NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

2004-0017 Gwt 78

THE STATE OF TEXAS §
§
COUNTY OF HAYS §

This Declaration of Covenants, Conditions, and Restrictions with Easements ("Declaration") is made May 20, 2004, by Paul Pressler Family Generation Skipping Trust, Townes Pressler Family Generation Skipping Trust, Elsie G. Townes 1971 Trust No Three, Elsie G. Townes 1971 Trust No. Four, Elsie G. Townes 1971 Trust No. Six, Elsie G. Townes 1971 Trust No Seven, E. E Townes Trust No. Three, Aileen McHenry Jones Revocable Trust, John Charles Townes, IV, Susan Townes Parker, now known as Susan Townes Parker Gesford, Elizabeth Townes Brandt and George Copley Townes (collectively, the "**Declarant**").

The Declarant is the owner of that certain 1,535 acre tract of land located in Hays County, Texas, which is more particularly described in **Exhibit A** annexed hereto (the "**Property**"). For the Purposes of this Declaration, the Property is divided into two tracts the "**Residential Tract**," which totals approximately 1,360 acres, and the "**Commercial Tract**," which totals approximately 175 acres The Residential Tract and the Commercial Tract are more particularly described in **Exhibit B** and **Exhibit B-1**, respectively, annexed hereto.

In order to establish a common and orderly plan for the improvement and use of the Property and to preserve such plan for benefit of all present and future Owners of portions of the Commercial Tract and Residential Tract, the Declarant intends that Commercial Tract become a multi-use commercial development and that the Residential Tract become a residential development, subject to the covenants, conditions, restrictions, and easements provided for in this Declaration.

Therefore, it is hereby declared (1) that all the Property will be held, sold, conveyed, and occupied subject to the following restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of and will run with the Property, will be binding on all parties having any right, title, or interest in or to the Property or any part thereof, their heirs, successors, and assigns, and will inure to the benefit of each such party, and (ii) that each contract or deed which may hereafter be executed with regard to the Property or any portion thereof will conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions, and restrictions regardless of whether or not the same are set forth or referred to in said contract or deed

ARTICLE I

PURPOSE

Section 1. **Purpose**. The purpose of this Declaration is to promote the common and orderly plan for the improvement and use of the Property and to preserve such plan for benefit of all present and future owners of portions of the Property ("**Owners**"); to insure that the Commercial Tract becomes a multi-use commercial development; and to insure that the Residential Tract becomes a single-family residential development

ARTICLE II

THE RESIDENTIAL TRACT

Section 1. **Permitted Uses** The Residential Tract shall be developed, improved, and used solely for free-standing, single-family residential use and all ancillary and related uses thereto, including all improvements thereon, which improvements may include, but are not limited to streets, sidewalks, trails, landscaping, utility facilities (which may include a wastewater treatment plant and related effluent irrigation land and other appurtenances), park and open space, mitigation land, buffer land, and common area recreational facilities such as a clubhouse, tennis courts, and swimming pool.

Section 2. **Prohibited Uses**. Any development, improvement, or use of the Residential Tract that is inconsistent with the foregoing paragraph is prohibited, unless agreed upon otherwise and this Declaration amended in writing pursuant to Article V, Section 4 hereof. Without limiting the generality of the preceding sentence, the following uses are expressly prohibited on the Residential Tract:

(a) any commercial development or use whatsoever;

(b) multi-family housing, including, without limitation, apartments, townhouses, and condominiums; and

(c) mobile home, manufactured housing or "trailer" parks.

ARTICLE III

THE COMMERCIAL TRACT

Section 1. **Permitted and Prohibited Uses**. The Commercial Tract shall be developed, improved, and used for commercial purposes, including, without limitation, those purposes prohibited on the Residential Tract as set forth in Article II, subsections 2(a) and 2(b) above However, without limiting the generality of the preceding sentence, the following uses are expressly prohibited on the Commercial Tract, unless agreed upon otherwise and this Declaration is amended pursuant to Article V, Section 4 hereof·

(a) free-standing, single-family residential housing;

(b) mobile home, manufactured housing, or "trailer" parks,

(c) a junk yard, salvage yard or abandoned vehicle operation;

(d) dumping, disposal, incineration or reduction of garbage or refuse of any nature, other than garbage or refuse produced on the Commercial Tract;

(e) smelting of iron, tin, zinc or other ore;

(f) landfill;

(g) crematorium;

(h) drilling for and/or removal of oil, gas, or other hydrocarbon substances within five hundred feet (500') of Highway 290, except that a retail gasoline station or retail automotive service and oil change facility will not be deemed to be a prohibited use under this item (h);

(i) freestanding bars or cocktail lounges;

(j) sexually oriented or "adult" businesses; and

(k) pawn shops.

Section 2. **Dumpster**. All exterior refuse and/or recycling containers must be screened from view from adjacent property and from public roads through the use of permanent masonry or wooden enclosures.

Section 3. **Construction.** Development of the Commercial Tract will require that all construction and landscaping on the Commercial Tract will be compatible with construction and landscaping on the Residential Tract.

ARTICLE IV

MISCELLANEOUS

Section 1. **Binding Effect; Duration**. The covenants, conditions, restrictions, and easements of this Declaration will run with and bind the Property, will be binding on all Owners of portions thereof and will inure to the benefit of and be enforceable by Declarant and the Owners and their respective heirs, executors, legal representatives, successors and assigns, and will be and remain in effect for a period of 50 years from and after the date of the recording of this Declaration, after which time said Declaration will automatically be extended for successive periods of 50 years each, unless within 12 months prior to any such 50 year period an instrument is executed and duly acknowledged by the Owners terminating this Declaration in accordance with Article V, Section 4 hereof

Section 2. **Occupants**. This Declaration will be binding upon and enforceable against not only the Owners but also all occupants of the Property. Both the Owners and all occupants of the Property must comply with the provisions of this Declaration and are severally liable for breaches of or defaults under the provisions of this Declaration.

Section 3. **Interpretation** In all cases, the provisions set forth or provided for in this Declaration will be construed together and given that interpretation or construction which will best effect the intent of the general plan of improvement as reflected in this Declaration. The provisions of this Declaration must be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive. The effective date of this Declaration will be the date of its filing for record in the office of the County Clerk of Hays County, Texas. The captions of each Article hereof as to the contents of each Article are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article to which they refer. The singular wherever used herein will mean the plural when applicable and vice versa, and the use herein of any gender will mean any other gender when applicable. The exhibits referred to herein and attached hereto are made a part hereof by reference. This Declaration will be construed under and in accordance with the laws of the State of Texas

Section 4. **Amendment; Termination**

(a) If the Residential Tract is platted and subdivided into individual lots, this Declaration may be altered, amended, or terminated only by the written agreement of·

(1) the Owners owning, in the aggregate, at least 75% of the gross acreage in the Commercial Tract;

(2) the Owners owning, in the aggregate, at least 75% of the lots in the Residential Tract, it being understood that each Owner within the Residential Tract will have one vote for each lot so owned; and,

(3) every person or entity holding a first lien encumbering all or a portion of the Commercial Tract and securing amounts due or to become due under any mortgage, vendor's lien, deed of trust or other security instrument.

(b) If the Residential Tract is not platted and is not subdivided into individual lots, this Declaration may be altered, amended, or terminated only by the written agreement of:

(1) the Owners owning, in the aggregate, at least 75% of the gross acreage in the Commercial Tract;

(2) the Owners owning, in the aggregate, at least 75% of the gross acreage in the Residential Tract; and,

(3) every person or entity holding a first lien encumbering all or a portion of the Property and securing amounts due or to become due under any mortgage, vendor's lien, deed of trust or other security instrument

No person or entity will be charged with notice or inquiry in connection with any such amendment, modification, or termination, and no such amendment, modification, or termination will be effective, unless and until the instrument embodying the same is filed for record in the Official Records of Real Property of Hays County, Texas (or any successor records).

Section 5. **Enforcement**. Declarant and the Owners have the right, but not the obligation, to enforce this Declaration. Enforcement may be made by any proceedings at law or in equity against any person or entity violating or attempting to violate any part of this Declaration, as such may be amended, either to restrain or enjoin violations or to recover damages Damages will not be deemed adequate compensation for any breach or violation of any provision of this Declaration, and Declarant and each Owner will be entitled to relief by way of injunction, as well as any other remedy either at law or in equity. With respect to any litigation hereunder, the prevailing party will be entitled to recover reasonable attorneys' fees and court costs from the non-prevailing party. The rights, powers and remedies provided in this Declaration are cumulative and not restrictive of other remedies at law or in equity, and the exercise by a person or an entity of any particular right, power or remedy will not be deemed an election of remedies or to preclude such person's or entity's resort to other rights, powers or remedies available to it. Notwithstanding anything to the contrary contained herein, no breach of this Declaration will entitle the Declarant or any of the Owners to cancel, rescind, or otherwise terminate this Declaration.

Section 6. **No Waiver or Obligation to Enforce**. No delay or failure on the part of Declarant or any other aggrieved party to invoke any available right, power or remedy in respect to a breach of this Declaration will be held to be a waiver by that party (or estop that party from asserting) any right, power or remedy available to it upon the recurrence or continuance of said breach or the occurrence of a different breach Declarant is under no obligation to take any action to enforce the terms of this Declaration

Section 7. **Liens; Validity; Severability** Violation of or failure to comply with this Declaration will not affect the validity of any mortgage, bona fide lien or other similar security instrument which may then be existing on any portion of the Property Invalidation of any one or more of the provisions of this Declaration, or any portions thereof, by a judgment or court order will not affect any of the other provisions or covenants herein contained, which will remain in full force and effect. In the event any portion of this Declaration conflicts with mandatory provisions of any ordinance or regulation promulgated by any appropriate governmental authority, then such governmental requirement will control.

Section 8. **Notices**. Any notice required to be given to Declarant under the provisions of this Declaration will be deemed to have been properly delivered when actually delivered by hand-delivery or when deposited in the United States Mail, postage prepaid, certified or registered mail, return receipt requested, addressed, for notice to Declarant at 5118 Holly Terrace, Houston, TX 77056, or at such other address specified by Declarant by a document recorded for such purpose in the Official Records of Real Property of Hays County, Texas

Now, Declarant executes this Declaration as of the 20 day of May, 2004

INTENTIONALLY LEFT BLANK

DECLARANT:

PAUL PRESSLER FAMILY GENERATION SKIPPING TRUST

By _____
Name PAUL PRESSLER
Title TRUSTEE
Date 5/20/04

By _____
Name Townes G Pressler
Title Trustee
Date 5-2004

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Paul Pressler, Trustee

REX G. BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Notary Public in and for
The State of TEXAS

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Townes G. Pressler, Trustee.

REX G. BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Notary Public in and for
The State of TEXAS

TOWNES PRESSLER FAMILY GENERATION SKIPPING TRUST

By _____
Name Townes G Pressler
Title Trustee
Date 5-20-04

By _____
Name PAUL PRESSLER
Title TRUSTEE
Date 5/20/04

STATE OF TEXAS §
§
COUNTY OF Hays §

This instrument was acknowledged before me on May 20, 2004, by Townes G. Pressler, Trustee.

REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Notary Public in and for
The State of TEXAS

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Paul Pressler Trustee

REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Notary Public in and for
The State of TEXAS

ELSIE G TOWNES 1971 TRUST NO THREE

By Edgar M Townes
Name EDGAR GOSS TOWNES
Title Trustee & Attorney in fact
Date May 20, 2004

By Townes G Pressler
Name Townes G Pressler
Title Atty-in-fact
Date 5-20-04

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Edgar Goss Townes Trustee and attorney in fact.

REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Notary Public in and for
The State of TEXAS

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Townes G. Pressler, attorney in fact.

BAKER III
...BLIC, STATE OF TEXAS
...MISSION EXPIRES
...ruary 03, 2005

Notary Public in and for
The State of TEXAS

ELSIE G TOWNES 1971 TRUST NO FOUR

By _____
Name EDGAR GOSS TOWNES
Title Trustee & attorney in fact
Date MAY 20, 2004

By _____
Name Townes G Pressler
Title Atty-in-fact
Date 5-20-04

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Edgar Goss Townes Trustee & attorney in fact.

REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Notary Public in and for
The State of TEXAS

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Townes G Pressler, attorney in fact.

KER III
STATE OF TEXAS
SION EXPIRES
3, 2005

Notary Public in and for
The State of TEXAS

ELSIE G TOWNES 1971 TRUST NO SIX

By _____
Name John Charles Townes IV
Title TRUSTEE
Date 5/20/04

By _____
Name H. PAUL PRESSLER III
Title TRUSTEE
Date 5/20/04

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by John Charles Townes IV, Trustee

_____
Notary Public in and for
The State of TEXAS

REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by H. Paul Pressler III, Trustee.

_____
Notary Public in and for
The State of TEXAS

REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

ELSIE G TOWNES 1971 TRUST NO SEVEN

By Susan Townes Gosford
Name SUSAN TOWNES GOSFORD
Title TRUSTEE
Date 5-20-04

By H. Paul Pressler III
Name H. PAUL PRESSLER III
Title TRUSTEE
Date 5/20/04

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Susan Townes Gosford, Trustee.

REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Notary Public in and for
The State of TEXAS

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by H. Paul Pressler, III, Trustee.

REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Notary Public in and for
The State of TEXAS

E E TOWNES TRUST NO THREE

By Edgar [illegible] Townes
Name EDGAR Goss TOWNES
Title Trustee & attorney in fact
Date May 20, 2004

By [illegible]
Name Townes G Pressler
Title Atty-in-fact
Date 5-20-04

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 2, 2004, by Edgar Goss Townes Trustee & attorney in fact

[illegible]
Notary Public in and for
The State of TEXAS

NOTARY PUBLIC
REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Townes G. Pressler, attorney in fact.

[illegible]
Notary Public in and for
The State of TEXAS

NOTARY PUBLIC
REX G BAKER III
NOTARY PUBLIC STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

AILEEN McHENRY JONES REVOCABLE TRUST

By _____
Name EDGAR SOSS TOWNES
Title Atty-in-Fact
Date May 20, 2004

By _____
Name Townes G Pressler
Title atty-in-fact
Date 5-20-04

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Edgar Soss Townes, attorney in fact.

REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Notary Public in and for
The State of TEXAS

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20 2004, by Townes G. Pressler, attorney in fact.

REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Notary Public in and for
The State of TEXAS

JOHN CHARLES TOWNES, IV
Date 5/20/04

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by John Charles Townes, IV

Notary Public in and for
The State of TEXAS

NOTARY PUBLIC STATE OF TEXAS
REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Susan Townes Gesford
SUSAN TOWNES GESFORD
Date 5-20-04

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Susan Townes Gesford

Notary Public in and for
The State of TEXAS

NOTARY PUBLIC STATE OF TEXAS
REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Edgar Goss Townes Atty-in-Fact
May 20, 2004

Townes & Pressler
Atty-in-Fact
5-20-04

ELIZABETH TOWNES BRANDT
Date 5-20-04

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by Elizabeth Townes Brandt by her attorney in fact, Edgar Goss Townes & Townes & Pressler

Notary Public in and for
The State of TEXAS

NOTARY PUBLIC STATE OF TEXAS
REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

Edgar G Townes Atty-in-Fact
May 20, 2004

Townes G Pressler
Atty-in-Fact
5-20-04

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GEORGE COPLEY TOWNES
Date 5-20-04

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on May 20, 2004, by George Copley Townes by his attorney in fact Edgar G and Townes G. Pressler.

Notary Public in and for
The State of TEXAS

NOTARY PUBLIC STATE OF TEXAS
REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

GOSS TOWNES
Date May 20, 2004

STATE OF TEXAS §
§
COUNTY OF Hays §

This instrument was acknowledged before me on May 20, 2004, by Goss Townes

Notary Public in and for
The State of TEXAS

NOTARY PUBLIC STATE OF TEXAS
REX G BAKER III
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
February 03, 2005

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

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FIELD NOTES DESCRIPTION FOR 1539 46 ACRES OF THE HAZY HILLS RANCH IN HAYS COUNTY, TEXAS

Being all of a certain tract or parcel of land containing 1539 46 acres, more or less, comprising approximate acreage out of various Original Patent Surveys in Hays County, Texas, as follows·

Survey No	Survey	Abstract No.	Acres
130	William Walker	475	221.44
137	Herman Benson	40	92 76
473	F A. Jolly	555	79 39
	J W Powell	560	85 47
47	John Pitts	768	123.15
154	Levi Lewis	639	163 54
1717	J E Gilbert	811	11 92
	W. R Wood	567	161 22
136	Edward Brown	44	189 28
	Heinrich Brashe	58	156 81
60	Marcus Raper	383	36.79
37	Marcus Raper	394	217 69

that same land conveyed as 1539 45 acres from Susan Townes Parker Gesford to Paul Pressler Family Generation Skipping Trust, et al, by a General Warranty Deed executed the 7th day of November, 2001, and recorded in Volume 1911 at Page 481 of the Official Public Records of Hays County, Texas, and being more particularly described by metes and bounds as follows

BEGINNING at a 60'd' nail set in a found rock mound at or near the southwest corner of said survey no 154, a southwest corner of said 1539 45 acres, a reentrant corner of 138 59 acres conveyed from Ethel M Brydson Berkley, et al, to Ethel M. Brydson Berkley by a Partition Deed executed the 26th day of August, 1963, and recorded in Volume 198 at Page 151 of the Deed Records of Hays County, Texas;

THENCE, along or near a fence and the northeast line of said 138.59 acres, the southwest line of said 1539 45 acres, N29°44'25"W , at approximately 1389 ft passing approximately 5 ft S60°W from the occupied east corner between said 138 59 acres and 291 ⅓ acres conveyed from Fred J Morris, et ux, to Cynosure Corporation by a Warranty Deed executed the 6th day of February, 1973, and recorded in Volume 258 at Page 123 of the Deed Records of Hays County, Texas; then continuing along or near a fence and the northeast line of said 291 ⅓ acres, with the southwest line of said 1539 45 acres, at approximately 1699 ft passing approximately 6 ft S60°W from a fence angle post, at approximately 1712 ft. crossing fence, diverging from fence, at approximately 1857 ft. passing approximately 66 ft N60°E. from a fence angle post, at approximately 1892 ft passing approximately 12 ft N60°E. from a fence angle post, at approximately 1979 ft crossing fence, at approximately 2453 ft passing approximately 66 ft S60°W from a fence angle post, at approximately 2670 ft converging with fence, then continuing along or near a fence for a total distance of 4495.82 ft. to a 60'd' nail found at a fence corner post for a northwesterly corner of said 1539 45 acres; N87°21'02"E , 4 39 ft to a 60'd' nail set in a found rock mound for a reentrant corner of said 1539 45 acres, N29°39'40"W , 2168.41 ft. to a ½" iron stake found at a fence corner for a reentrant corner of said 1539 45 acres, the northeast corner of said 291 ⅓ acres, and S60°36'50"W , 1551.06 ft to a ½" iron pipe found for the north common corner between said 291 ⅓ acres and 206 2 acres conveyed from Jaye Wright, Trustee, to John Luke Hill, Jr., by a Warranty Deed executed the 3rd day of July, 1990, and recorded in Volume 852 at Page 247 of the Official Public Records of Hays County, Texas;

THENCE, along or near a fence (along and possibly overlapping ±0 03 acre of said 206.2 acres), with the south line of said 1539 45 acres, N89°16'39"W , 614 05 ft to a ½" iron pipe found at a fence corner for the most westerly corner of said 1539 45 acres, a southeast corner of 1051 23 acres conveyed from John L. Hill, Jr , et ux, to Melinda Hill Perrin, et al, by a Warranty Deed executed the 31st day of December, 1999, and recorded in Volume 1619 at Page 471 of the Official Public Records of Hays County, Texas,

THENCE, along or near a fence, with the common line between said 1539 45 and 1051 23 acre tracts, N30°04'19"E , at approximately 493 ft passing 10 ft S60°E from a fence angle post, then continuing not along a fence for a total distance of 932 29 ft to a ½" iron stake found in the bed of a creek, N65°02'34"E , along the creek bed, 345 19 ft. to a ½" iron stake set in an X found marked on rock, N85°37'07"E., 231.56 ft to a found ½" iron stake, S82°33'09"E , 101 97 ft to a set ½" iron stake; N73°02'04"E., 55.50 ft. to a set ½" iron stake; N29°57'45"E., at approximately 63 ft crossing a fence, at approximately 68 ft passing approximately 9 ft N60°W from a fence angle post, at approximately 135 ft passing approximately 3 ft N60°W from a fence angle post, then continuing along or near a fence for a total distance of 681.05 ft to a ⅝" iron stake found in a rock mound, and N29°21'37"E., 4426 39 ft to a ½" iron stake found at a fence corner for the east corner of said 1051 23 acres, the west terminus of a Boundary Line Agreement between E. E. Townes Trust No 2, et al, and Vincent Taylor, et ux, executed the 26th day of October, 1984, and recorded in Volume 485 at Page 183 of the Real Property Records of Hays County, Texas,

