTHER ENVIRONMENTAL CONCERNS.

All or portions of the Subdivision are located within the Edwards Aquifer Recharge Zone and all development and use of the property which is within the Edwards Aquifer Recharge Zone, is subject to the rules and regulations of the Texas Commission on Environmental Quality, and any other governmental agency or body having appropriate jurisdictional authority over said property. The owners of land within the Subdivision shall conform to all such rules and regulations.

All owners, residents and builders in the Subdivision shall use environmentally safe, natural, organic lawn fertilizers and shall be required to clean up oil and gasoline spills from their motor vehicles. All owners, residents and builders are prohibited from disposing of hazardous wastes, of any kind or character, within the Subdivision and are required to collect all excess oil, gasoline, antifreeze or other fluids contained in motor vehicles in leak-proof plastic or metal containers and properly disposed of these waste products off the recharge zone of the Edwards Aquifer in accordance with applicable laws or requirements.

After Turnover, no owners, residents or others within the Subdivision, shall be allowed to remove, cut down or harm in any way any trees or other vegetation within the Subdivision with a caliper of 3 inches or more without the prior written consent of the Committee, it being understood that failure of any individual to adhere to this requirement may result in the Association levying a fine of up to \$500.00 per infraction which will be charged to the Association account of the applicable individual to be paid in accordance with the terms of these restrictions. Additionally, all owners and residents shall be required to maintain, nourish, trim, prune and otherwise care for all such vegetation/trees within their lot limits, it being understood that the failure of any owner or resident to do so may result in the Association taking the appropriate actions and charging all expenses related to those actions to the Association account of the individual which shall then be paid in accordance with the terms of these restrictions.

If the Texas Commission on Environmental Quality, Edwards Underground Water District, U.S. Department of the Interior, U.S. Fish and Wildlife Services and/or any other applicable governing body determines that any part of the Subdivision is in any way environmentally sensitive (geological, hydrological or protective wildlife habitat, etc), or in the event that any of the land within the Subdivision shall be dedicated, donated or in any other way offered as a set-aside area to any of the above agencies or the Association, then any and all expenses associated with such dedicated purpose (including fencing, maintenance and general upkeep of the dedicated area) shall be the responsibility of the Association.

XXVIII. DISCLOSURES REGARDING SUBDIVISION SITE

IMPROVEMENTS

Section 1. Site Improvements. Each prospective Lot Owner is hereby notified that the streets in the Subdivision are not public streets, but are private streets within a Planned Unit Development and may not be as wide as public streets. After they have been completed and approved by the City of San Antonio, the streets shall be conveyed to the Association, which shall have the on-going responsibility for maintaining them.

Each prospective Lot Owner also is notified that the storm water retention facilities, drainage ditches, culverts and other drainage facilities within the Subdivision are not publicly owned, but are privately owned. Once they have been completed, the drainage facilities located within the Common Areas shall be conveyed to the Association, which shall have the responsibility for maintaining them. Each prospective Lot Owner should carefully note the location of the drainage facilities and of any creek beds and 100-year flood plain areas.

Section 2. Liability Insurance. The Association also shall maintain commercial general liability insurance with coverage sufficient to adequately protect the Association, its officers, directors, employees and any Members acting on its behalf, as well as the Declarant, its general partners, and the respective chief executive officers of those general partners, from liability arising out of the construction, maintenance and/or ownership of the Common Area.

XXIX.

TERM

The foregoing covenants are made and adopted to run with the land and shall be binding upon the undersigned and all parties and persons claiming through and under them until January 1, 2027, at which time said covenants shall be automatically extended for successive periods often (10) years unless and until an instrument executed by a majority of the then Owners of the lots in the Subdivision controlled by these covenants has been recorded agreeing to change and/or terminate said covenants in whole or in part.

XXX.

ENFORCEMENT

Declarant, its successors or assigns, the Association, its successors or assigns, or any Owner of any lot in the Subdivision, shall have the right to enforce, by proceedings at law or in equity, these restrictive covenants. Failure of Declarant or the Association to take any action upon any breach or default shall not be deemed a waiver of their right to take action upon any subsequent breach or default. Declarant, for itself, its successors or assigns, reserves the right to enforce these restrictive covenants, though it may have previously sold and conveyed all subdivided lots in the Subdivision controlled by these covenants. The reservation by Declarant or the Association of this right of enforcement shall not create a duty or obligation of any kind to enforce same, and neither Declarant nor the Association shall be subjected to any claim, demand, or cause of action from any lot owner by virtue of not enforcing any restriction herein contained.

XXXI. PARTIAL

INVALIDITY

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

XXXII.

AMENDMENT

After Turnover of the Association has occurred, the Owners (but expressly excluding their respective mortgagee's, if any) of the legal title to fifty percent (50%) of the lots within the Subdivision may amend the restrictions and covenants set forth herein by filing an instrument containing such amendment, along with proof of the 50% consent, in the office of the County Clerk of Bexar County, Texas.

Notwithstanding anything to the contrary, Declarant shall have the right at any time, at its sole discretion and without any joinder or consent of any other party, to amend this Declaration for the purposes of correcting any error, ambiguity or inconsistency appearing herein or for any reason whatsoever deemed necessary for the benefit of the overall development as determined by Declarant, in its sole discretion. Said amendment shall be effective upon filing the said amended restrictions with the County Clerk of Bexar County, Texas.

Executed to be effective this 26th day of November, 2007.

DECLARANT:


MCNAIR CUSTOM HOMES, L. P.,

By: McNair & Company of Texas, L.L.C.,
General Partner

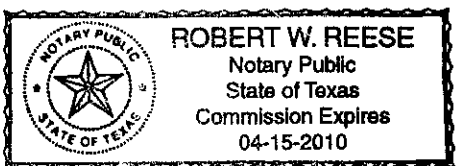
By: 
Name: John McNair
Title: Manager

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me this 27 day of November, 2007, by John McNair, as Manager of McNair & Company of Texas, L.L.C., general partner of McNair Custom Homes, L. P., a Texas limited partnership, on behalf of said limited partnership.



Notary Public, State of Texas



Doc# 20070277344
Pages 18
11/29/2007 16:03:15 PM
e-Filed & e-Recorded in the
Official Public Records of
BEXAR COUNTY
GERARD RICKHOFF COUNTY CLERK

Fees 80.00

STATE OF TEXAS
COUNTY OF BEXAR
This is to Certify that this document
was e-FILED and e-RECORDED in the Official
Public Records of Bexar County, Texas
on this date and time stamped thereon.
11/29/2007 16:03:15 PM
COUNTY CLERK, BEXAR COUNTY TEXAS



Gerard Rickhoff