THENCE, along or near a fence, with the line of said Boundary Line Agreement, N29°14'52"E , 397.82 ft to a ½" iron stake found for the most northwest corner of said 1539.45 acres, S78°20'35"E , crossing a newer fence, along the remains of an older fence, 519 97 ft. to a ½" iron stake found at a fence post; N85°40'23"E., 688.69 ft. to a found ½" iron stake, N50°04'03"E , 76 94 ft to a 20" diameter Hackberry Tree; N78°43'49"E , 65 26 ft to an unmarked point in the remains of a Hackberry Stump, N69°57'08"E , 68 57 ft. to a found ⅝" iron stake, S68°39'38"E , at approximately 73 ft. crossing fence, then continuing for a total distance of 106 96 ft to a set ½" iron stake, N82°30'24"E., 22.08 ft to a fence post, N89°26'51"E , 37.80 ft to a 23" diameter Cedar Tree, S85°16'32"E., 41 46 ft. to an unmarked point in the remains of a Hackberry Stump, S76°37'27"E , 186 40 ft to a fence post, S71°26'15"E , at approximately 39 ft crossing fence, then continuing for a total distance of 248.11 ft to a 13" diameter Live Oak Tree; S64°07'22"E., diverging south of fence, 72 96 ft. to a fence post, S59°14'45"E., 102 03 ft to a 13" diameter Live Oak Tree; S53°42'02"E., 156.98 ft. to a fence post; S50°25'14"E , 110 56 ft. to a 23" diameter Live Oak Tree; S77°15'16"E , 133 89 ft. to a fence post, S32°00'36"E , 41 96 ft. to a set ½" iron stake, S23°52'10"E , 46 47 ft to a fence post, S44°24'33"E., 274 22 ft. to a 12" diameter Live Oak Tree; S47°10'37"E , 129.23 ft to a fence post; S63°03'46"E , 142.40 ft to a fence post, S66°33'28"E , 707 42 ft. to a 60'd' nail found in the top of a fence corner post for a northwest corner of said 1539 45 acres; and S30°37'25"W., 446.87 ft to a ⅜" iron stake found for the east terminus of said Boundary Line Agreement, in the northwest line of 324 554 acres conveyed from Eloise Willingham Koonce, et vir, to William B Mitchell, et ux, by a Cash Warranty Deed executed the 3rd day of March, 1999, and recorded in Volume 1514 at Page 326 of the Official Public Records of Hays County, Texas,

THENCE, along or near a fence, with the common line between said 1539 45 and 324 554 acre tracts, S29°54'31"W., 591 54 ft. to a found cotton spindle, S28°33'45"W , 572 42 ft to a fence corner post for a reentrant corner of said 1539 45 acres, the southwest corner of said 324 554 acres; and S60°28'49"E , 789 52 ft to a ½" iron stake found for a northwest corner of Sunset Canyon, Section V, a subdivision of Hays County according to the plat of record in Volume 3 at Page 284 of the Plat Records of Hays County, Texas, and as amended in Volume 4 at Page 234 of the Plat Records of Hays County, Texas,

Thence, along or near a fence, with the common line between said 1539 45 acres and said Sunset Canyon, Section V, S28°59'44"W , 3733 15 ft. to a ½" iron stake found for a west corner of said Sunset Canyon, Section V, a reentrant corner of said 1539 45 acres, S64°49'56"E , diverging northeast of fence, 448 87 ft to a ½" iron stake found at a chain link fence, S57°31'21"E , along a chain link fence, at 132 ft. passing a fence corner, then continuing not along a fence, at approximately 282 ft passing a fence corner, then continuing along or near a fence for a total distance of 580.25 ft to a found ½" iron stake; S60°43'12"E., 920 97 ft to a found ½" iron stake, S81°21'53"E., 2491 11 ft to a ½" iron stake found for a reentrant corner of said 1539 45 acres, a southeast corner of said Sunset Canyon, Section V;

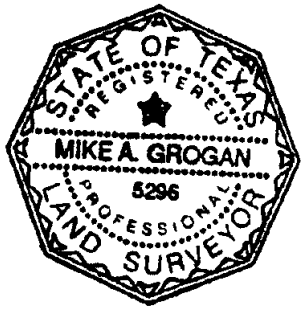
N28°52'08"W., 517 26 ft to a ½" iron stake found for a southerly northwest corner of said 1539 45 acres, a reentrant corner of said Sunset Canyon, Section V, N63°15'26"E , 798 41 ft. to a ½" iron stake found for a north corner of said 1539 45 acres, a reentrant corner of Said Sunset Canyon, Section V, S26°44'32"E., 561.86 ft to a ½" iron stake found for a reentrant corner of said 1539 45 acres, a south corner of said Sunset Canyon, Section V, N59°29'50"E , at approximately 730 ft passing a fence angle, then continuing not along a fence for a total distance of 764.92 ft. to a ½" iron stake found for a north corner of said 1539.45 acres, a reentrant corner of said Sunset Canyon, Section V, S26°23'27"E , at approximately 59 ft passing a fence angle post, then continuing along or near a fence for a total distance of 264.07 ft to a found ½" iron stake, S17°21'54"E , 2302 42 ft. to a found ½" iron stake, S00°59'30"E , 1910 33 ft to a ½" iron stake found for a reentrant corner of said 1539 45 acres, a southwest corner of said Sunset Canyon, Section V, N88°57'47"E , 630 08 ft to a ½" iron stake found for the most southerly northeast corner of said 1539 45 acres, a reentrant corner of said Sunset Canyon, Section V, and S04°04'06"E., 925 24 ft to a ½" iron stake found for the southeast corner of said 1539 45 acres, the most southerly southwest corner of said Sunset Canyon, Section V, in the north right-of-way line of U. S. Highway No 290,

THENCE, along or near a fence, with the common line between said 1539.45 acres and said U S. Highway No 290, all points being concrete highway right-of-way markers unless stated otherwise. S69°21'22"W , 358 83 ft , S82°04'12"W , 996 05 ft ; S79°07'35"W , 229 38 ft , S87°43'31"W , 2023 60 ft to the beginning of a 01°00'51" curve to the right, 152.93 ft along the arc of said curve subtended by a 01°33'03" central angle and 5649 58 ft radius (long chord = S88°15'36"W , 152 93 ft.) to its end, N85°09'24"W , 974 20 ft , and N80°47'34"W , 1714 46 ft. to a ½" iron stake set for the most southerly southwest corner of said 1539 45 acres, the southeast corner of said 138.59 acres,

THENCE, along or near a fence, with the common line between said 1539 45 and 138 59 acre tracts, N00°50'17"W., 1299 94 ft to a fence corner post for a reentrant corner of said 1539.45 acres, a northeast corner of said 138 59 acres, and S89°03'21"W , 952 49 ft to the PLACE OF BEGINNING.

I hereby certify that this field notes description and accompanying plat are accurate representations of the property contained therein as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or Corners; that all property corners are as stated (Bearing basis = True north based on GPS observations)

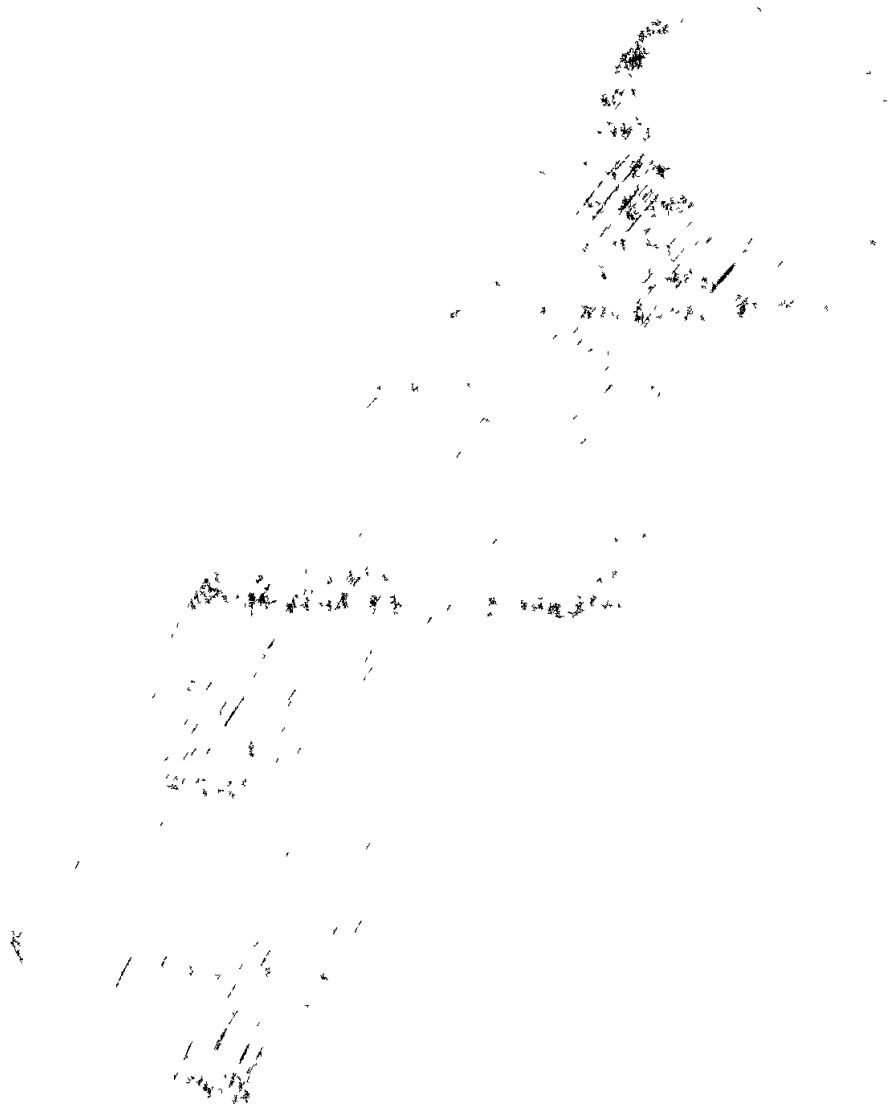
Dates surveyed. March 2 thru March 17, 2004
Dated this 23rd day of March, 2004



Mike A Grogan
Registered Professional Land Surveyor No 5296

EXHIBIT B

LEGAL DESCRIPTION OF THE RESIDENTIAL TRACT



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FIELD NOTES DESCRIPTION FOR 1364 31 ACRES OF THE HAZY HILLS RANCH IN HAYS COUNTY, TEXAS

Being all of a certain tract or parcel of land containing 1364 31 acres, more or less, comprising approximate acreage out of various Original Patent Surveys in Hays County, Texas, as follows:

Survey No.	Survey	Abstract No.	Acres
130	William Walker	475	46.29
137	Herman Benson	40	92 76
473	F. A. Jolly	555	79.39
	J. W Powell	560	85.47
47	John Pitts	768	123.15
154	Levi Lewis	639	163.54
1717	J. E. Gilbert	811	11.92
	W. R Wood	567	161 22
136	Edward Brown	44	189.28
	Heinrich Brashe	58	156.81
60	Marcus Raper	383	36 79
37	Marcus Raper	394	217 69

part of 1539.45 acres from Susan Townes Parker Gesford to Paul Pressler Family Generation Skipping Trust, et al, by a General Warranty Deed executed the 7th day of November, 2001, and recorded in Volume 1911 at Page 481 of the Official Public Records of Hays County, Texas, and being more particularly described by metes and bounds as follows.

BEGINNING at a 60'd' nail set in a rock mound found at or near the southwest corner of said Survey No. 154, a southwest corner of said 1539 45 acres, a reentrant corner of 138.59 acres conveyed from Ethel M Brydson Berkley, et al, to Ethel M Brydson Berkley by a Partition Deed executed the 26th day of August, 1963, and recorded in Volume 198 at Page 151 of the Deed Records of Hays County, Texas,

THENCE, along or near a fence and the northeast line of said 138 59 acres, the southwest line of said 1539 45 acres, N29°44'25"W , at approximately 1389 ft passing approximately 5 ft. S60°W. from the occupied east corner between said 138.59 acres and 291 ⅓ acres conveyed from Fred J Morris, et ux, to Cynosure Corporation by a Warranty Deed executed the 6th day of February, 1973, and recorded in Volume 258 at Page 123 of the Deed Records of Hays County, Texas; then continuing along or near a fence and the northeast line of said 291 ⅓ acres, with the southwest line of said 1539 45 acres, at approximately 1699 ft passing approximately 6 ft S60°W from a fence angle post, at approximately 1712 ft crossing fence, diverging from fence, at approximately 1857 ft passing approximately 66 ft N60°E from a fence angle post, at approximately 1892 ft. passing approximately 12 ft N60°E from a fence angle post, at approximately 1979 ft. crossing fence, at approximately 2453 ft passing approximately 66 ft. S60°W. from a fence angle post, at approximately 2670 ft converging with fence, then continuing along or near a fence for a total distance of 4495.82 ft to a 60'd' nail found at a fence corner post for a northwesterly corner of said 1539.45 acres; N87°21'02"E., 4 39 ft to a 60'd' nail set in a found rock mound for a reentrant corner of said 1539.45 acres, N29°39'40"W , 2168 41 ft to a ½" iron stake found at a fence corner for a reentrant corner of said 1539.45 acres, the northeast corner of said 291 ⅓ acres, and S60°36'50"W , 1551 06 ft to a

½" iron pipe found for the north common corner between said 291 ⅓ acres and 206 2 acres conveyed from Jaye Wright, Trustee, to John Luke Hill, Jr , by a Warranty Deed executed the 3rd day of July, 1990, and recorded in Volume 852 at Page 247 of the Official Public Records of Hays County, Texas,

THENCE, along or near a fence (along and possibly overlapping ±0 03 acre of said 206 2 acres), with the south line of said 1539 45 acres, N89°16'39"W., 614 05 ft to a ½" iron pipe found at a fence corner for the most westerly corner of said 1539 45 acres, a southeast corner of 1051 23 acres conveyed from John L Hill, Jr., et ux, to Melinda Hill Perrin, et al, by a Warranty Deed executed the 31st day of December, 1999, and recorded in Volume 1619 at Page 471 of the Official Public Records of Hays County, Texas;

THENCE, along or near a fence, with the common line between said 1539 45 and 1051.23 acre tracts, N30°04'19"E., at approximately 493 ft passing 10 ft S60°E. from a fence angle post, then continuing not along a fence for a total distance of 932 29 ft to a ½" iron stake found in the bed of a creek; N65°02'34"E., along the creek bed, 345 19 ft. to a ½" iron stake set in an X found marked on rock, N85°37'07"E , 231 56 ft to a found ½" iron stake, S82°33'09"E., 101 97 ft to a set ½" iron stake; N73°02'04"E., 55 50 ft to a set ½" iron stake, N29°57'45"E , at approximately 63 ft. crossing a fence, at approximately 68 ft. passing approximately 9 ft N60°W. from a fence angle post, at approximately 135 ft passing approximately 3 ft N60°W from a fence angle post, then continuing along or near a fence for a total distance of 681 05 ft. to a ⅝" iron stake found in a rock mound, and N29°21'37"E , 4426 39 ft. to a ½" iron stake found at a fence corner for the east corner of said 1051 23 acres, the west terminus of a Boundary Line Agreement between E E Townes Trust No. 2, et al, and Vincent Taylor, et ux, executed the 26th day of October, 1984, and recorded in Volume 485 at Page 183 of the Real Property Records of Hays County, Texas,

THENCE, along or near a fence, with the line of said Boundary Line Agreement, N29°14'52"E , 397.82 ft to a ½" iron stake found for the most northwest corner of said 1539.45 acres, S78°20'35"E., crossing a newer fence, along the remains of an older fence, 519 97 ft to a ½" iron stake found at a fence post; N85°40'23"E , 688.69 ft. to a found ½" iron stake, N50°04'03"E., 76.94 ft to a 20" diameter Hackberry Tree, N78°43'49"E , 65 26 ft. to an unmarked point in the remains of a Hackberry Stump, N69°57'08"E., 68 57 ft to a found ⅝" iron stake, S68°39'38"E., at approximately 73 ft crossing fence, then continuing for a total distance of 106 96 ft. to a set ½" iron stake; N82°30'24"E , 22 08 ft to a fence post, N89°26'51"E , 37 80 ft to a 23" diameter Cedar Tree; S85°16'32"E , 41 46 ft to an unmarked point in the remains of a Hackberry Stump, S76°37'27"E., 186 40 ft to a fence post, S71°26'15"E., at approximately 39 ft. crossing fence, then continuing for a total distance of 248.11 ft to a 13" diameter Live Oak Tree, S64°07'22"E , diverging south of fence, 72 96 ft. to a fence post, S59°14'45"E., 102.03 ft to a 13" diameter Live Oak Tree, S53°42'02"E , 156.98 ft to a fence post; S50°25'14"E , 110 56 ft. to a 23" diameter Live Oak Tree, S77°15'16"E , 133 89 ft. to a fence post, S32°00'36"E , 41 96 ft to a set ½" iron stake; S23°52'10"E , 46.47 ft to a fence post; S44°24'33"E , 274 22 ft. to a 12" diameter Live Oak Tree; S47°10'37"E , 129.23 ft to a fence post, S63°03'46"E., 142.40 ft. to a fence post, S66°33'28"E., 707 42 ft. to a 60'd' nail found in the top of a fence corner post for a northwest corner of said 1539.45 acres, and S30°37'25"W , 446 87 ft to a ⅜" iron stake found for the east terminus of said Boundary Line Agreement, in the northwest line of 324.554 acres conveyed from Eloise Willingham Koonce, et vir, to William B Mitchell, et ux, by a Cash Warranty Deed executed the 3rd day of March, 1999, and recorded in Volume 1514 at Page 326 of the Official Public Records of Hays County, Texas,

THENCE, along or near a fence, with the common line between said 1539 45 and 324 554 acre tracts, S29°54'31"W., 591.54 ft. to a found cotton spindle, S28°33'45"W , 572 42 ft to a fence corner post for a

reentrant corner of said 1539.45 acres, the southwest corner of said 324.554 acres, and S60°28'49"E , 789.52 ft. to a ½" iron stake found for a northwest corner of Sunset Canyon, Section V, a subdivision of Hays County according to the plat of record in Volume 3 at Page 284 of the Plat Records of Hays County, Texas, and as amended in Volume 4 at Page 234 of the Plat Records of Hays County, Texas,

Thence, along or near a fence, with the common line between said 1539.45 acres and said Sunset Canyon, Section V, S28°59'44"W., 3733.15 ft. to a ½" iron stake found for a west corner of said Sunset Canyon, Section V, a reentrant corner of said 1539.45 acres; S64°49'56"E , diverging northeast of fence, 448 87 ft. to a ½" iron stake found at a chain link fence, S57°31'21"E , along a chain link fence, at 132 ft passing a fence corner, then continuing not along a fence, at approximately 282 ft passing a fence corner, then continuing along or near a fence for a total distance of 580.25 ft to a found ½" iron stake, S60°43'12"E , 920 97 ft to a found ½" iron stake; S81°21'53"E , 2491 11 ft to a ½" iron stake found for a reentrant corner of said 1539 45 acres, a southeast corner of said Sunset Canyon, Section V; N28°52'08"W , 517 26 ft to a ½" iron stake found for a southerly northwest corner of said 1539 45 acres, a reentrant corner of said Sunset Canyon, Section V, N63°15'26"E , 798.41 ft. to a ½" iron stake found for a north corner of said 1539.45 acres, a reentrant corner of Said Sunset Canyon, Section V, S26°44'32"E , 561 86 ft to a ½" iron stake found for a reentrant corner of said 1539.45 acres, a south corner of said Sunset Canyon, Section V, N59°29'50"E., at approximately 730 ft passing a fence angle, then continuing not along a fence for a total distance of 764.92 ft. to a ½" iron stake found for a north corner of said 1539 45 acres, a reentrant corner of said Sunset Canyon, Section V; S26°23'27"E , at approximately 59 ft passing a fence angle post, then continuing along or near a fence for a total distance of 264 07 ft to a found ½" iron stake, S17°21'54"E., 2302 42 ft to a found ½" iron stake; and S00°59'30"E., 1910.33 ft to a ½" iron stake found for a reentrant corner of said 1539.45 acres, a southwest corner of said Sunset Canyon, Section Volume, a southeast corner of the herein described tract,

THENCE, upon, over and across said 1539.45 acres, all points being set ½" iron stakes: S84°24'35"W., 749.53 ft. for a reentrant corner of the herein described tract, and the beginning of a 15°54'56" curve to the right, 215 58 ft along the arc of said curve subtended by a 34°18'39" central angle and 360 00 ft radius (long chord = S07°34'58"E., 212.37 ft) to its end; S09°34'22"W., 377 14 ft to the beginning of a 23°52'24" curve to the left, 80 00 ft. along the arc of said curve subtended by a 19°05'53" central angle and 240.00 ft radius (long chord = S00°01'25"W., 79.63 ft.) to its end, and S09°31'31"E , 461 65 ft. to the common line between said 1539 45 acres and U S Highway No 290, a southeast corner of the herein described tract,

THENCE, along or near a fence, with the common line between said 1539 45 acres and said U.S Highway No 290, S79°07'35"W , 120 03 ft. to a ½" iron stake set for a southwest corner of the herein described tract,

THENCE, upon, over and across said 1539 45 acres, all points being set ½" iron stakes. N09°31'31"W , 464 48 ft. to the beginning of a 15°54'56" curve to the right, 120 00 ft along the arc of said curve subtended by a 19°05'53" central angle and 360 00 ft radius (long chord = N00°01'25"E , 119.44 ft.) to its end, N09°34'22"E , 377.14 ft. to the beginning of a 23°52'27" curve to the left, 186 97 ft. along the arc of said curve subtended by a 44°38'09" central angle and 240.00 ft radius (long chord = N12°44'43"W , 182.28 ft.) to its end, a reentrant corner of the herein described tract; S84°24'34"W , 335 38 ft , N55°18'04"W., 802 27 ft ; S89°59'40"W , 1111 42 ft.; S69°23'23"W., 1662.55 ft , N62°49'49"W , 276 53 ft. for a reentrant corner of the herein described tract, S34°57'25"E , 349 36 ft. to the beginning of a 09°32'58" curve to the right, 462 56 ft along the arc of said curve subtended by a 44°10'18" central angle and 600.00 ft. radius (long chord = S12°52'16"E , 451.19 ft) to its end, and S09°12'53"W , 291 93 ft to the common line between said

1539.45 acres and said U.S. Highway No. 290, a southeast corner of the herein described tract;

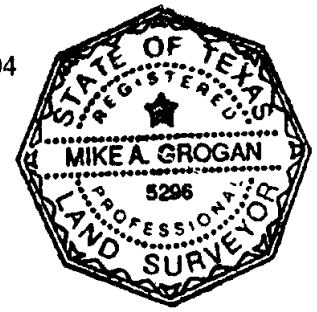
THENCE, along or near a fence, with the common line between said 1539 45 acres and said U.S Highway No. 290, N80°47'34"W., 120.00 ft. to a ½" iron stake set for a southwest corner of the herein described tract;

THENCE, upon, over and across said 1539.45 acres, all points being set ½" iron stakes unless stated otherwise· N09°12'53"E., 111.43 ft. to the beginning of a 09°32'58" curve to the left; 496 75 ft. along the arc of said curve subtended by a 47°26'11" central angle and 600.00 ft radius (long chord = N14°30'13"W , 482 69 ft.) to its end; N38°13'18"W., 237.13 ft to the beginning of a 09°32'58" curve to the right, 318 84 ft. along the arc of said curve subtended by a 30°26'49" central angle and 600 00 ft. radius (long chord = N22°59'53"W., 315.10 ft.) to its end; N07°46'28"W , 68 32 ft for a reentrant corner of the herein described tract, and N62°54'08"W., 762.56 ft to a northeast corner of said 138 59 acres, a reentrant corner of said 1539 45 acres,

THENCE, along or near a fence, with the common line between said 1539 45 and 138 59 acre tracts; S89°03'21"W., 952 49 ft to the PLACE OF BEGINNING

I hereby certify that this field notes description and accompanying plat are accurate representations of the property contained therein as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or Corners; that all property corners are as stated. (Bearing basis = True north based on GPS observations)

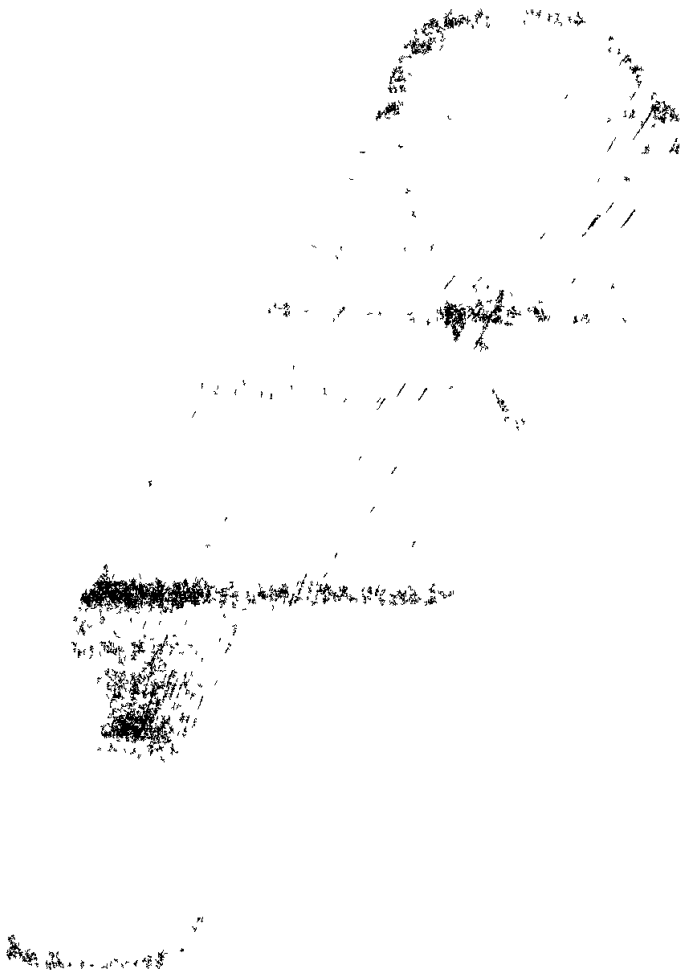
Dates surveyed· March 2nd thru March 17th and April 9th , 2004
Dated this 12th day of April, 2004



Mike A. Grogan
Registered Professional Land Surveyor No. 5296

EXHIBIT B-1

LEGAL DESCRIPTION OF THE COMMERCIAL TRACT



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FIELD NOTES DESCRIPTION FOR 24 07 ACRES OF THE HAZY HILLS RANCH IN HAYS COUNTY, TEXAS

Being all of a certain tract or parcel of land containing 24 07 acres, more or less, out of William Walker Survey No. 130, Abstract No. 475, in Hays County, Texas, part of 1539 45 acres conveyed from Susan Townes Parker Gesford to Paul Pressler Family Generation Skipping Trust, et al, by a General Warranty Deed executed the 7th day of November, 2001, and recorded in Volume 1911 at Page 481 of the Official Public Records of Hays County, Texas; and being more particularly described by metes and bounds as follows

BEGINNING at a fence corner post for the northwest corner of the herein described tract, a reentrant corner of said 1539 45 acres, a northeast corner of 138 59 acres conveyed from Ethel M. Brydson Berkley, et al, to Ethel M. Brydson Berkley by a Partition Deed executed the 26th day of August, 1963, and recorded in Volume 198 at Page 151 of the Deed Records of Hays County, Texas; which point bears 952.49 ft N89°03'21"E from a 60 'd' nail set in a rock mound found at or near the southwest corner of Levi Lewis Survey No 154;

THENCE, upon, over and across said 1539 45 acres, S62°54'08"E., 762 56 ft. to a ½" iron stake set for the northeast corner of the herein described tract;

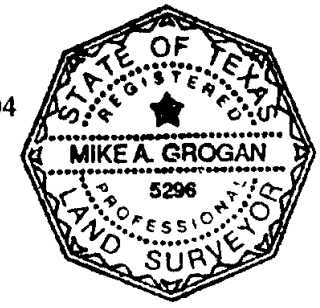
THENCE, upon, over and across said 1539 45 acres, all points being set ½" iron stakes: S07°46'28"E , 68 32 ft. to the beginning of a 09°32'58" curve to the left, 318 84 ft along the arc of said curve subtended by a 30°26'49" central angle and 600 00 ft radius (long chord = S22°59'53"E , 315 10 ft) to its end, S38°13'18"E , 237 13 ft to the beginning of a 09°32'58" curve to the right, 496 75 ft. along the arc of said curve subtended by a 47°26'11" central angle and 600 00 ft. radius (long chord = S14°30'13"E., 482 69 ft.) to its end; and S09°12'53"W., 111 43 ft to the common line between said 1539 45 acres and U S Highway No 290, the southeast corner of the herein described tract,

THENCE, along or near a fence, with the common line between said 1539.45 acres and said U S Highway No. 290, N80°47'34"W , 1055.55 ft to a ½" iron stake set for the most southerly southwest corner of said 1539 45 acres, the southwest corner of the herein described tract, the southeast corner of said 138 59 acres,

THENCE, along or near a fence, with the common line between said 1539.45 and 138.59 acre tracts, N00°50'17"W., 1299 94 ft to the PLACE OF BEGINNING.

I hereby certify that this field notes description and accompanying plat are accurate representations of the property contained therein as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or Corners, that all property corners are as stated (Bearing basis = True north based on GPS observations)

Dates surveyed March 2nd thru March 17th and April 9th , 2004
Dated this 12th day of April, 2004



Mike A Grogan
Registered Professional Land Surveyor No 5296

GROGAN SURVEYING • P. O BOX 1356 • 1135 HWY 173 N • BANDERA, TX 78003 • PH/FAX (830) 796-7177

FIELD NOTES DESCRIPTION FOR 116.54 ACRES OF THE HAZY HILLS RANCH IN HAYS COUNTY, TEXAS

Being all of a certain tract or parcel of land containing 116 54 acres, more or less, out of William Walker Survey No 130, Abstract No 475, in Hays County, Texas; part of 1539.45 acres conveyed from Susan Townes Parker Gesford to Paul Pressler Family Generation Skipping Trust, et al, by a General Warranty Deed executed the 7th day of November, 2001, and recorded in Volume 1911 at Page 481 of the Official Public Records of Hays County, Texas, and being more particularly described by metes and bounds as follows

BEGINNING at a ½" iron stake set in the common line between said 1539 45 acres and U.S. Highway No. 290, the southwest corner of the herein described tract, which bears 2590 73 ft S55°22'16"E from a 60 'd' nail set in a rock mound found at or near the southwest corner of Levi Lewis Survey No 154;

THENCE, upon, over and across said 1539 45 acres, all points being set ½" iron stakes: N09°12'53"E , 291 93 ft to the beginning of a 09°32'58" curve to the left, 462.56 ft. along the arc of said curve subtended by a 44°10'18" central angle and 600.00 ft radius (long chord = N12°52'16"W , 451 19 ft.) to its end, and N34°57'25"W , 349 36 ft to the northwest corner of the herein described tract;

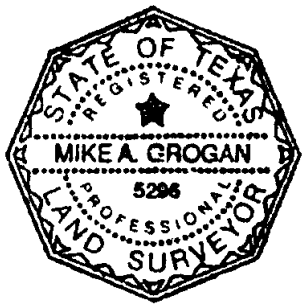
THENCE, upon, over and across said 1539.45 acres, all points being set ½" iron stakes S62°49'49"E. 276 53 ft , N69°23'23"E., 1662 55 ft., N89°59'40"E , 1111.42 ft ; S55°18'04"E , 802 27 ft , and N84°24'34"E , 335.38 ft to the beginning of a 23°52'24" curve to the right, the northeast corner of the herein described tract,

THENCE, upon, over and across said 1539.45 acres, all points being set ½" iron stakes 186.97 ft. along the arc of said curve subtended by a 44°38'09" central angle and 240 00 ft radius (long chord = S12°44'43"E , 182 28 ft) to its end, S09°34'22"W., 377 14 ft to the beginning of a 15°54'56" curve to the left, 120 00 ft. along the arc of said curve subtended by a 19°05'53" central angle and 360 00 ft radius (long chord = S00°01'25"W , 119 44 ft) to its end, and S09°31'31"E., 464 48 ft to the common line between said 1539 acres and said U S. Highway No 290, the southeast corner of the herein described tract;

THENCE, along or near a fence, with the common line between said 1539 45 acres and said U S Highway No 290, all points being concrete highway right-of-way markers unless stated otherwise S79°07'35"W , 30 33 ft , S87°43'31"W , 2023 60 ft. to the beginning of a 01°00'51" curve to the right, 152 93 ft. along the arc of said curve subtended by a 01°33'03" central angle and 5649 58 ft radius (long chord = S88°15'36"W., 152 93 ft) to its end, N85°09'24"W , 974 20 ft., and N80°47'34"W , 538 91 ft to the PLACE OF BEGINNING

I hereby certify that this field notes description and accompanying plat are accurate representations of the property contained therein as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or Corners, that all property corners are as stated (Bearing basis = True north based on GPS observations)

Dates surveyed: March 2nd thru March 17th and April 9th , 2004
Dated this 12th day of April, 2004



Mike A Grogan
Registered Professional Land Surveyor No 5296

GROGAN SURVEYING • P. O BOX 1356 • 1135 HWY 173 N • BANDERA, TX 78003 • PH/FAX (830) 796-7177

FIELD NOTES DESCRIPTION FOR 34 54 ACRES OF THE HAZY HILLS RANCH IN HAYS COUNTY, TEXAS

Being all of a certain tract or parcel of land containing 34.54 acres, more or less, out of William Walker Survey No. 130, Abstract No 475, in Hays County, Texas, part of 1539.45 acres conveyed from Susan Townes Parker Gesford to Paul Pressler Family Generation Skipping Trust, et al, by a General Warranty Deed executed the 7th day of November, 2001, and recorded in Volume 1911 at Page 481 of the Official Public Records of Hays County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a ½" iron stake found for the southeast corner of said 1539.45 acres, the most southerly southwest corner of Sunset Canyon, Section V, a subdivision of Hays County according to the plat of record in Volume 3 at Page 284 of the Plat Records of Hays County, Texas, and as amended in Volume 4 at Page 234 of the Plat Records of Hays County, Texas, in the north right-of-way line of U S. Highway No 290; the southeast corner of the herein described tract, which bears 7462 10 ft S80°22'05"E from a 60 'd' nail set in a rock mound found at or near the southwest corner of Levi Lewis Survey No 154;

THENCE, along or near a fence, with the common line between said 1539.45 acres and said U.S Highway No 290, S69°21'22"W., 358 83 ft to a concrete highway right-of-way marker, S82°04'12"W , 996.05 ft to a concrete highway right-of-way marker; and S79°07'35"W., 79 02 ft to a ½" iron stake set for the southwest corner of the herein described tract;

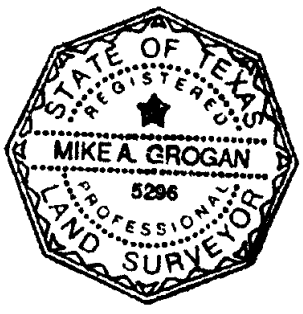
THENCE, upon, over and across said 1539.45 acres, all points being set ½" iron stakes N09°31'31"W., 461 65 ft to the beginning of a 23°52'24" curve to the right; 80.00 ft. along the arc of said curve subtended by a 19°05'53" central angle and 240 00 ft. radius (long chord = N00°01'25"E., 79 63 ft.) to its end, N09°34'22"E., 377 14 ft to the beginning of a 15°54'56" curve to the left; and 215 58 ft along the arc of said curve subtended by a 34°18'39" central angle and 360.00 ft. radius (long chord = N07°34'58"W , 212.37 ft) to its end for the northwest corner of the herein described tract,

THENCE, upon, over and across said 1539 45 acres, N84°24'35"E , 749 53 ft. to a ½" iron stake found for a reentrant corner of said 1539 45 acres, a southwest corner of said Sunset Canyon, Section V,

THENCE, along or near a fence, with the common line between said 1539.45 acres and said Sunset Canyon, Section V, N88°57'47"E , 630 08 ft. to a ½" iron stake found for the most southerly northeast corner of said 1539.45 acres, a reentrant corner of said Sunset Canyon, Section V, and S04°04'06"E , 925 24 ft to the PLACE OF BEGINNING.

I hereby certify that this field notes description and accompanying plat are accurate representations of the property contained therein as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or Corners; that all property corners are as stated (Bearing basis = True north based on GPS observations)

Dates surveyed: March 2nd thru March 17th and April 9th , 2004
Dated this 12th day of April, 2004



Mike A. Grogan
Registered Professional Land Surveyor No 5296

GROGAN SURVEYING • P O BOX 1356 • 1135 HWY 173 N. • BANDERA, TX 78003 • PH/FAX (830) 796-7177

Bk	Vol	Pg
04015657	OPR	2475 434

Filed for Record in:
Hays County
On: Jun 02,2004 at 04:07P
Document Number: 04015657
Amount: 78.00
Receipt Number - 102480
By,
Olga Martinez, Deputy

Lee Carlisle, County Clerk
Hays County

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER' S LICENSE NUMBER

SWT 2004-0235 34

FIRST AMENDMENT OF COVENANTS, CONDITIONS AND RESTRICTIONS

State of Texas §
§
County of Hays §

This First Amendment of Covenants, Conditions and Restrictions amending those certain Covenants, Conditions and Restrictions found in Volume 2475, Page 402, Official Public Records of Hays County, Texas (the "Declaration"), is as follows:

Whereas, the Paul Pressler Family Generation Skipping Trust et al. (the "Declarant") has previously agreed to and caused to be recorded the Declaration; and

Whereas, a portion of the property described in the Declaration has now been conveyed by the Declarant to the E. E. Townes Family Trust; and

Whereas, the E. E. Townes Family Trust, successor in interest to the Declarant and the other owner of a portion of the land subject to the Declaration, Rathgeber Investment Company, Ltd., desire to amend the Declaration to change a certain portion of the property subject to the Declaration from commercial to residential restrictions;

Therefore, the parties hereto agree as follows:

Section 1. That certain real property described on Exhibit "A" attached hereto ("Property") shall no longer be a portion of the Commercial Tract as that term is defined in the Declaration but shall be a part of the Residential Tract as that term is defined in the Declaration.

Section 2. The Property shall not be subject to the permitted and prohibited uses and other requirements applicable to the Commercial Tract but shall be subject to the permitted and prohibited uses and other provisions applicable to the Residential Tract.

The parties hereto agree that except as amended herein, the Declaration is acknowledged as being in full force and effect and applicable to the Property and the real property described in the Declaration.

Dated to be effective this the 10th day of February 2005

E.E TOWNES FAMILY TRUST, s successor in interest to Declarant, Paul Pressler Family Generation Skipping Trust et al.

By: Susan Townes Gesford
Susan Townes Gesford

By: _____
Goss Townes

By. _____
Townes G. Pressler

CONSENTED AND AGREED TO:

RATHGEBER INVESTMENT COMPANY, LTD , a Texas Limited Partnership

By: Rathgeber Investment G.P., Inc its General Partner

By:_____
Edward R. Rathgeber, President

STATE OF TEXAS §
§
COUNTY OF Polk § §

This instrument was acknowledged before me on this 10th day of February, ~~2004~~ 2005 by Susan Townes Gesford

Guynne Dillon
Notary Public's Signature

(Personalized Seal)

GUYNNE DILLON
NOTARY PUBLIC
STATE OF TEXAS
My Commission Expires 04-13-2007

E.E. TOWNES FAMILY TRUST, s successor in interest to Declarant, Paul Pressler Family Generation Skipping Trust et al.

By: _____
Susan Townes Gesford

By: _____
Goss Townes

By: _____
Townes G. Pressler

CONSENTED AND AGREED TO:

RATHGEBER INVESTMENT COMPANY, LTD., a Texas Limited Partnership

By: Rathgeber Investment G.P., Inc its General Partner

By: _____
Edward R. Rathgeber, President

STATE OF TEXAS §
§
COUNTY OF _____ §

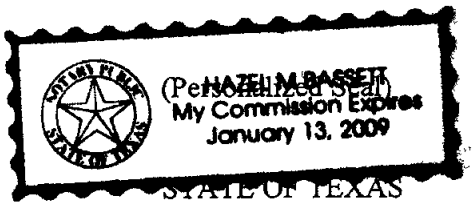
This instrument was acknowledged before me on this _____ day of _____, 2004 by Susan Townes Gesford

(Personalized Seal)

_____
Notary Public's Signature

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on this 9th day of February, ~~2004~~ 2005 by Goss Townes.



(Personalized Seal)

Notary Public's Signature

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2004 by Townes G. Pressler.

(Personalized Seal)

Notary Public's Signature

STATE OF TEXAS §
§
COUNTY OF_____ §

This instrument was acknowledged before me on this _____ day of _____, 200___ by Edward R Rathgeber, President of Rathgeber Investment G.P., Inc., the general partner of Rathgeber Investment Company, Ltd., a Texas limited partnership, on behalf of said partnership.

Notary Public, State of Texas

E.E TOWNES FAMILY TRUST, s successor in interest to Declarant, Paul Pressler Family Generation Skipping Trust et al.

By:_____
Susan Townes Gesford

By: _____
Goss Townes

By: _____
Townes G. Pressler

CONSENTED AND AGREED TO:

RATHGEBER INVESTMENT COMPANY, LTD , a Texas Limited Partnership

By: Rathgeber Investment G.P., Inc its General Partner

By:_____
Edward R. Rathgeber, President

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2004 by Susan Townes Gesford

(Personalized Seal)

_____
Notary Public's Signature

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2004 by Goss Townes.

(Personalized Seal)

_____
Notary Public's Signature

STATE OF TEXAS §
§
COUNTY OF Harris §

This instrument was acknowledged before me on this 1st day of February, 2004 by Townes G. Pressler.

(Personalized Seal) DEBBIE MILLER
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
DEC. 31, 2007

Debbie Miller
Notary Public's Signature

STATE OF TEXAS §
§
COUNTY OF_____ §

This instrument was acknowledged before me on this _____ day of _____, 200___ by Edward R. Rathgeber, President of Rathgeber Investment G.P., Inc., the general partner of Rathgeber Investment Company, Ltd., a Texas limited partnership, on behalf of said partnership.

_____
Notary Public, State of Texas

E.E. TOWNES FAMILY TRUST, s successor in interest to Declarant, Paul Pressler Family Generation Skipping Trust et al

By:_____
Susan Townes Gesford

By: _____
Goss Townes

By: _____
Townes G. Pressler

CONSENTED AND AGREED TO:

RATHGEBER INVESTMENT COMPANY, LTD., a Texas Limited Partnership

By: Rathgeber Investment G.P., Inc.
its General Partner

By:_____
Edward R. Rathgeber, President

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2004 by Susan Townes Gesford.

(Personalized Seal)

_____
Notary Public's Signature

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2004 by Goss Townes.

(Personalized Seal) _____
Notary Public's Signature

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2004 by Townes G. Pressler.

(Personalized Seal) _____
Notary Public's Signature

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

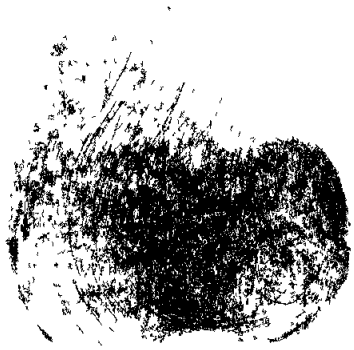
This instrument was acknowledged before me on this 7th day of February, 2005 by Edward R. Rathgeber, President of Rathgeber Investment G.P., Inc., the general partner of Rathgeber Investment Company, Ltd., a Texas limited partnership, on behalf of said partnership.

Carolyn F. Gresham
Notary Public
State of Texas
My Commission Expires
MAY 06, 2008

Carolyn F. Gresham
Notary Public, State of Texas

EXHIBIT "A"

5.851 Acres



Land Surveyors, Inc.
8000 Anderson Square Road
Suite 110
Austin, Texas 78757
Office: 512.374.9722
Fax: 512.459.4752

METES AND BOUNDS DESCRIPTION

BEING 5.851 ACRES OUT OF THE WILLIAM WALKER SURVEY NO. 130, ABSTRACT NO. 475 IN HAYS COUNTY, TEXAS, AND BEING A PORTION OF A 1539.45 ACRE TRACT OF LAND CONVEYED TO PAUL PRESSLER FAMILY GENERATION SKIPPING TRUST, ET. AL BY DEED OF RECORD IN VOLUME 1911, PAGE 481 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2" iron rebar found for an angle point in the east line of said 1539.45 acre tract, the southeast corner of Lot 1031, Sunset Canyon, Section V, a subdivision of record in Volume 3, Page 284 of the Plat Records of Hays County, Texas, being in the west right-of-way line of Canyonwood Drive (60' R.O.W.), from which a 1/2" iron rebar found bears North 85°13'35" East, a distance of 0.98 feet, and from said Point of Beginning a 1/2" iron rebar found for the northeast corner of said Lot 1031, Sunset Canyon, Section V, bears along a curve to the left having a radius of 247 72 feet (record – 247 72 feet), a delta angle of 35°15'45", an arc length of 152.46 feet (record – 152.40 feet), and having a chord which bears North 21°40'31" West a distance of 150.06 feet (record - North 20°39'55" West a distance of 150 00 feet;

THENCE South 04°04'06" East (record – South 04°04'06" East), with the most southerly southeast line of the 1539 45 acre tract and the west right-of-way line of Canyonwood Drive, a distance of 629.72 feet to a 1/2" iron rebar set with plastic cap which reads "Baseline Inc.", from which a 1/2" iron rebar found at the intersection of the west right-of-way line of Canyonwood Drive and the north right-of-way line of Highway 290 West (R O.W. varies) bears South 04°04'06" East (record – South 04°04'06" East) a distance of 295 53 feet,

THENCE crossing through the 1539.45 acre tract the following two (2) courses;

1 South 86°57'46" West, a distance of 400.08 feet to a 1/2" iron rebar set with plastic cap which reads "Baseline Inc.",

2. North 04°06'50" West, a distance of 643.76 feet to a 1/2" iron rebar set with plastic cap which reads "Baseline Inc." in the south line of Lot 1031, Sunset Canyon, Section V, from which a 1/2" iron rebar found for the southwest corner of Lot 1031, Sunset Canyon, Section V and being in the north line of the 1539.45 acre tract bears, South 88°58'02" West (record – South 88°57'47" West), a distance of 229 01 feet,

THENCE North 88°58'02" East (record – North 88°57'47" East), with the south line of Lot 1031, Sunset Canyon, Section V, a distance of 401 09 feet to the POINT OF BEGINNING.

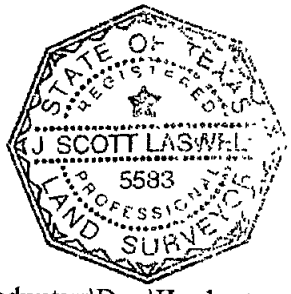
This parcel contains 5 851 acres of land, more or less, out of the William Walker Survey No 130, Abstract No 475 in Hays County, Texas.

Description prepared from an on-the-ground survey made during November, 2004.

Bearing Basis: East line of a 1539.45 acre tract of land conveyed to Paul Pressler Family Generation Skipping Trust, et. al by deed of record in Volume 1911, Page 481 of the Official Public records of Hays County, Texas and the west right-of-way line of Canyonwood Drive, being: South 04°04'06" East.

J. Scott Laswell 11/18/04

J. Scott Laswell Date
Registered Professional Land Surveyor
State of Texas No. 5583



Job Number:
Attachments: Survey Drawing - Baseline\Projects\Headwaters\Dwg\Headwaters.dwg
File: Baseline\Projects\HeadwatersDocuments\F_Notes\5.851 ac.doc

Filed for Record in:
Hays County
On: Mar 08,2005 at 11:25A
Document Number: 05006302
Amount: 34.00
Receipt Number - 120139
By,
Rose Robinson, Deputy
Lee Carlisle, County Clerk
Hays County

****** Electronically Filed Document ******

Hays County Texas
Liz Q. Gonzalez
County Clerk

Document Number: 2016-16015124
Recorded As : ELECTRONIC RECORDING

Recorded On:	**May 12, 2016**
Recorded At:	**08:52:05 am**
Number of Pages:	**73**
Recording Fee:	**$310.00**

Parties:

Direct- WFC HEADWATERS OWNER VII LP
Indirect-

Receipt Number:	**428760**
Processed By:	**Barbara Rodriguez**

************** 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.

COUNTY COURT OF HAYS COUNTY, TEXAS

I hereby certify that this instrument was filed for record in my office on the date and time stamped hereon and was recorded on the volume and page of the named records of Hays County, Texas

Liz Q Gonzalez

Liz Q. Gonzalez, County Clerk

After Recording Return To:
Robert D. Burton, Esq.
Winstead PC
401 Congress Avenue, Suite 2100
Austin, Texas 78701
Email: rburton@winstead.com

HEADWATERS AT BARTON CREEK

MASTER COVENANT

[RESIDENTIAL]

Hays County, Texas

NOTE: NO PORTION OF THE PROPERTY DESCRIBED ON EXHIBIT "A" IS SUBJECT TO THE TERMS OF THIS COVENANT UNLESS A NOTICE OF APPLICABILITY DESCRIBING SUCH PORTION OF THE PROPERTY IS RECORDED IN THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, IN ACCORDANCE WITH *SECTION 9.5* BELOW.

Declarant: WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership

HEADWATERS AT BARTON CREEK

MASTER COVENANT

[RESIDENTIAL]

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HEADWATERS AT BARTON CREEK

MASTER COVENANT
[RESIDENTIAL]

This Headwaters at Barton Creek Master Covenant *[Residential]* (the "**Covenant**") is made by WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership (the "**Declarant**"), and is as follows:

R E C I T A L S:

A. Declarant is the present owner of certain real property located in Hays County, Texas, as more particularly described on Exhibit "A", attached hereto (the "**Property**").

B. Declarant desires to create a uniform plan for the development, improvement, and sale of the Property.

C. Portions of the Property may be made subject to this Covenant upon the Recording of one or more Notices of Applicability pursuant to *Section 9.5* below, and once such Notices of Applicability have been Recorded, the portions of the Property described therein shall constitute the Development (as defined below) and shall be governed by and fully subject to this Covenant, and the Development in turn shall be comprised of separate Development Areas (as defined below) which shall be governed by and subject to separate Development Area Declarations (as defined below) in addition to this Covenant.

No portion of the Property is subject to the terms and provisions of this Covenant until a Notice of Applicability is Recorded. A Notice of Applicability may only be Recorded by the Declarant.

PROPERTY VERSUS DEVELOPMENT VERSUS DEVELOPMENT AREA	
"Property"	**Described on Exhibit "A". This is the land that may be made subject to this Covenant, from time to time, by the Recording of one or more Notices of Applicability. Declarant has no obligation to add all or any portion of the Property to this Covenant.**
"Development"	**This is the portion of the land described on Exhibit "A" that has been made subject to this Covenant through the Recording of a Notice of Applicability.**
"Development Area"	**This is a portion of the Development. Each Development Area may be made subject to a Development Area Declaration.**

D. This Covenant serves notice that upon the further Recording of one or more Notices of Applicability, portions of the Property identified in such notice or notices shall be subject to the terms and provisions of this Covenant.

NOW, THEREFORE, it is hereby declared that: (i) those portions of the Property as and when made subject to this Covenant by the Recording of a Notice of Applicability shall be held, sold, conveyed, and occupied subject to the following covenants, conditions and restrictions which shall run with such portions of the Property and shall be binding upon all parties having right, title, or interest in or to such portions of the Property or any part thereof, their heirs, successors, and assigns and shall inure to the benefit of each Owner thereof; and (ii) each contract or deed conveying those portions of the Property that have been made subject to this Covenant shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not the same are set out in full or by reference in said contract or deed.

This Covenant uses notes (text set apart in boxes) to illustrate concepts and assist the reader. If there is a conflict between any note and the text of the Covenant, the text shall control.

ARTICLE 1
DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in this Covenant shall have the meanings hereinafter specified:

"**Applicable Law**" means all statutes, public laws, ordinances, policies, rules, regulations and orders of all federal, state, county and municipal governments or their agencies or any other entity having jurisdiction and control over the Development, specifically including any applicable building codes, zoning restrictions, permits and ordinances adopted by the City, which are in effect at the time a provision of the Documents is applied, and pertaining to the subject matter of the Document provision, including but not limited to, the Declaration of Use Restrictions and the Development Agreement, all as may be amended from time to time. Statutes, ordinances and regulations specifically referenced in the Documents are "Applicable Law" on the effective date of the Document, and are not intended to apply to the Development if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

"**Assessment**" or "**Assessments**" means assessments imposed by the Association under this Covenant.

"**Assessment Unit**" has the meaning set forth in *Section 5.9.1*.

"**Association**" means Headwaters Residential Master Community, Inc., a Texas nonprofit corporation, which will be created by the Declarant to exercise the authority and assume the powers specified in *ARTICLE 3* and elsewhere in this Covenant. The failure of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association, which derives its authority from this Covenant, the Certificate, the Bylaws, and Applicable Law.

"**Board**" means the Board of Directors of the Association.

"**Bulk Rate Contract" or "Bulk Rate Contracts**" means one or more contracts which are entered into by the Association for the provision of utility services or other services of any kind or nature to the Lots and/or Condominium Units. The services provided under Bulk Rate Contracts may include, without limitation, security services, trash pick-up services, propane service, natural gas service, landscape maintenance services, cable television services, telecommunications services, internet access services, "broadband services", wastewater services, and any other services of any kind or nature which are considered by the Board to be beneficial. Each Bulk Rate Contract must be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

"**Bylaws**" means the Bylaws of the Association as adopted and as amended from time to time.

"**Certificate**" means the Certificate of Formation of the Association, filed in the Office of the Secretary of State of Texas, as the same may be amended from time to time.

"**City**" means the City of Dripping Springs, an incorporated Type A, general-law municipality located in Hays County, Texas.

"City Council" means the City Council for the City of Dripping Springs, Texas.

"City Ordinance" or "City Ordinances" means the Code of Ordinances for the City of Dripping Springs, Texas.

"**Common Area**" means any property and facilities that the Association owns or in which it otherwise holds rights or obligations, including any property or facilities held by the Declarant for the benefit of the Association or its Members. Declarant reserves the right, from time to time and at any time, to designate by Recorded instrument portions of the Property being held by the Declarant for the benefit of the Association. Upon the Recording of such designation, the portion of the Property identified therein shall be considered Common Area for the purpose of this Covenant. Common Area also includes any property that the Association holds under a lease, license, or any easement in favor of the Association. Some Common Area shall be solely for the common use and enjoyment of the Owners, while other portions of the

Common Area may be designated by the Board for the use and enjoyment of the Owners and members of the public.

"**Community Enhancement Covenant**" means the community enhancement covenant that may be Recorded by the Declarant as part of the initial project documentation for the benefit of the Association. The Community Enhancement Covenant may be amended, from time to time, by the Declarant during the Development Period. Upon expiration or termination of the Development Period, the Community Enhancement Covenant may be amended by a Majority of the Board.

"**Community Manual**" means the community manual, which may be initially adopted and Recorded by the Declarant as part of the initial project documentation for the benefit of the Association. The Community Manual may include the Bylaws, Rules and other policies governing the Association. The Community Manual may be amended, from time to time, by the Declarant during the Development Period. Upon expiration or termination of the Development Period, the Community Manual may be amended by a Majority of the Board.

"**Condominium Unit**" means an individual unit, including any common element assigned thereto, within a condominium regime, if any, established within the Development. A Condominium Unit may be intended and designated in any Development Area Declaration for residential, commercial or live/work purposes.

"**Declaration of Use Restrictions**" shall mean that Declaration of Use Restrictions recorded under Document No. 04015657 of the Official Public Records of Hays County, Texas, as amended by that certain First Amendment of Covenants, Conditions and Restrictions recorded under Document No. 05006302 of the Official Public Records of Hays County, Texas.

"**Declarant**" means WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership. Notwithstanding any provision in this Covenant to the contrary, Declarant may, by Recorded instrument, assign, in whole or in part, exclusively or non-exclusively, any of its privileges, exemptions, rights, reservations and duties under this Covenant to any person. Declarant may also, by Recorded instrument, permit any other person to participate in whole, in part, exclusively or non-exclusively, in any of Declarant's privileges, exemptions, rights and duties under this Covenant.

Declarant enjoys special rights and privileges to facilitate the development, construction, and marketing of the Property and the Development, and to direct the size, shape and composition of the Property and the Development. These special rights are described in this Covenant. Many of these rights do not terminate until either Declarant: (I) has sold all Lots or Condominium Units which may be created out of the Property; or (ii) voluntarily terminates these rights by a Recorded instrument. Declarant may also assign, in whole or in part, all or any of the Declarant's rights established under the terms and provisions of this Covenant to one or more third-parties.

"**Design Guidelines**" means the standards for design and construction of Improvements, landscaping and exterior items proposed to be placed on any Lot or Condominium Unit, adopted pursuant to *Section 6.4.2* as the same may be amended from time to time. The Design Guidelines may consist of multiple written design guidelines applying to specific portions of the Development. At Declarant's option, the Headwaters Reviewer may adopt, and amend from time to time, the Design Guidelines applicable to the Development or any Development Area, or any portion thereof. The Design Guidelines may be Recorded as a separate written instrument or may be incorporated into a Development Area Declaration by exhibit or otherwise. Notwithstanding anything in this Covenant to the contrary, Declarant shall have no obligation to establish Design Guidelines for the Property, the Development, or any portion thereof.

"**Development**" refers to all or any portion of the Property made subject to this Covenant by the Recording of a Notice of Applicability.

"**Development Agreement**" means that certain The Headwaters at Barton Creek Development Agreement by and among City of Dripping Springs, Townes Family Trust and Headwaters Development Co., a Texas corporation, dated as of January 11, 2005, as amended by that certain First Amendment to the Headwaters at Barton Creek Development Agreement by and among the City of Dripping Springs, Texas, Rathgeber Investment Company, Ltd., Headwaters Development Co., a Texas corporation, Townes Family Trust and Headwaters Municipal Utility District, effective as of June 10, 2008, as further amended by that certain Second Amendment to the Headwaters at Barton Creek Development Agreement by and among the City of Dripping Springs, Texas, Rathgeber Investment Company, Ltd., and Declarant, executed November 4, 2014, as further amended by that certain Third Amendment to the Headwaters at Barton Creek Development Agreement by and among the City of Dripping Springs, Texas, Rathgeber Investment Company, Ltd., Declarant, and E.E. Townes Family Trust, executed July 28, 2015, as may be further amended from time to time.

"**Development Area**" means any part of the Development (less than the whole), which Development Area may be subject to a Development Area Declaration in addition to being subject to this Covenant.

"**Development Area Declaration**" means, with respect to any Development Area, the separate instruments containing covenants, restrictions, conditions, limitations and/or easements, to which the property within such Development Area is subjected.

"**Development Period**" means the period of time beginning on the date when this Covenant has been Recorded, and ending fifty (50) years thereafter, unless earlier terminated by a Recorded instrument executed by the Declarant. The Development Period is the period of time in which Declarant reserves the right to facilitate the development, construction, and marketing of the Property and the Development, and the right to direct the size, shape and

composition of the Property and the Development. The Development Period is for a term of years and does not require that Declarant own any portion of the Property or the Development.

"**Documents**" means, singularly or collectively, as the case may be, this Covenant, the Certificate, the Bylaws, the Community Manual, the Community Enhancement Covenant, the Design Guidelines (if adopted), any applicable Development Area Declaration, any applicable Notice of Applicability, and any Rules promulgated by the Association pursuant to this Covenant or any Development Area Declaration, as each may be adopted and amended from time to time, and all restrictions, covenants, and conditions contained therein. An appendix, exhibit, schedule, or certification accompanying a Document is part of a Document. See Table 1 for a summary of the Documents.

"**Headwaters Reviewer**" means the party holding the rights to approve Improvements within the Development and shall be Declarant or its designee until expiration or termination of the Development Period. Upon expiration or termination of the Development Period, the rights of the Headwaters Reviewer shall automatically be transferred to the ACC appointed by the Board, as set forth in *Section 6.2*.

"**Homebuilder**" refers to any Owner (other than Declarant) who is in the business of constructing single-family residences for resale to third parties and acquires all or a portion of the Property to construct single-family residences for resale to third parties.

"**Impervious Cover**" has the meaning given such term in *Section 22.05.016(c)* of the Dripping Springs Code of Ordinances.

"**Improvement**" means any and all physical enhancements and alterations to the Development, including but not limited to grading, clearing, removal of trees, alteration of drainage flow, and site work, and every structure and all appurtenances of every type and kind, whether temporary or permanent in nature, including, but not limited to, buildings, outbuildings, storage sheds, patios, tennis courts, sport courts, recreational facilities, swimming pools, pool equipment, satellite television receivers, putting greens, garages, driveways, parking areas and/or facilities, storage buildings, sidewalks, fences, walls, gates, signage, screening walls, retaining walls, alteration of drainage flow, drainage facilities, detention/retention ponds, water features, stairs, patios, decks, walkways, landscaping, trails, hardscape, mailboxes, exterior air conditioning equipment or fixtures, exterior lighting fixtures, water softener fixtures or equipment, poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

"**Lot**" means any portion of the Development designated by Declarant in a Recorded instrument or as shown as a subdivided lot on a Plat other than Common Area, Special Common Area, or a Lot on which a condominium regime has been established.

"**Majority**" means more than half.

"**Manager**" has the meaning set forth in *Section 3.8.8*.

"**Members**" means every person or entity that holds membership privileges in the Association.

"**Mortgage**" or "**Mortgages**" means any mortgage(s) or deed(s) of trust securing indebtedness and covering any Lot or Condominium Unit.

"**Mortgagee**" or "**Mortgagees**" means the holder(s) of any Mortgage(s).

"**Neighborhood**" has the meaning set forth in *Section 3.2*.

"**Neighborhood Delegate**" means the representative elected by the Owners of Lots and Condominium Units in each Neighborhood pursuant to the Representative System of Voting (as further defined herein) which may be established by the Declarant to cast the votes of all Lots and Condominium Units in the Neighborhood on all matters requiring a vote of the membership of the Association, except for the following situations in which this Covenant specifically requires Members or Owners to cast their vote individually: (i) changes to the term of the Covenant as described in *Section 10.1;* (ii) amendments to the Covenant as described in *Section 10.3;* and (iii) initiation of any judicial or administrative proceeding as described in *Section 10.4*. Notwithstanding the foregoing, the Documents may set forth additional circumstances in which the Members or Owners are required to cast their vote individually, and voting by Neighborhood Delegates is prohibited.

"**Notice of Applicability**" means the Recorded notice executed by the Declarant for the purpose of adding all or any portion of the Property to the terms and provisions of this Covenant. In accordance with *Section 9.5*, a Notice of Applicability may also subject a portion of the Property to a previously Recorded Development Area Declaration.

"**Occupant**" means a resident, an occupant or tenant of a Lot or Condominium Unit regardless of whether the person owns the Lot or Condominium Unit.

"**Owner**" means the person(s), entity or entities, including Declarant, holding all or a portion of the fee simple interest in any Lot or Condominium Unit, but does not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot or Condominium Unit pursuant to foreclosure of the lien of its Mortgage. Mortgagees who acquire title to a Lot or Condominium Unit through a deed in lieu of foreclosure or through foreclosure are Owners. Persons or entities having ownership interests merely as security for the performance of an obligation are not Owners. Every Owner is a Member of the Association.

"**Plat**" means a Recorded subdivision plat of any portion of the Development, and any amendments thereto.

"**Property**" means all of that certain real property described on Exhibit "A", attached hereto and incorporated herein by reference, subject to such additions thereto and deletions therefrom as may be made pursuant to *Section 9.3* and *Section 9.4* of this Covenant.

"**Rainwater Harvesting System**" means one or more rain barrels, tanks, or rainwater harvesting systems used to collect and store rainwater runoff from roofs or downspouts for later reuse.

"**Record, Recording, Recordation and Recorded**" means recorded in the Official Public Records of Hays County, Texas.

"**Representative System of Voting**" means the method of voting which may be established by Declarant pursuant to *Section 3.6* below.

"**Residential Developer**" refers to any Owner who acquires a Lot for the purpose of resale to a Homebuilder.

"**Rules**" means any instrument, however denominated, which is adopted by the Board for the regulation and management of the Development, including any amendments to those instruments.

"**Service Area**" means a group of Lots and/or Condominium Units designated as a separate Service Area pursuant to this Covenant for purpose of receiving benefits or services from the Association which are not provided to all Lots and Condominium Units. A Service Area may be comprised of more than one type of use or structure and may include noncontiguous Lots. A Lot or Condominium Unit may be assigned to more than one Service Area. Service Area boundaries may be established and modified as provided in *Section 2.4*.

"**Service Area Assessments**" means assessments levied against the Lots and/or Condominium Units in a particular Service Area to fund Service Area Expenses, as described in *Section 5.6*.

"**Service Area Expenses**" means the estimated and actual expenses which the Association incurs or expects to incur for the benefit of Owners within a particular Service Area, which may include a reasonable reserve for capital repairs and replacements.

"**Special Common Area**" means any interest in real property or improvements which is designated by Declarant in a Notice of Applicability which is Recorded pursuant to *Section 9.5*, in a Development Area Declaration or in any written instrument Recorded by Declarant (which designation shall be made in the sole and absolute discretion of Declarant) as Special Common Area which is assigned for the purpose of exclusive use and/or the obligation to pay Special Common Area Assessments attributable thereto, to one or more, but less than all of the Lots, Condominium Units, Owners or Development Areas, and is or shall be conveyed to the Association or as to which the Association shall be granted rights or obligations, or otherwise

held by the Declarant for the benefit of the Association. The Notice of Applicability, Development Area Declaration, or other written notice shall identify the Lots, Condominium Units, Owners or Development Areas assigned to such Special Common Area and further indicate whether the Special Common Area is assigned to such parties for the purpose of exclusive use and the payment of Special Common Area Assessments, or only for the purpose of paying Special Common Area Assessments attributable thereto. By way of illustration and not limitation, Special Common Area might include such things as private drives and roads, entrance facilities and features, monumentation or signage, walkways or landscaping.

"**Special Common Area Expenses**" means the estimated and actual expenses which the Association incurs or expects to incur to operate, maintain, repair and replace Special Common Area, which may include a reasonable reserve for capital repairs and replacements.

"**Special Common Area Assessments**" means assessments levied against the Lots and/or Condominium Units as described in *Section 5.5*.

"**Voting Group**" has the meaning set forth in *Section 3.7* below.

TABLE 1: DOCUMENTS	
Covenant (Recorded)	Creates obligations that are binding upon the Association and all present and future owners of Property made subject to the Covenant by the Recording of a Notice of Applicability.
Community Enhancement Covenant (Recorded)	Establishes fee payable to the Association for enhancement purposes within the Development.
Notice of Applicability (Recorded)	Describes the portion of the Property being made subject to the terms and provisions of the Covenant and any applicable Development Area Declaration.
Development Area Declaration (Recorded)	Includes additional covenants, conditions and restrictions governing portions of the Development.
Community Manual (Recorded)	Includes the Certificate, Bylaws, Rules, and policies governing the Association.
Design Guidelines	If adopted, governs the design and architectural standards for the construction of Improvements and modifications thereto. Neither the Declarant nor the Headwaters Reviewer shall have any obligation to adopt Design Guidelines.

ARTICLE 2
GENERAL RESTRICTIONS

2.1 **General**.

2.1.1 Conditions and Restrictions. All Lots and Condominium Units within the Development to which a Notice of Applicability has been Recorded in accordance with *Section 9.5*, shall be owned, held, encumbered, leased, used, occupied and enjoyed subject to the Documents and Applicable Law, including without limitations, the Declaration of Use Restrictions and the Development Agreement. **NO PORTION OF THE PROPERTY SHALL BE SUBJECT TO THE TERMS AND PROVISIONS OF THIS COVENANT UNTIL A NOTICE OF APPLICABILITY HAS BEEN RECORDED.**

2.1.2 Compliance with the Documents and Applicable Law. Compliance with the Documents is mandatory. Each Owner or Occupant, his or her family, and the Owner's or Occupant's tenants, guests, invitees, and licensees shall comply strictly with the provisions of the Documents and Applicable Law as the same may be amended from time to time. Failure to comply with any of the Documents shall constitute a violation of the Documents and may result in a fine against the Owner in accordance with this Covenant, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Declarant, the Board on behalf of the Association, the Headwaters Reviewer, or by an aggrieved Owner. Compliance with the Documents is, however, not a substitute for compliance with Applicable Law. The Documents do not purport to list or describe each restriction that may be applicable to a Lot or a Condominium Unit located within the Development. Each Owner is advised to review all Applicable Law, prior to submitting plans to the City or the Headwaters Reviewer for approval, specifically including the Development Agreement, which includes additional restrictions applicable to the Property. Furthermore, an approval by the Headwaters Reviewer should not be construed by the Owner that any Improvement complies with Applicable Law. EACH OWNER IS ADVISED TO REVIEW THE REQUIREMENTS OF APPLICABLE LAW PRIOR TO THE CONSTRUCTION OF ANY IMPROVEMENT WITHIN THE DEVELOPMENT TO INSURE THEIR STRICT COMPLIANCE WITH THE TERMS AND PROVISIONS THEREOF. Without limiting any rights or powers of the Association, the Board may (but shall not be obligated to) remedy or attempt to remedy any violation of any of the provisions of Documents, and the Owner whose violation has been so remedied shall be personally liable to the Association for all costs and expenses of effecting (or attempting to effect) such remedy. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1-1/2%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot shall be secured by the liens reserved in this Covenant for Assessments and may be collected by any means provided in this Covenant for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s). EACH SUCH OWNER SHALL RELEASE AND HOLD HARMLESS THE

ASSOCIATION AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION (INCLUDING ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.

2.1.3 Approval of Regulatory Submission Items. Each Owner is further advised that prior to submitting any application, zoning change, variance or special use permit, plat, drainage plans, building or site plan, expressly including any amendments to the preliminary plan and any development plan required to be submitted by an Owner pursuant to any zoning ordinance applicable to the Property or the Development (the "**Regulatory Submission Items**"), to a regulatory authority for approval or issuance of a permit, as applicable, the Owner shall first obtain approval from the Headwaters Reviewer of the Regulatory Submission Items (the "**Preliminary Regulatory Approval**"). Any Preliminary Regulatory Approval granted by the Headwaters Reviewer is conditional and no Improvements may be constructed in accordance with the Regulatory Submission Items until the Owner has submitted to the Headwaters Reviewer a copy of the Regulatory Submission Items approved by the regulatory authority and the Headwaters Reviewer has issued to the Owner a "Notice to Proceed". In the event of a conflict between the Regulatory Submission Items approved by the Headwaters Reviewer and the Regulatory Submission Items approved by the regulatory authority, the Owner shall be required to resubmit the Regulatory Submission Items to the Headwaters Reviewer for approval. Each Owner acknowledges that no regulatory authority has the authority to modify the terms and provisions of the Documents applicable to all or any portion of the Development.

2.1.4 Headwaters Reviewer Approval of Project Names. Each Owner is advised that the name used to identify a Development Area or any portion thereof for marketing or identification purposes must be approved in advance and in writing by the Headwaters Reviewer.

2.1.5 Development Amenities. A Development Area may include common area, open space, water quality facilities, parkland, trails, landscape areas, roadways, driveways or easements which benefit the Development in addition to the Development Area, as reasonably determined by the Declarant during the Development Period, and a Majority of the Board after termination or expiration of the Development Period (the "**Development Amenities**"). Declarant, during the Development Period, and a Majority of the Board after termination or expiration of the Development Period, may require all or a portion of such Development Amenities be conveyed, transferred, or dedicated (by deed easement, or license)

to: (i) the Association; or (ii) another entity designated by the Declarant or a Majority of the Board, as applicable. Alternatively, the Declarant, during the Development Period, and a Majority of the Board after termination or expiration of the Development Period, may require that all or a portion of such Development Amenities be owned and maintained by the Owner of all or a portion of a particular Development Area, subject to an easement in favor of other Owner(s) and Occupants, as designated by the Declarant or a Majority of the Board, as applicable (*e.g.*, ingress and egress over and across the driveways constructed within the Development Area). Pursuant to City Ordinance 28.05.012(b)(1)(H), notice must be provided to the City and all Members at least thirty (30) days prior to the transfer or assumption of maintenance responsibilities over the Development Amenities by an entity other than the Association. In addition, the Development Amenities may not be conveyed or otherwise transferred unless the conveyance and transfer is approved in advance and in writing by the Declarant during the Development Period, and a Majority of the Board after expiration or termination of the Development Period.

2.2 **Incorporation of Development Area Declarations**. Upon Recordation of a Development Area Declaration such Development Area Declaration shall, automatically and without the necessity of further act, be incorporated into, and be deemed to constitute a part of this Covenant, to the extent not in conflict with this Covenant, but shall apply only to portions of the Property made subject to the Development Area upon the Recordation of one or more Notices of Applicability. To the extent of any conflict between the terms and provisions of a Development Area Declaration and this Covenant, the terms and provisions of this Covenant shall apply.

2.3 **Conceptual Plans**. All master plans, site plans, brochures, illustrations, information and marketing materials related to the Property or the Development (collectively, the "**Conceptual Plans**") are conceptual in nature and are intended to be used for illustrative purposes only. **The land uses and Improvements reflected on the Conceptual Plans are subject to change at any time and from time to time, and it is expressly agreed and understood that land uses within the Property or the Development may include uses which are not shown on the Conceptual Plans.** Neither Declarant nor any Homebuilder or other developer of any portion of the Property or the Development makes any representation or warranty concerning such land uses and Improvements shown on the Conceptual Plans or otherwise planned for the Property or the Development and it is expressly agreed and understood that no Owner shall be entitled to rely upon the Conceptual Plans in making the decision to purchase any land or Improvements within the Property or the Development. Each Owner who acquires a Lot or Condominium Unit within the Development acknowledges that the Development is a master planned community, the development of which shall extend over many years, and agrees that the Association shall not engage in, or use Association funds to support, protest, challenge, or make any other form of objection to development of the Property or changes in the Conceptual Plans as they may be amended or modified from time to time.

The Development is a master planned community which will be developed over a number of years. The plans, land uses, projected Improvements, Assessments, and Documents are subject to change from time to time, without notice or obligation to notify.

2.4 **Provision of Benefits and Services to Service Area**.

(i) Declarant, in a Notice of Applicability Recorded pursuant to *Section 9.5* or in any Recorded notice, may assign Lots and/or Condominium Units to one or more Service Areas (by name or other identifying designation) as it deems appropriate, which Service Areas may be then existing or newly created, and may require that the Association provide benefits or services to such Lots and/or Condominium Units in addition to those which the Association generally provides to the Development. Declarant may unilaterally amend any Notice of Applicability or any Recorded notice, to re-designate Service Area boundaries. All costs associated with the provision of services or benefits to a Service Area shall be assessed against the Lots and/or Condominium Units within the Service Area as a Service Area Assessment.

(ii) In addition to Service Areas which Declarant may designate, any group of Owners may petition the Board to designate their Lots and/or Condominium Units as a Service Area for the purpose of receiving from the Association: (i) special benefits or services which are not provided to all Lots and/or Condominium Units; or (ii) a higher level of service than the Association otherwise provides. Upon receipt of a petition signed by Owners of a Majority of the Lots and/or Condominium Units within the proposed Service Area, the Board shall investigate the terms upon which the requested benefits or services might be provided and notify the Owners in the proposed Service Area of such terms and associated expenses, which may include a reasonable administrative charge in such amount as the Board deems appropriate (provided, any such administrative charge shall apply at a uniform rate per Lot and/or Condominium Units among all Service Areas receiving essentially the same service). Notwithstanding the foregoing, the Declarant shall have the right to withhold its consent for any petition to designate Lots and/or Condominium Units as a Service Area in Declarant's sole and absolute discretion). If approved by the Board, the Declarant during the Development Period, and the Owners of at least sixty-seven percent (67%) of the total number of votes held by all Lots and/or Condominium Units within the proposed Service Area, the Association shall provide the requested benefits or services on the terms set forth in the proposal or in a manner otherwise acceptable to the Board. The cost and administrative charges associated with such benefits or services shall be assessed against the Lots and/or Condominium Units within such Service Area as a Service Area Assessment.

2.5 **Impervious Cover**. There are limits on the amount of impervious cover that may be incorporated into each Lot. "Impervious Cover" for the purpose of this Covenant has the meaning given such term in *Section 22.05.016(c)* of the Dripping Springs Code of Ordinances. No impervious cover may be incorporated on a Lot or Condominiums Unit without the advance written approval of the Headwaters Reviewer or the Declarant (during the Development Period). The amount of Impervious Cover allocated to a Lot will equal: (i) the amount of Impervious Cover shown on plans and specifications for Improvements proposed to be constructed on a Lot or Condominium Unit and approved by the Headwaters Reviewer; PLUS (iii) three hundred (300) square feet (the sum of (i) and (ii) being referred to herein as the "**Impervious Cover Allocation**"). The plans and specifications for Improvements submitted to the Headwaters Review for review and approval will include a calculation of the Impervious Cover for the Improvements reflected thereon. Upon completion of the Improvements reflected on the plans and specifications approved by the Headwaters Reviewer, the Owner of the Lot or Condominium Unit will be required to submit to the Headwaters Reviewer, a certification (the "**Certification**") from a professional engineer or a licensed architect of the actual square feet of Impervious Cover constructed or incorporated on the Lot or Condominium Unit. The Certification will be provided to the Headwaters Reviewer no later than ten (10) days after completion of the Improvements, but in any event at least ten (10) days prior to the Owner's conveyance of a Lot or Condominium Unit with the Improvements constructed thereon to a third party. The Headwaters Review may cause the Certification to be Recorded. Unless otherwise approved in advance and in writing by the Headwater Reviewer or the Declarant (during the Development Period), no Owner may exceed the Impervious Cover Allocation. Exceeding the impervious cover allocated to a Lot WITHOUT the advance written approval of the Headwaters Reviewer or the Declarant will constitute a violation of the terms and provisions of this Covenant and, may result in the requirement that impervious cover be removed from the Lot or Condominium Unit (which would include demolition of an existing Improvement of any portion thereof) and may result in a fine levied against the Owner of the Lot or Condominium Unit in addition to any other remedy for violation of this Covenant.

WARNING

THE AMOUNT OF IMPERVIOUS COVER WHICH MAY BE INCORPORATED INTO YOUR LOT IS LIMITED. IF YOU EXCEED THE IMPERVIOUS ALLOCATION, YOU WILL HAVE VIOLATED THE TERMS AND PROVISIONS OF THE MASTER RESTRICTIONS. EXCEEDING THE IMPERVIOUS COVER ALLOCATION EXPOSE YOU TO CIVIL LIABILITY.

ARTICLE 3
HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

3.1 **Organization**. The Association shall be a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers of a Texas non-profit corporation. Neither the Certificate nor the Bylaws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Covenant.

3.2 **Neighborhoods**. Declarant reserves the right to record a Designation of Neighborhood pursuant to *Section 9.6* to assign portions of the Development to a "Neighborhood." A Neighborhood may be comprised of any number of Lots and/or Condominium Units and may include Lots or Condominium Units of more than one type, as well as Lots or Condominium Units that are not contiguous to one another. Each Designation of Neighborhood shall initially assign the portion of the Development described therein to a specific Neighborhood which may then exist (being identified and described in a previously Recorded Notice of Applicability) or may be newly created. After a Designation of Neighborhood is Recorded, any and all portions of the Development which are not assigned to a specific Neighborhood shall constitute a single Neighborhood. Until expiration or termination of the Development Period, Declarant may Record an amendment to any previously Recorded Designation of Neighborhood to designate or change Neighborhood boundaries. Declarant shall have no obligation to establish Neighborhoods.

3.3 **Membership**.

3.3.1 Mandatory Membership. Any person or entity, upon becoming an Owner, shall automatically become a Member of the Association. Membership shall be appurtenant to and shall run with the ownership of the Lot or Condominium Unit that qualifies the Owner thereof for membership, and membership may not be severed from the ownership of the Lot or Condominium Unit, or in any way transferred, pledged, mortgaged or alienated, except together with the title to such Lot or Condominium Unit. Within thirty (30) days after acquiring legal title to a Lot or Condominium Unit, if requested by the Board, an Owner must provide the Association with: (1) a copy of the recorded deed by which the Owner has acquired title to the Lot or Condominium Unit; (2) the Owner's address, email address, phone number, and driver's license number, if any; (3) any Mortgagee's name and address; and (4) the name, phone number, and email address of any Occupant other than the Owner.

3.3.2 Easement of Enjoyment – Common Area. Every Member shall have a right and easement of enjoyment in and to all of the Common Area and an access easement, if applicable, by and through any Common Area, which easements shall be appurtenant to and shall pass with the title to such Member's Lot or Condominium Unit, subject to the following restrictions and reservations:

(i) The right of the Declarant, or the Declarant's designee, or with the advance written approval of the Declarant during the Development Period, the right of the Board, to cause such Improvements and features to be constructed upon the Common Area, as determined from time to time by the Declarant, in the Declarant's sole and absolute discretion during the Development Period, or by the Board, in the Board's sole and absolute discretion, thereafter;

(ii) The right of the Association to suspend the Member's right to use the Common Area for any period during which any Assessment against such

Member's Lot or Condominium Unit remains past due or for any period during which such Member is in violation of any provision of this Covenant;

(iii) The right of the Declarant, or with the advance written approval of the Declarant during the Development Period, the right of the Board, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for any purpose;

(iv) The right of the Declarant, or with the advance written approval of the Declarant during the Development Period, the right of the Board to grant easements or licenses over and across the Common Area;

(v) The right of the Declarant, or with the advance written approval of the Declarant during the Development Period, the right of the Board to borrow money for the purpose of improving the Common Area and, in furtherance thereof, mortgage the Common Area and/or the right to future Assessments;

(vi) With the advance written approval of the Declarant during the Development Period, the right of the Board to borrow money for the purpose of improving the Common Area and, in furtherance thereof, mortgage the Common Area; and

(vii) The right of the Association to contract for services with any third parties on such terms as the Board may determine, except that during the Development Period, all such contracts must be approved in advance and in writing by the Declarant.

3.3.3 Easement of Enjoyment – Special Common Area. Each Owner of a Lot or Condominium Unit which has been assigned use of Special Common Area in a Notice of Applicability, Development Area Declaration, or other Recorded instrument, shall have a right and easement of enjoyment in and to all of such Special Common Area for its intended purposes, and an access easement, if applicable, by and through such Special Common Area, which easement shall be appurtenant to and shall pass with title to such Owner's Lot or Condominium Unit, subject to *Section 3.3.2* and subject to the following restrictions and reservations:

(i) The right of the Declarant, or the Declarant's designee, or with the advance written approval of the Declarant during the Development Period, the right of the Board, to cause such Improvements and features to be constructed upon the Special Common Area, as determined from time to time by the Declarant, in the Declarant's sole and absolute discretion during the

Development Period, or by the Board, in the Board's sole and absolute discretion, thereafter;

(ii) The right of Declarant during the Development Period to grant additional Lots or Condominium Units use rights in and to Special Common Area in a subsequently Recorded Notice of Applicability, Development Area Declaration, or other Recorded instrument;

(iii) The right of the Association to suspend the Member's rights to use the Special Common Area for any period during which any Assessment against such Member's Lot or Condominium Unit remains past due and for any period during which such Member is in violation of any provision of this Covenant;

(iv) The right of the Declarant, or with the advance written approval of the Declarant during the Development Period, the right of the Board, to grant easements or licenses over and across the Special Common Area;

(v) The right of the Declarant, or with the advance written approval of the Declarant during the Development Period, the right of the Board, to dedicate or transfer all or any part of the Special Common Area to any public agency, authority or utility for any purpose;

(vi) The right of the Declarant, or with the advance written approval of the Declarant during the Development Period, the right of the Board, to borrow money for the purpose of improving the Special Common Area and, in furtherance thereof, mortgage the Special Common Area;

(vii) The right of the Declarant, or with the advance written approval of the Declarant during the Development Period, the right of the Board, the right of the Board to promulgate Rules regarding the use of the Special Common Area and any Improvements thereon; and

(viii) The right of the Association to contract for services with any third parties on such terms as the Board may determine, except that during the Development Period, all such contracts must be approved in advance and in writing by the Declarant.

3.4 **Governance**. As more specifically described in the Bylaws, the Board will consist of at least three (3) persons elected at the annual meeting of the Association, or at a special meeting called for such purpose. **Notwithstanding the foregoing provision or any provision in this Covenant to the contrary, until the 10th anniversary of the date this Covenant is Recorded, Declarant shall have the sole right to appoint and remove all members of the Board. No later than the 10th anniversary of the date this Covenant is Recorded, or**

sooner as determined by Declarant, the Board shall hold a meeting of Members of the Association for the purpose of electing one-third of the Board (the "Initial Member Election Meeting"), which Board member(s) shall be elected by Owners other than the Declarant. Declarant shall continue to have the sole right to appoint and remove two-thirds of the Board from and after the Initial Member Election Meeting until expiration or termination of the Development Period.

3.5 **Voting Allocation**. The number of votes which may be cast for election of members to the Board (except as provided by *Section 3.4*) and on all other matters to be voted on by the Members shall be calculated as set forth below.

3.5.1 Lot. Each Owner of a Lot or Condominium Unit shall be allocated one (1) vote for each Lot or Condominium Unit so owned. In the event of the re-subdivision of any Lot or Condominium Unit into two or more Lots or Condominium Units, as applicable: (i) the number of votes to which such Lot or Condominium Unit is entitled shall be increased as necessary to retain the ratio of one (1) vote for each Lot or Condominium Unit resulting from such re-subdivision, *e.g.*, each Lot or Condominium Unit resulting from the re-subdivision shall be entitled to one (1) vote; and (ii) each Lot or Condominium Unit resulting from the re-subdivision shall be allocated one (1) Assessment Unit. In the event of the consolidation of two (2) or more Lots or Condominium Units for purposes of construction of a single residence thereon, the voting rights and Assessments will continue to be determined according to the number of original Lots or Condominium Units contained in such consolidated Lot or Condominium Unit. Nothing in this Covenant shall be construed as authorization for any re-subdivision or consolidation of Lots or Condominium Units, such actions being subject to the conditions and restrictions of the Headwaters Reviewer.

3.5.2 Declarant. In addition to the votes to which Declarant is entitled by reason of *Section 3.5.1*, for every one (1) vote outstanding in favor of any other person or entity, Declarant shall have four (4) additional votes until the expiration or termination of the Development Period. Declarant may cast votes allocated to the Declarant pursuant to this *Section 3.5.2* and shall be considered a Member for the purpose of casting such votes, and need not own any portion of the Development as a pre-condition to exercising such votes.

3.5.3 Co-Owners. If there is more than one Owner of a Lot or Condominium Unit, the vote for such Lot or Condominium Unit shall be exercised as the co-Owners holding a Majority of the ownership interest in the Lot or Condominium Unit determine among themselves and advise the Secretary of the Association in writing prior to the close of balloting. Any co-Owner may cast the vote for the Lot or Condominium Unit, and majority agreement shall be conclusively presumed unless another co-Owner of the Lot or Condominium Unit protests promptly to the President or other person presiding over the meeting or the balloting, in the case of a vote taken outside of a meeting. In the absence of a majority agreement, the Lot's or Condominium Unit's vote shall be suspended if two or more co-Owners seek to exercise it independently. In no event shall the vote for such Lot or Condominium Unit exceed

the total votes to which such Lot or Condominium Unit is otherwise entitled pursuant to this *Section 3.5.3*.

3.6 **Representative System of Voting.** The Representative System of Voting shall only be established if the Declarant first calls for election of a Neighborhood Delegate for a particular Neighborhood. The Declarant shall have no obligation to establish the Representative System of Voting. In addition, Declarant may terminate the Representative System of Voting at any time prior to expiration of the Development Period by Recorded written instrument.

3.6.1 Election of Initial Neighborhood Delegate. In the event that the Declarant chooses to establish a Representational System of Voting, the Owners of Lots and Condominium Units within each Neighborhood shall elect a Neighborhood Delegate and an alternate Neighborhood Delegate, in the manner provided below, to cast the votes of all Lots and Condominium Units in the Neighborhood on matters requiring a vote of the membership, except where this Covenant specifically requires the Owners or Members to cast their votes individually as more particularly described in the definition of "Neighborhood Delegate" in *Article 1* of this Covenant. In the event that a quorum is not met to elect a Neighborhood Delegate and an alternate Neighborhood Delegate by the Owners of Lots and Condominium Units within each Neighborhood, during the Development Period, Declarant shall have the right to appoint a Neighborhood Delegate until the next election is held as provided in *Section 3.6.3*. Notwithstanding the foregoing or any provision to the contrary in this Covenant, as provided in *Section 3.4*, until the 10th anniversary of the date this Covenant is Recorded, Declarant will have the sole right to appoint and remove all members of the Board.

3.6.2 Election of Successor Neighborhood Delegates. If the Declarant calls for the first election of a Neighborhood Delegate from a Neighborhood, subsequent elections shall, if necessary, be held within thirty (30) days of the same date each year.

3.6.3 Term. The Neighborhood Delegate and the alternate Neighborhood Delegate shall be elected on a biennial basis (once every two years), by electronic and absentee ballot without a meeting of Owners, or at a meeting of the Owners within each Neighborhood where written, electronic, proxy, and absentee ballots (or any combination of the foregoing) may also be utilized, as the Board determines. If the Board determines to hold a meeting for the election of the Neighborhood Delegate and the alternate Neighborhood Delegate, the presence, in person or by proxy, absentee or electronic ballot, of Owners representing at least ten percent (10%) of the total votes in a Neighborhood shall constitute a quorum at such meeting. Notwithstanding the foregoing provision, the Declarant during the Development Period, and the Board thereafter, may elect to extend the term of a Neighborhood Delegate and alternate Neighborhood Delegate to the extent Declarant or the Board, as applicable, determines that such extension will result in administrative efficiencies by allowing elections within different Neighborhoods to occur in close proximity to one another; provided, however, that the term of an existing Neighborhood Delegate and alternate Neighborhood Delegate shall not be extended for more than twelve (12) months.

3.6.4 Election Results. At any Neighborhood election, the candidate for each position who receives the greatest number of votes shall be elected to serve as the Neighborhood Delegate and the candidate with the second greatest number of votes shall be elected to serve as the alternate Neighborhood Delegate. The Neighborhood Delegate and alternate Neighborhood Delegate shall serve until his or her successor is elected.

3.6.5 Voting by the Neighborhood Delegate. The Neighborhood Delegate or, in his or her absence, the alternate Neighborhood Delegate, attends Association meetings and casts all votes allocated to Lots and Condominium Units in the Neighborhood that such person represents on any matter as to which such Neighborhood Delegate is entitled to vote under this Covenant. A Neighborhood Delegate may cast all votes allocated to Lots and Condominium Units in the Neighborhood in such delegate's discretion and may, but need not, poll the Owners of Lots and Condominium Units in the Neighborhood which such person represents prior to voting. Neither the Neighborhood Delegate nor the alternative Neighborhood Delegate may casts votes allocated to Lots and Condominium Units not owned by such Neighborhood Delegate in the Neighborhood that such person represents for the purpose of amending this Covenant.

3.6.6 Qualification. Candidates for election as the Neighborhood Delegate and alternate Neighborhood Delegate from a Neighborhood shall be Owners of Lots or Condominium Units in the Neighborhood, spouses of such Owners, Occupants of the Neighborhood, or an entity representative where an Owner is an entity.

3.6.7 Removal. Any Neighborhood Delegate or alternate Neighborhood Delegate may be removed, with or without cause, upon the vote or written petition of Owners holding a Majority of the votes allocated to the Lots and Condominium Units in the Neighborhood that the Neighborhood Delegate represents or by the Declarant, until the expiration or termination of the Development Period. If a Neighborhood Delegate is removed in accordance with the foregoing sentence, the alternate Neighborhood Delegate shall serve as the Neighborhood Delegate unless also removed.

3.6.8 Subordination to the Board. Neighborhood Delegates are subordinate to the Board and their responsibility and authority does not extend to policy making, supervising, or otherwise being involved in Association governance.

3.6.9 Running for the Board. An Owner may not simultaneously hold the position of Neighborhood Delegate and be a member of the Board of Directors. In addition, if Neighborhood Delegates are established, a Neighborhood Delegate running for the Board shall resign their position prior to casting any vote for a member of the Board. In such event, the alternate Neighborhood Delegate shall serve out the rest of the term as the former Neighborhood Delegate, and another alternate Neighborhood Delegate shall be elected by the Owners or Members in the Neighborhood to serve out the term as the successor alternate Neighborhood Delegate.

3.7 **Voting Groups**. Declarant may designate Voting Groups consisting of one or more Neighborhoods for the purpose of electing members of the Board. The purpose of Voting Groups is to provide groups with dissimilar interests the opportunity to be represented on the Board and to avoid a situation in which less than all the Neighborhoods are able to elect the entire Board. Voting Groups may be established by the Declarant without regard to whether the Representative System of Voting has been implemented in accordance with *Section 3.6* by the Declarant. If Voting Groups are established and the Representative System of Voting has been implemented, then a Neighborhood Delegate shall only vote on the slate of candidates assigned to the Neighborhood Delegate. If Voting Groups are established and the Representative System of Voting has not been implemented, then each Owner of a Lot or Condominium Unit shall only vote on the slate of candidates assigned to their Neighborhood.

3.7.1 Voting Group Designation. Declarant shall establish Voting Groups, if at all, not later than the date of expiration of the Development Period by Recording a written instrument identifying the Neighborhoods within each Voting Group (the "**Voting Group Designation**"). The Voting Group Designation will assign the number of members of the Board which the Voting Group is entitled to exclusively elect.

3.7.2 Amendment of Voting Group Designation. The Voting Group Designation may be amended unilaterally by the Declarant at any time prior to the expiration of the Development Period. After expiration of the Development Period, the Board shall have the right to Record or amend such Voting Group Designation upon the vote of a Majority of the Board and approval of Neighborhood Delegates representing a Majority of the Neighborhoods. Neither Recordation nor amendment of such Voting Group Designation shall constitute an amendment to this Covenant, and no consent or approval to modify the Voting Group Designation shall be required except as stated in this paragraph.

3.7.3 Single Voting Group. Until such time as Voting Groups are established, all of the Development shall constitute a single Voting Group. After a Voting Group Designation is Recorded, any and all portions of the Development which are not assigned to a specific Voting Group shall constitute a single Voting Group.

3.8 **Powers**. The Association shall have the powers of a Texas nonprofit corporation. It shall further have the power to do and perform any and all acts that may be necessary or proper, for or incidental to, the exercise of any of the express powers granted to it by Applicable Law or this Covenant. Without in any way limiting the generality of the two preceding sentences, the Board, acting on behalf of the Association, shall have the following powers at all times:

3.8.1 Rules. To make, establish and promulgate, and in its discretion to amend from time to time, or repeal and re-enact, Rules, policies, the Bylaws and the Community Manual, as applicable, which are not in conflict with this Covenant, as the Board deems proper, covering any and all aspects of the Development (including the operation, maintenance and

preservation thereof) or the Association. Any Rules, policies, the Bylaws and the Community Manual and any modifications thereto, proposed by the Board must be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

3.8.2 Insurance. To obtain and maintain in effect, policies of insurance that, in the opinion of the Board, are reasonably necessary or appropriate to carry out the Association's functions.

3.8.3 Records. To keep books and records of the Association's affairs, and to make such books and records, together with current copies of the Documents available for inspection by the Owners, Mortgagees, and insurers or guarantors of any Mortgage upon request during normal business hours.

3.8.4 Assessments. To levy and collect Assessments and to determine Assessment Units, as provided in *Article 5* below.

3.8.5 Right of Entry and Enforcement. To enter at any time without notice in an emergency (or in the case of a non-emergency, after twenty-four (24) hours written notice), without being liable to any Owner, upon any Lot and into any Improvement thereon or into any Condominium Unit for the purpose of enforcing the Documents or for the purpose of maintaining or repairing any area, Improvement or other facility or removing any item to conform to the Documents. The expense incurred by the Association in connection with the entry upon any Lot or into any Condominium Unit and the removal or maintenance and repair work conducted therefrom, thereon or therein shall be a personal obligation of the Owner of the Lot or the Condominium Unit so entered, shall be deemed an Individual Assessment against such Lot or Condominium Unit, shall be secured by a lien upon such Lot or Condominium Unit, and shall be enforced in the same manner and to the same extent as provided in *Article 5* hereof for Assessments. The Association shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Documents. The Association is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce the Documents; provided, however, that the Board shall never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, or its successors or assigns. The Association may not enter into, alter or demolish any Improvements on any Lot, or any Condominium Unit, other than Common Area or Special Common Area, in enforcing this Covenant before a judicial order authorizing such action has been obtained by the Association, or before the written consent of the Owner(s) of the affected Lot(s) or Condominium Unit(s) has been obtained. **EACH OWNER AND OCCUPANT HEREBY RELEASES AND HOLDS HARMLESS THE ASSOCIATION, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR**

ACTIVITIES UNDER THIS SECTION (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT TO THE EXTENT SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION RESULTED FROM THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.

3.8.6 Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association.

3.8.7 Conveyances. To grant and convey to any person or entity the real property and/or other interest, including fee title, leasehold estates, easements, rights-of-way or mortgages, out of, in, on, over, or under any Common Area or Special Common Area for the purpose of constructing, erecting, operating or maintaining the following:

(i) Parks, parkways or other recreational facilities or structures;

(ii) Roads, streets, sidewalks, signs, street lights, walks, driveways, trails and paths;

(iii) Lines, cables, wires, conduits, pipelines or other devices for utility purposes;

(iv) Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines; and/or

(v) Any similar improvements or facilities.

Nothing set forth above, however, will be construed to permit use or occupancy of any Improvement or other facility in a way that would violate applicable use and occupancy restrictions imposed by the Documents or Applicable Law. In addition, until expiration or termination of the Development Period, any grant or conveyance under this Sub-Section must be approved in advance and in writing by the Declarant. In addition, the Association (with the advance written approval of the Declarant during the Development Period) and the Declarant are expressly authorized and permitted to convey easements over and across Common Area or Special Common Area for the benefit of property not otherwise subject to the terms and provisions of this Covenant.

3.8.8 Manager. To retain and pay for the services of a person or firm (the "**Manager**"), which may include Declarant or an affiliate of Declarant, to manage and operate the Association, including its property, to the extent deemed advisable by the Board. Additional personnel may be employed directly by the Association or may be furnished by the Manager. To the extent permitted by Applicable Law, the Board may delegate any other duties,

powers and functions to the Manager. In addition, the Board may adopt resale certificate fees or any other fees associated with the provision of management services to the Association or its Members. **THE MEMBERS HEREBY RELEASE THE ASSOCIATION AND THE MEMBERS OF THE BOARD FROM LIABILITY FOR ANY OMISSION OR IMPROPER EXERCISE BY THE MANAGER OF ANY SUCH DUTY, POWER OR FUNCTION SO DELEGATED.**

3.8.9 Property Services. To pay for water, sewer, garbage removal, street lights, landscaping, and all other utilities, services, repair and maintenance, including but not limited to private or public recreational facilities, easements, roads, roadways, rights-of-ways, signs, parks, parkways, median strips, sidewalks, paths, trails, ponds, canals, and lakes.

3.8.10 Other Services and Properties. To obtain and pay for any other property and services, permits, or governmental approvals and to pay any other taxes or assessments that the Association or the Board is required or permitted to secure or to pay for pursuant to Applicable Law or under the terms of the Documents or as determined by the Board.

3.8.11 Construction on Common Area and Special Common Area. To construct new Improvements or additions to Common Area and Special Common Area, subject to the advance written approval of the Board and the Declarant until expiration or termination of the Development Period.

3.8.12 Contracts. To enter into Bulk Rate Contracts or other contracts or licenses with Declarant or any third party on such terms and provisions as the Board shall determine, to operate and maintain the Development, any Common Area, Special Common Area, Improvement, or other property, or to provide any service, including but not limited to cable, utility, or telecommunication services, or perform any function on behalf of Declarant, the Board, the Association, or the Members. During the Development Period, all Bulk Rate Contracts must be approved in advance and in writing by the Declarant.

3.8.13 Property Ownership. To acquire, own and dispose of all manner of real and personal property, including habitat, whether by grant, lease, easement, gift or otherwise. During the Development Period, all acquisitions and dispositions of the Association hereunder must be approved in advance and in writing by the Declarant.

3.8.14 Authority with Respect to the Documents. To do any act, thing or deed that is necessary or desirable, in the judgment of the Board, to implement, administer or enforce any of the Documents. Any decision by the Board to delay or defer the exercise of the power and authority granted by this Sub-Section shall not subsequently in any way limit, impair or affect ability of the Board to exercise such power and authority.

3.8.15 Membership Privileges. To establish Rules governing and limiting the use of the Common Area, Special Common Area, and any Improvements thereon as well as the use, maintenance, and enjoyment of the Lots and Condominium Units. All Rules governing

and limiting the use of the Common Area, Special Common Area, and any Improvements thereon must be approved in advance and in writing by the Declarant during the Development Period.

3.9 **Conveyance of Common Area and Special Common Area to the Association**. The Association may acquire, hold, and dispose of any interest in tangible and intangible personal property and real property. Declarant and its assignees reserve the right, from time to time and at any time, to designate by written and Recorded instrument portions of the Property being held by the Declarant for the benefit of the Association. Upon the Recording of such designation, the portion of the Property identified therein will be considered Common Area or Special Common Area for the purpose of this Covenant. Declarant and its assignees may also assign, transfer or convey to the Association interests in real or personal property within or for the benefit of the Development, for the Development and the general public, or otherwise, as determined in the sole and absolute discretion of the Declarant. All or any real or personal assigned, transferred and/or conveyed by the Declarant to the Association shall be deemed accepted by the Association upon Recordation, and without further action by the Association, and shall be considered Common Area or Special Common Area without regard to whether such real or personal property is designated by the Declarant as Common Area or Special Common Area. If requested by the Declarant, the Association will execute a written instrument, in a form requested by the Declarant, evidencing acceptance of such real or personal property; provided, however, execution of a written consent by the Association shall in no event be a precondition to acceptance by the Association. The assignment, transfer, and/or conveyance of real or personal property to the Association may be by deed without warranty, may reserve easements in favor of the Declarant or a third party designated by Declarant over and across such property, and may include such other provisions, including restrictions on use, determined by the Declarant, in the Declarant's sole and absolute discretion. Property assigned, transferred, and/or conveyed to the Association may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. Upon Declarant's written request, the Association will re-convey to Declarant any unimproved real property that Declarant originally conveyed to the Association for no payment. Declarant and/or its assignees may construct and maintain upon portions of the Common Area and/or the Special Common Area such facilities and may conduct such activities which, in Declarant's sole opinion, may be required, convenient, or incidental to the construction or sale of Improvements on the Development, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and its assignees shall have an easement over and across the Common Area and the Special Common Area for access and shall have the right to use such facilities and to conduct such activities at no charge.

3.10 **Indemnification**. To the fullest extent permitted by Applicable Law but without duplication (and subject to) any rights or benefits arising under the Certificate or Bylaws of the Association, the Association shall indemnify any person who was, or is, a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether

civil, criminal, administrative or investigative by reason of the fact that such person is, or was, a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorneys' fees, reasonably incurred by him or her in connection with such action, suit or proceeding if it is found and determined by the Board or a court of competent jurisdiction that such person: (a) acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Association; or (b) with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner which was reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

3.11 **Insurance**. The Board may purchase and maintain, at the expense of the Association, insurance on behalf of any person who is acting as a director, officer, committee member, employee, servant or agent of the Association against any liability asserted against such person or incurred by such person in their capacity as an director, officer, committee member, employee, servant or agent of the Association, or arising out of the person's status as such, whether or not the Association would have the power to indemnify the person against such liability or otherwise.

3.12 **Bulk Rate Contracts**. Without limitation on the generality of the Association powers set out in *Section 3.8* (except that during the Development Period, all Bulk Rate Contracts must be approved in advance and in writing by the Declarant), the Association shall have the power to enter into Bulk Rate Contracts at any time and from time to time. During the Development Period, all Bulk Rate Contracts must be approved in advance and in writing by the Declarant. The Association may enter into Bulk Rate Contracts with any service providers chosen by the Board (including Declarant, and/or any entities in which Declarant, or the owners or partners of Declarant are the owners or participants, directly or indirectly). The Bulk Rate Contracts may be entered into on such terms and provisions as the Board may determine in its sole and absolute discretion. The Association may, at its option and election add the charges payable by such Owner under such Bulk Rate Contract to the Assessments (Regular, Special, Service Area, Special Common Area, or Individual, as the case may be) against such Owner's Lot or Condominium Unit. In this regard, it is agreed and understood that, if any Owner fails to pay any charges due by such Owner under the terms of any Bulk Rate Contract, then the Association shall be entitled to collect such charges by exercising the same rights and remedies it would be entitled to exercise under this Covenant with respect to the failure by such Owner to pay Assessments, including without limitation the right to foreclose the lien against such Owner's Lot or Condominium Unit which is reserved under the terms and provisions of this Covenant. In addition, in the event of nonpayment by any Owner of any charges due under any Bulk Rate Contract and after the lapse of at least twelve (12) days since such charges were due, the Association may, upon five (5) days' prior written notice to such Owner (which may

run concurrently with such 12-day period), in addition to all other rights and remedies available at law, equity or otherwise, terminate, in such manner as the Board deems appropriate, any utility service or other service provided at the cost of the Association and not paid for by such Owner (or Occupant of such Owner's Lot or Condominium Unit) directly to the applicable service or utility provider. Such notice shall consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of termination, with the title "termination notice" or similar language prominently displayed on the notice. The notice shall include the office or street address where the Owner (or Occupant of such Owner's Lot or Condominium Unit) can make arrangements for payment of the bill and for re-connection or re-institution of service. No utility or cable television service shall be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services.

3.13 **Community Services and Systems**. The Declarant, or any affiliate of the Declarant with the Declarant's consent, during the Development Period, and the Board, with the Declarant's consent during the Development Period, is specifically authorized, but not required, to install, provide, maintain or furnish, or to enter into contracts with other persons to install, provide, maintain or furnish, central telecommunication receiving and distribution systems (*e.g.* cable television, high speed data/Internet/intranet services, and security monitoring) and related components, including associated infrastructure, equipment, hardware, and software, to serve all or any portion of the Development ("**Community Services and Systems**"). In the event the Declarant, or any affiliate of the Declarant, elects to provide any of the Community Services and Systems to all or any portion of the Development, the Declarant or affiliate of the Declarant may enter into an agreement with the Association with respect to such services. In the event Declarant, or any affiliate of the Declarant, enters into a contract with a third party for the provision any Community Services and Systems to serve all or any portion of the Development, the Declarant or the affiliate of the Declarant may assign any or all of the rights or obligations of the Declarant or the affiliate of the Declarant under the contract to the Association or any individual or entity. Any such contracts may provide for installation, operation, management, maintenance, and upgrades or modifications to the Community Services and Systems as the Declarant or the Board, as applicable, determines appropriate. Each Owner acknowledges that interruptions in Community Services and Systems and services will occur from time to time. The Declarant and the Association, or any of their respective affiliates, directors, officers, employees and agents, or any of their successors or assigns shall not be liable for, and no Community Services and Systems user shall be entitled to refund, rebate, discount, or offset in applicable fees for, any interruption in Community Services and Systems and services, regardless of whether or not such interruption is caused by reasons within the service provider's control.

3.14 **Protection of Declarant's Interests**. Despite any assumption of control of the Board by Owners other than Declarant, until the expiration or termination of the Development Period, the Board is prohibited from taking any action which would discriminate against

Declarant, or which would be detrimental to the sale of Lots, Condominium Units or any portion of the Property owned by Declarant. Declarant shall be entitled to determine, in its sole and absolute discretion, whether any such action discriminates or is detrimental to Declarant. Unless otherwise agreed to in advance and in writing by the Declarant, the Board shall be required to continue the same level and quality of maintenance, operations and services as that provided immediately prior to assumption of control of the Board by Owners other than Declarant until the expiration or termination of the Development Period.

3.15 **Administration of Common Area**. The administration of the Common Area or the Special Common Area by the Association shall be in accordance with the provisions of Applicable Law, the Documents, and any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently required by any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans (including, for example, the Federal Home Loan Mortgage Corporation) or by any governmental or quasi-governmental agency having regulatory jurisdiction over the Common Area or the Special Common Area or by any title insurance company selected by Declarant to insure title to any portion of the Common Area.

3.16 **Environmental Education**. The Association will implement an education program (the "**Program**") to further the protection of the environmental resources in and on the Property. The Program shall include, but shall not be limited to, the creation of one or more websites as well as the dissemination of pamphlets and newsletters to educate Owners about the natural resources of the area and methods of environmental resource protection. Specifically, the Program will address the benefits of installing Rainwater Harvesting Systems and the beneficial reuse of treated waste water; watershed protection; water conservation; native landscaping; species preservation; the dangers of using certain synthetic or chemical pesticides, fertilizers, and herbicides in the Barton Creek watershed; the promotion of organic fertilizers and herbicides; the proper disposal of wastes; and the benefits of use of native plant materials.

ARTICLE 4
INSURANCE AND RESTORATION

4.1 **Insurance**. Each Owner shall be required to purchase and maintain commercially standard insurance on the Improvements located upon such Owner's Lot or Condominium Unit. The Association shall not maintain insurance on the Improvements constructed upon any Lot or Condominium Unit. The Association may, however, obtain such other insurance as it may deem necessary, including but not limited to such policies of liability and property damage insurance as the Board, in its discretion, may deem necessary. Insurance premiums for such policies shall be a common expense to be included in the Assessments levied by the Association. The acquisition of insurance by the Association shall be without prejudice to the right and obligation of any Owner to obtain additional individual insurance.

ARE YOU COVERED?

The Association will not provide insurance which covers an Owner's Lot, a Condominium Unit, or any Improvements or personal property located on a Lot or within a Condominium Unit.

4.2 **Restoration Requirements.** In the event of any fire or other casualty, unless otherwise approved by the Headwaters Reviewer, the Owner shall: (i) promptly repair, restore and replace any damaged or destroyed structures to their same exterior condition existing prior to the damage or destruction thereof or (ii) in the case of substantial or total damage or destruction of any Improvement, remove all such damaged Improvements and debris from the Development within sixty (60) days after the occurrence of such damage. Such repair, restoration or replacement shall be commenced and completed in a good and workmanlike manner using exterior materials substantially similar to those originally used in the structures damaged or destroyed. To the extent that the Owner fails to commence such repair, restoration or replacement of substantial or total damage or destruction within one hundred and twenty (120) days after the occurrence of such damage or destruction, and thereafter prosecute the same to completion, or if the Owner does not clean up any debris resulting from any damage within sixty (60) days after the occurrence of such damage, the Association may commence, complete or effect such repair, restoration, replacement, removal, or clean-up, and such Owner shall be personally liable to the Association for the cost of such work; provided, however, that if the Owner is prohibited or delayed by Applicable Law from commencing such repair, restoration, replacement or clean-up, the rights of the Association under this provision shall not arise until the expiration of thirty (30) days after such prohibition or delay is removed. If the Owner fails to pay such cost upon demand by the Association, the cost thereof (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, than at the rate of one and one-half percent (1½%) per month) shall be added to the Assessment chargeable to the Owner's Lot. Any such amounts added to the Assessments chargeable against a Lot or Condominium Unit shall be secured by the liens reserved in this Covenant for Assessments and may be collected by any means provided in this Covenant for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot or Condominium Unit. **EACH OWNER SHALL RELEASE AND HOLD HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION, EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR COST OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

4.3 **Restoration - Mechanic's and Materialmen's Lien**. Each Owner whose structure is repaired, restored, replaced or cleaned-up by the Association pursuant to the rights granted under this Article, hereby grants to the Association an express mechanic's and materialmen's lien for the reasonable cost of such repair, restoration, replacement or clean-up of the damaged or destroyed Improvement to the extent that the cost of such repair, restoration, replacement, or clean-up exceeds any insurance proceeds allocable to such repair, restoration, replacement, or clean-up which are delivered to the Association. Upon request by the Board, and before the commencement of any reconstruction, repair, restoration, replacement, or clean-up such Owner shall execute all documents sufficient to effectuate such mechanic's and materialmen's lien in favor of the Association.

ARTICLE 5
COVENANT FOR ASSESSMENTS

5.1 **Assessments**.

5.1.1 Established by Board. Assessments established by the Board pursuant to the provisions of this Article shall be levied against each Lot and Condominium Unit in amounts determined pursuant to *Section 5.9*. The total amount of Assessments shall be determined by the Board in accordance with the terms of this Article.

5.1.2 Personal Obligation; Lien. Each Assessment, together with such interest thereon and costs of collection as hereinafter provided, shall be the personal obligation of the Owner of the Lot or Condominium Unit against which the Assessment is levied and shall be secured by a lien hereby granted and conveyed by Declarant to the Association against each such Lot and all Improvements thereon and each such Condominium Unit (such lien, with respect to any Lot or Condominium Unit not in existence on the date hereof, shall be deemed granted and conveyed at the time that such Lot or Condominium Unit is created). The Association may enforce payment of such Assessments in accordance with the provisions of this Article. Unless the Association elects otherwise (which election may be made at any time), each residential condominium association established by a condominium regime imposed upon all or a portion of the Development Area shall collect all Assessments levied pursuant to this Covenant from Condominium Unit Owners within such condominium regime. The condominium association shall promptly remit all Assessments collected from Condominium Unit Owners to the Association. If the condominium association fails to timely collect any portion of the Assessments due from the Owner of the Condominium Unit, then the Association may collect such Assessments allocated to the Condominium Unit on its own behalf and enforce its lien against the Condominium Unit without joinder of the condominium association. The condominium association's right to collect Assessments on behalf of the Association is a license from the Association which may be revoked by written instrument at any time, and from time to time, at the sole and absolute discretion of the Board.

5.1.3 Declarant Subsidy. Declarant may, but is not obligated to, reduce Assessments which would otherwise be levied against Lots and Condominium Units for any fiscal year by the payment of a subsidy to the Association. Any subsidy paid to the Association by Declarant may be treated as a contribution or a loan, in Declarant's sole and absolute discretion. Any subsidy and the characterization thereof will be disclosed as a line item in the annual budget prepared by the Board and attributable to such Assessments. The payment of a subsidy in any given year shall not obligate Declarant to continue payment of a subsidy to the Association in future years.

5.2 **Maintenance Fund**. The Board shall establish a maintenance fund into which shall be deposited all monies paid to the Association and from which disbursements shall be made in performing the functions of the Association under this Covenant. The funds of the Association may be used for any purpose authorized by the Documents and Applicable Law.

5.3 **Regular Assessments**. Prior to the beginning of each fiscal year, the Board shall prepare a budget for the purpose of determining amounts sufficient to pay the estimated net expenses of the Association (the **"Regular Assessment"**) which sets forth: (i) an estimate of expenses to be incurred by the Association during such year in performing its functions and exercising its powers under this Covenant, including, but not limited to, the cost of all management, repair and maintenance, the cost of providing street and other lighting, the cost of administering and enforcing the Documents; and (ii) an estimate the amount needed to maintain a reasonable provision for contingencies and an appropriate replacement reserve, and giving due consideration to any expected income and any surplus from the prior year's fund; and which (iii) excludes the operation, maintenance, repair and management costs and expenses associated with any Service Area and Special Common Area. Regular Assessments sufficient to pay such estimated net expenses shall then be levied at the level set by the Board in its sole and absolute discretion, and the Board's determination shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any Individual Assessment by any Owner, the Association may at any time, and from time to time, levy further Regular Assessments in the same manner. All such Regular Assessments shall be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments on or before the first day of each month, or in such other manner as the Board may designate in its sole and absolute discretion.

5.4 **Special Assessments**. In addition to the Regular Assessments provided for above, the Board may levy special assessments (the **"Special Assessment"**) whenever in the Board's opinion such Special Assessments are necessary to enable the Board to carry out the functions of the Association under the Documents. The amount of any Special Assessments shall be at the sole discretion of the Board. In addition to the Special Assessments authorized above, the Association may, in any fiscal year, levy a Special Assessment 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 or Special Common Area. Any Special Assessment levied by the Association for the purpose of defraying, in whole or in part,

costs of any construction, reconstruction, repair or replacement of capital improvement upon the Common Area shall be levied against all Owners based on Assessment Units. Any Special Assessments levied by the Association for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon any Special Common Area shall be levied against all Owners who have been assigned the obligation to pay Special Common Area Assessments and will be allocated among such Owners based on Assessment Units.

5.5 **Special Common Area Assessments**. Prior to the beginning of each fiscal year, the Board shall prepare a separate budget covering the estimated expenses to be incurred by the Association to operate, maintain, repair, or manage any Special Common Area. The budget shall be an estimate of the amount needed to operate, maintain, repair and manage such Special Common Area including a reasonable provision for contingencies and an appropriate replacement reserve, and shall give due consideration to any expected income and surplus from the prior year's fund. The level of assessments levied to pay for expenses associated with a Special Common Area (the **"Special Common Area Assessment"**) shall be set by the Board in its sole and absolute discretion, and the Board's determination shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including non-payment of any individual Special Common Area Assessment, the Association may at any time, and from time to time, levy further Special Common Area Assessments in the same manner as aforesaid. All such Special Common Area Assessments shall be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments on or before the first day of each month, or in such other manner as the Board may designate in its sole and absolute discretion.

5.6 **Service Area Assessments**. Prior to the beginning of each fiscal year, the Board shall prepare a separate budget for each Service Area reflecting the estimated Service Area Expenses to be incurred by the Association in the coming year. The total amount of assessments levied to pay for Service Area Expenses for each Service Area ("Service Area Assessment") will be allocated either: (i) equally; (ii) based on Assessment Units; or (iii) based on the benefit received among all Lots and Condominium Units in the benefited Service Area as determined in the absolute discretion of the Board, and will be levied as a Service Area Assessment. All amounts that the Association collects as Service Area Assessments shall be expended solely for the benefit of the Service Area for which they were collected and shall be accounted for separately from the Association's general funds.

5.7 **Individual Assessments**. In addition to any other Assessments, the Board may levy an individual assessment (the **"Individual Assessment"**) against an Owner and the Owner's Lot or Condominium Unit, which may include, but is not limited to: (i) interest, late charges, and collection costs on delinquent Assessments; (ii) reimbursement for costs incurred in bringing an Owner or the Owner's Lot or Condominium Unit into compliance with the Documents; (iii) fines for violations of the Documents; (iv) transfer-related fees and resale certificate fees; (v) fees for estoppel letters and project documents; (vi) insurance deductibles;

(vii) reimbursement for damage or waste caused by willful or negligent acts of the Owner, the Owner's guests, invitees or Occupants of the Owner's Lot or Condominium Unit; (viii) common expenses that benefit fewer than all of the Lots or Condominium Units, which may be assessed according to benefit received; (ix) fees or charges levied against the Association on a per-Lot or per-Condominium Unit basis; and (x) "pass through" expenses for services to Lots or Condominium Units provided through the Association and which are paid by each Lot or Condominium Unit according to benefit received.

5.8 **Working Capital Assessment**. Each Owner (other than Declarant) shall pay a one-time working capital assessment (the "**Working Capital Assessment**") to the Association in such amount, if any, as may be determined by the Declarant, until expiration or termination of the Development Period, and the Board thereafter. Such Working Capital Assessment need not be uniform among all Lots or Condominium Units, and the Declarant or the Board is expressly authorized to levy Working Capital Assessments of varying amounts depending on the size, use and general character of the Lots or Condominium Units then being made subject to such levy. The Association may use the working capital to discharge operating expenses. The levy of any Working Capital Assessment shall be effective only upon the Recordation of a written notice, signed by the Declarant or a duly authorized officer of the Association, setting forth the amount of the Working Capital Assessment and the Lots or Condominium Units to which it applies.

Notwithstanding the foregoing provision, the following transfers shall not be subject to the Working Capital Assessment: (i) foreclosure of a deed of trust lien, tax lien, or the Association's Assessment lien; (ii) transfer to, from, or by the Association; (iii) voluntary transfer by an Owner to one or more co-owners, or to the Owner's spouse, child, or parent. Additionally, an Owner who (iv) is a Homebuilder; or (v) a Residential Developer shall not be subject to the Working Capital Assessment; however, the Working Capital Assessment shall be payable by any Owner who acquires a Lot or Condominium Unit from a Homebuilder or Residential Developer for residential living purposes or by any Owner who: (vi) acquires a Lot or Condominium Unit and is not in the business of constructing single-family residences for resale to a third party; or (vii) who acquires the Lot or Condominium Unit for any purpose other than constructing a single-family residence thereon for resale to a third party. In the event of any dispute regarding the application of the Working Capital Assessment to a particular Owner, Declarant's determination regarding application of the exemption shall be binding and conclusive without regard to any contrary interpretation of this *Section 5.8*. The Working Capital Assessment shall be in addition to, not in lieu of, any other Assessments levied in accordance with this Article and shall not be considered an advance payment of such Assessments. The Working Capital Assessment hereunder will be due and payable to the Association immediately upon each transfer of title to the Lot or Condominium Unit, including upon transfer of title from one Owner of such Lot or Condominium Unit to any subsequent purchaser or transferee thereof. The Declarant during the Development Period, and thereafter the Board, shall have the power to waive the payment of any Working Capital Assessment

attributable to a Lot or Condominium Unit (or all Lots and Condominium Units) by the Recordation of a waiver notice or in the Notice of Applicability, which waiver may be temporary or permanent.

5.9 **Amount of Assessment**.

5.9.1 Assessments to be Levied. The Board shall levy Assessments against each "**Assessment Unit**" (as defined in *Section 5.9.2*). Unless otherwise provided in this Covenant, Assessments levied pursuant to *Section 5.3* and *Section 5.4* shall be levied uniformly against each Assessment Unit. Special Common Area Assessments levied pursuant to *Section 5.5* shall be levied uniformly against each Assessment Unit allocated to a Lot or Condominium Unit that has been assigned the obligation to pay Special Common Area Assessments for specified Special Common Area. Service Area Assessments levied pursuant to *Section 5.6* shall be levied either: (i) equally; (ii) based on Assessment Units allocated to the Lots and/or Condominium Units within the Service Area; or (iii) based on the benefit received among all Lots and Condominium Units in the benefited Service Area that has been included in the Service Area to which such Service Area Assessment relates.

5.9.2 Assessment Unit. Each Lot or Condominium Unit shall constitute one "**Assessment Unit**" unless otherwise provided in *Section 5.9.3*.

5.9.3 Residential Assessment Allocation. Declarant, in Declarant's sole and absolute discretion, may elect to allocate more than one Assessment Unit to a Lot or Condominium Unit. An allocation of more than one Assessment Unit to a Lot or Condominium Unit must be made in a Notice of Applicability or in a Development Area Declaration for the Development in which the Lot or Condominium Unit is located. Declarant's determination regarding the number of Assessment Units applicable to a Lot or Condominium Unit pursuant to this Sub-Section shall be final, binding and conclusive.

5.9.4 Declarant Exemption. Notwithstanding anything in this Covenant to the contrary, no Assessments shall be levied upon Lots or Condominium Units owned by Declarant.

5.9.5 Other Exemptions. Declarant may, in its sole discretion, elect to: (i) exempt any un-platted or unimproved portion of the Development, Lot or Condominium Unit from Assessments; (ii) delay the levy of Assessments against any un-platted, unimproved or improved portion of the Development, Lot or Condominium Unit; or (iii) reduce the levy of Assessments against any un-platted, unimproved or improved portion of the Development, Lot or Condominium Unit. In the event Declarant elects to delay or reduce Assessments pursuant to this *Section 5.9.5*, the duration of the delay or the amount of the reduction shall be set forth in a Recorded instrument. Declarant may terminate, extend or modify any delay or reduction set forth in a previously Recorded instrument by the Recordation of a replacement instrument.

Declarant or the Board may also exempt any portion of the Property which is dedicated and accepted by public authority from Assessments.

5.10 **Late Charges.** If any Assessment is not paid by the due date applicable thereto, the Owner responsible for the payment may be required by the Board, at the Board's election at any time and from time to time, to pay a late charge in such amount as the Board may designate, and the late charge (and any reasonable handling costs) shall be a charge upon the Lot or Condominium Unit owned by such Owner, collectible in the manner as provided for collection of Assessments, including foreclosure of the lien against such Lot or Condominium Unit; provided, however, such charge shall never exceed the maximum charge permitted under Applicable Law.

5.11 **Owner's Personal Obligation for Payment of Assessments**. Assessments levied as provided for herein shall be the personal and individual debt of the Owner of the Lot or Condominium Unit against which are levied such Assessments. No Owner may exempt himself from liability for such Assessments. In the event of default in the payment of any such Assessment, in addition to the late charge referred to in the preceding paragraph, the Owner of the Lot or Condominium Unit shall be obligated to pay interest on the amount of the Assessment at the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date thereof (or if there is no such highest rate, then at the rate of 1½% per month), together with all late charges, costs and expenses of collection, including reasonable attorney's fees.

5.12 **Assessment Lien and Foreclosure**. The payment of all sums assessed in the manner provided in this Article is, together with late charges as provided in *Section 5.10* and interest as provided in *Section 5.11* hereof and all costs of collection, including attorney's fees, as herein provided, are secured by the continuing Assessment lien granted to the Association pursuant to *Section 5.1.2* above, and shall bind each Lot and Condominium Unit in the hands of the Owner thereof, and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien shall be superior to all other liens and charges against such Lot or Condominium Unit, except only for (i) tax or governmental assessment liens; and (ii) all sums secured by a Recorded first mortgage lien or Recorded first deed of trust lien, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot or Condominium Unit in question; provided that, in the case of subparagraphs (ii) above, such Mortgage was Recorded, before the delinquent Assessment was due. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board, and such subordination may be signed by an authorized officer of the Association. The Association may, at its option and without prejudice to the priority or enforceability of the Assessment lien granted hereunder, prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot or Condominium Unit covered by such lien and a description of the Lot or Condominium Unit. Such notice may be signed by an authorized officer of the Association and shall be Recorded. Each Owner, by accepting a deed or ownership interest to a Lot or Condominium Unit subject

to this Covenant shall be deemed conclusively to have granted a power of sale to the Association to secure and enforce the Assessment lien granted hereunder. The Assessment liens and rights to foreclosure thereof shall be in addition to and not in substitution of any other rights and remedies the Association may have pursuant to Applicable Law and under this Covenant, including the rights of the Association to institute suit against such Owner personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien. In any foreclosure proceeding, such Owner shall be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association shall have the power to bid (in cash or by credit against the amount secured by the lien) on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any Mortgagee, the Association shall report to said Mortgagee any unpaid Assessments. The lien hereunder shall not be affected by the sale or transfer of any Lot or Condominium Unit; except, however, that in the event of foreclosure of any lien superior to the Assessment lien, the lien for any Assessments that were due and payable before the foreclosure sale shall be extinguished, provided that past-due Assessments shall be paid out of the proceeds of such foreclosure sale only to the extent that funds are available after the satisfaction of the indebtedness secured by the Mortgage. The provisions of the preceding sentence shall not, however, relieve any subsequent Owner (including any Mortgagee or other purchaser at a foreclosure sale) from paying Assessments becoming due and payable after the foreclosure sale. Upon payment of all sums secured by a lien of the type described in this *Section 5.12*, the Association shall upon the request of the Owner, and at such Owner's cost, execute an instrument releasing the lien relating to any lien for which written notice has been Recorded as provided above, except in circumstances in which the Association has already foreclosed such lien. Such release must be signed by an authorized officer of the Association and Recorded. In addition to the lien hereby retained, in the event of nonpayment by any Owner of any Assessment and after the lapse of at least twelve (12) days since such payment was due, the Association may, upon five (5) days' prior written notice (which may run concurrently with such 12-day period) to such Owner, in addition to all other rights and remedies available pursuant to Applicable Law, equity or otherwise, terminate, in such manner as the Board deems appropriate, any utility or cable services, provided through the Association and not paid for directly by an Owner or occupant to the utility or service provider. Such notice shall consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of disconnection, with the title "termination notice" or similar language prominently displayed on the notice. The notice shall include the office or street address where the Owner or the Owner's tenant can make arrangements for payment of the bill and for reconnection of service. Any utility or cable service shall not be disconnected or terminated on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services. Except as otherwise provided by Applicable Law, the sale or transfer of a Lot or Condominium Unit shall not relieve the Owner of such Lot or Condominium Unit or such Owner's transferee from liability for any Assessments thereafter becoming due or from the lien associated therewith. If an Owner conveys its Lot or Condominium Unit and on the date of such conveyance Assessments against the Lot or Condominium Unit remain unpaid, or said Owner owes other

sums or fees under this Covenant to the Association, the Owner shall pay such amounts to the Association out of the sales price of the Lot or Condominium Unit, and such sums shall be paid in preference to any other charges against the Lot or Condominium Unit other than liens superior to the Assessment liens and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot or Condominium Unit which are due and unpaid. The Owner conveying such Lot or Condominium Unit shall remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot or Condominium Unit also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the administrative expenses associated with updating the Association's records upon the transfer of a Lot or Condominium Unit to a third party; provided, however, that no administrative transfer fee shall be due upon the transfer of a Lot or Condominium Unit from Declarant to a third (3rd) party.

5.13 **Exempt Property**. The following area within the Development shall be exempt from the Assessments provided for in this Article:

(i) All area dedicated and accepted by a public authority;

(ii) The Common Area and the Special Common Area; and

(iii) Any portion of the Property or Development owned by Declarant.

No portion of the Property shall be subject to the terms and provisions of this Covenant, and no portion of the Property (or any owner thereof) shall be obligated to pay Assessments hereunder unless and until such Property has been made subject to the terms of this Covenant by the Recording of a Notice of Applicability in accordance with *Section 9.5*.

5.14 **Fines and Damages Assessment**.

5.14.1 Board Assessment. The Board may assess fines against an Owner for violations of the Documents which have been committed by an Owner, an Occupant or an Owner's or Occupant's guests, agents or invitees pursuant to the *Fine and Enforcement Policy* contained in the Community Manual. Any fine and/or charge for damage levied in accordance with this *Section 5.14* shall be considered an Individual Assessment pursuant to this Covenant. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owner. The Board may assess damage charges against an Owner for pecuniary loss to the Association from property damage or destruction of Common Area, the Special Common Area or any facilities caused by the Owner, the Occupant or their guests, agents, or invitees. The Manager shall have authority to send notices to alleged violators, informing them of their violations and asking them to comply with the Documents and/or informing them of potential or probable fines or damage assessments. The Board may from time to time adopt a schedule of fines.

5.14.2 Lien Created. The payment of each fine and/or damage charge levied by the Board against the Owner of a Lot or Condominium Unit is, together with interest as provided in *Section 5.11* hereof and all costs of collection, including attorney's fees as herein provided, secured by the lien granted to the Association pursuant to *Section 5.1.2* of this Covenant. Unless otherwise provided in this *Section 5.14*, the fine and/or damage charge shall be considered an Assessment for the purpose of this Article and shall be enforced in accordance with the terms and provisions governing the enforcement of assessments pursuant to this Article.

ARTICLE 6
HEADWATERS REVIEWER

6.1 **Architectural Control By Declarant**. During the Development Period, neither the Association, the Board, nor a committee appointed by the Association or Board (no matter how the committee is named) may involve itself with the approval of any Improvements. Until expiration of the Development Period, the Headwaters Reviewer for Improvements is Declarant or its designee. No Improvement constructed or caused to be constructed by the Declarant shall be subject to the terms and provisions of this Article and need not be approved in accordance therewith.

6.1.1 Declarant's Rights Reserved. Each Owner, by accepting an interest in or title to a Lot or Condominium Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees that during the Development Period no Improvements shall be started or progressed without the prior written approval of Declarant, which approval may be granted or withheld at Declarant's sole discretion. In reviewing and acting on an application for approval, Declarant may act solely in its self-interest and owes no duty to any other person or any organization. Declarant may designate one or more persons from time to time to act on its behalf in reviewing and responding to applications.

6.1.2 Delegation by Declarant. During the Development Period, Declarant may from time to time, but is not obligated to, delegate all or a portion of its reserved rights under this Article to an architectural control committee appointed by the Board or a committee comprised of architects, engineers, or other persons who may or may not be members of the Association. Any such delegation shall be in writing and shall specify the scope of delegated responsibilities. Any such delegation is at all times subject to the unilateral rights of Declarant to: (i) revoke such delegation at any time and reassume jurisdiction over the matters previously delegated until expiration of twenty-four (24) months after the expiration of the Development Period; and (ii) to veto any decision which Declarant in its sole discretion determines to be inappropriate or inadvisable for any reason. The Declarant is not responsible for: (i) errors in or omissions from the plans and specifications submitted to the Declarant; (ii) supervising construction for the Owner's compliance with approved plans and specifications; or (iii) the compliance of the Owner's plans and specifications with governmental codes and ordinances, state and federal laws.

6.2 **Architectural Control by Association**. Unless and until such time as Declarant delegates all or a portion of its reserved rights to the Board, or the Development Period is terminated or expires, the Association has no jurisdiction over architectural matters. On termination or expiration of the Development Period, or earlier if delegated in writing by Declarant, the Association, acting through an architectural control committee (the "**ACC**") shall assume jurisdiction over architectural control and shall have the powers of the Headwaters Reviewer hereunder.

6.2.1 ACC. The ACC shall consist of at least three (3) persons but not more than seven (7) persons appointed by the Board. Members of the ACC serve at the pleasure of the Board and may be removed and replaced at the Board's discretion. At the Board's option, the Board may act as the ACC, in which case all references in the Documents to the ACC shall be construed to mean the Board. Members of the ACC need not be Owners or Occupants, and may but need not include architects, engineers, and design professionals whose compensation, if any, may be established from time to time by the Board.

6.2.2 Limits on Liability. The ACC has sole discretion with respect to taste, design, and all standards specified by this Article. The members of the ACC have no liability for the ACC's decisions made in good faith, and which are not arbitrary or capricious. The ACC is not responsible for: (i) errors in or omissions from the plans and specifications submitted to the ACC; (ii) supervising construction for the Owner's compliance with approved plans and specifications; or (iii) the compliance of the Owner's plans and specifications with governmental codes and ordinances, state and federal laws.

6.3 **Prohibition of Construction, Alteration and Improvement**. No Improvement, or any addition, alteration, improvement, installation, modification, redecoration, or reconstruction thereof may occur unless approved in advance by the Headwaters Reviewer. The Headwaters Reviewer has the right but not the duty to evaluate every aspect of construction, landscaping, and property use that may adversely affect the general value or appearance of the Property or the Development. Notwithstanding the foregoing, each Owner shall have the right to modify, alter, repair, decorate, redecorate, or improve the interior of an Improvement, provided that such action is not visible from any other portion of the Development or Property.

6.4 **Architectural Approval**.

6.4.1 Submission and Approval of Plans and Specifications. Construction plans and specifications or, when an Owner desires solely to plat, re-subdivide or consolidate Lots or Condominium Units, a proposal for such plat, re-subdivision or consolidation, shall be submitted in accordance with the Design Guidelines, if any, or any additional rules adopted by the Headwaters Reviewer together, with any review fee which is imposed by the Headwaters Reviewer in accordance with *Section 6.4.2*. No plat, re-subdivision or consolidation shall be made, nor any Improvement placed or allowed on any Lot or Condominium Unit, until the

plans and specifications and the contractor which the Owner intends to use to construct the proposed Improvement have been approved in writing by the Headwaters Reviewer. The Headwaters Reviewer may, in reviewing such plans and specifications consider any information that it deems proper; including, without limitation, any permits, environmental impact statements or percolation tests that may be required by the Headwaters Reviewer or any other entity; and harmony of external design and location in relation to surrounding structures, topography, vegetation, and finished grade elevation. The Headwaters Reviewer may postpone its review of any plans and specifications submitted for approval pending receipt of any information or material which the Headwaters Reviewer, in its sole discretion, may require. Site plans must be approved by the Headwaters Reviewer prior to the clearing of any Lot or Condominium Unit, or the construction of any Improvements. The Headwaters Reviewer may refuse to approve plans and specifications for proposed Improvements, or for the plat, re-subdivision or consolidation of any Lot or Condominium Unit on any grounds that, in the sole and absolute discretion of the Headwaters Reviewer, are deemed sufficient, including, but not limited to, purely aesthetic grounds. Notwithstanding any provision to the contrary in this Covenant, the Headwaters Reviewer may issue an approval to Homebuilders or a Residential Developer for the construction of Improvements based on the review and approval of plan types and adopt a procedure which differs from the procedures for review and approval otherwise set forth in this Covenant.

6.4.2 Design Guidelines. The Headwaters Reviewer shall have the power, from time to time, to adopt, amend, modify, revoke, or supplement the Design Guidelines which may apply to all or any portion of the Development. In the event of any conflict between the terms and provisions of the Design Guidelines and the terms and provisions of this Covenant, the terms and provisions of this Covenant shall control. In addition, the Headwaters Reviewer shall have the power and authority to impose a fee for the review of plans, specifications and other documents and information submitted to it pursuant to the terms of this Covenant. Such charges shall be held by the Headwaters Reviewer and used to defray the administrative expenses and any other costs incurred by the Headwaters Reviewer in performing its duties hereunder; provided, however, that any excess funds held by the Headwaters Reviewer shall be distributed to the Association at the end of each calendar year. The Headwaters Reviewer shall not be required to review any plans until a complete submittal package, as required by this Covenant and the Design Guidelines, is assembled and submitted to the Headwaters Reviewer. The Headwaters Reviewer shall have the authority to adopt such additional or alternate procedural and substantive rules and guidelines not in conflict with this Covenant (including, without limitation, the imposition of any requirements for a compliance deposit, certificates of compliance or completion relating to any Improvement, and the right to approve in advance any contractor selected for the construction of Improvements), as it may deem necessary or appropriate in connection with the performance of its duties hereunder.

6.4.3 Failure to Act. In the event that any plans and specifications are submitted to the Headwaters Reviewer as provided herein, and the Headwaters Reviewer fails

to either approve or reject such plans and specifications for a period of thirty (30) days following such submission, the plans and specifications shall be deemed disapproved.

6.4.4 Variances. The Headwaters Reviewer may grant variances from compliance with restrictions on Impervious Cover or any of the provisions of the Documents, when, in the opinion of the Headwaters Reviewer, in its sole and absolute discretion, such variance is justified by specific circumstances of a particular case. All variances shall be evidenced in writing and, if Declarant has assigned its rights to the ACC, must be approved by the Declarant until expiration or termination of the Development Period, or otherwise by a Majority of the members of the ACC. Each variance shall also be Recorded; provided, however, that failure to Record a variance shall not affect the validity thereof or give rise to any claim or cause of action against the Headwaters Reviewer, Declarant, the Board or the ACC. If a variance is granted, no violation of the covenants, conditions, or restrictions contained in the Documents shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance shall not operate to waive or amend any of the terms and provisions of the Documents for any purpose, except as to the particular property and in the particular instance covered by the variance, and such variance shall not be considered to establish a precedent for any future waiver, modification, or amendment of the terms and provisions of the Documents.

6.4.5 Duration of Approval. The approval of the Headwaters Reviewer of any final plans and specifications, and any variances granted by the Headwaters Reviewer shall be valid for a period of one hundred and eighty (180) days only. If construction in accordance with such plans and specifications or variance is not commenced within such one hundred and eighty (180) day period and diligently prosecuted to completion within either: (i) one year after issuance of approval of such plans and specifications; or (ii) such other period thereafter as determined by the Headwaters Reviewer, in its sole and absolute discretion, the Owner shall be required to resubmit such final plans and specifications or request for a variance to the Headwaters Reviewer, and the Headwaters Reviewer shall have the authority to re-evaluate such plans and specifications in accordance with this *Sub-Section 6.4.5* and may, in addition, consider any change in circumstances which may have occurred since the time of the original approval.

6.4.6 No Waiver of Future Approvals. The approval of the Headwaters Reviewer to any plans or specifications for any work done or proposed in connection with any matter requiring the approval or consent of the Headwaters Reviewer shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications on any other matter, subsequently or additionally submitted for approval by the same or a different person, nor shall such approval or consent be deemed to establish a precedent for future approvals by the Headwaters Reviewer.

6.5 **Non-Liability of the Headwaters Reviewer**. NEITHER THE DECLARANT, THE BOARD, NOR THE HEADWATERS REVIEWER WILL BE LIABLE TO ANY OWNER OR

TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE HEADWATERS REVIEWER UNDER THIS COVENANT.

ARTICLE 7
MORTGAGE PROVISIONS

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots or Condominium Units within the Development. The provisions of this Article apply to the Covenant and the Bylaws of the Association.

7.1 **Notice of Action**. An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot or Condominium Unit to which its Mortgage relates (thereby becoming an "**Eligible Mortgage Holder**")), shall be entitled to timely written notice of:

(i) Any condemnation loss or any casualty loss which affects a material portion of the Development or which affects any Lot or Condominium Unit on which there is an eligible Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder; or

(ii) Any delinquency in the payment of assessments or charges owed for a Lot or Condominium Unit subject to the Mortgage of such Eligible Mortgage Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Documents relating to such Lot or Condominium Unit or the Owner or occupant which is not cured within sixty (60) days after notice by the Association to the Owner of such violation; or

(iii) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

7.2 **Examination of Books**. The Association shall permit Mortgagees to examine the books and records of the Association during normal business hours.

7.3 **Taxes, Assessments and Charges**. All taxes, assessments and charges that may become liens prior to first lien mortgages under Applicable Law shall relate only to the individual Lots or Condominium Units and not to any other portion of the Development.

ARTICLE 8
EASEMENTS

8.1 **Right of Ingress and Egress**. Declarant, its agents, employees, successors, and assigns shall have a right of ingress and egress over and the right of access to the Common Area or Special Common Area to the extent necessary to use the Common Area or Special Common

Area and the right to such other temporary uses of the Common Area or Special Common Area as may be required or reasonably desirable (as determined by Declarant in its sole discretion) in connection with construction and development of the Property or the Development. The Development shall be subject to a perpetual non-exclusive easement for the installation and maintenance of, including the right to read, meters, service or repair lines and equipment, and to do everything and anything necessary to properly maintain and furnish the Community Services and Systems and the facilities pertinent and necessary to the same, which easement shall run in favor of Declarant. Declarant shall have the right, but not the obligation, to install and provide the Community Services and Systems and to provide the services available through the Community Services and Systems to any and all Lots or Condominium Units within the Development. Neither the Association nor any Owner shall have any interest therein. Any or all of such services may be provided either: (i) directly through the Association and paid for as part of the Assessments; or (ii) directly by Declarant, any affiliate of Declarant, or a third party, to the Owner who receives the services. The Community Services and Systems, including any fees or royalties paid or revenue generated therefrom, shall be the property of Declarant unless transferred by Declarant, whereupon any proceeds of such transfer shall belong to Declarant. Declarant shall have the right but not the obligation to convey, transfer, sell or assign all or any portion of the Community Services and Systems or all or any portion of the rights, duties or obligations with respect thereto, to the Association or to any Person. The rights of Declarant with respect to the Community Services and Systems installed by Declarant and the services provided through such Community Services and Systems are exclusive, and no other person may provide such services through the Community Services and Systems installed by Declarant without the prior written consent of Declarant. In recognition of the fact that interruptions in cable television and other Community Services and Systems services will occur from time to time, no person or entity described above shall in any manner be liable, and no user of any Community System shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in Community Services and Systems services, regardless of whether or not same is caused by reasons within the control of the then-provider of such services.

8.2 **Reserved Easements**. All dedications, limitations, restrictions and reservations shown on any Plat and all grants and dedications of easements, rights-of-way, restrictions and related rights made by Declarant or any third-party prior to any portion of the Property becoming subject to this Covenant are incorporated herein by reference and made a part of this Covenant for all purposes as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant. Declarant reserves the right to relocate, make changes in, and additions to said easements, rights-of-way, dedications, limitations, reservations and grants for the purpose of developing the Property and the Development.

8.3 **Improvements, Roadway and Utility Easements**. Declarant hereby reserves for itself and its successors and assigns, a perpetual non-exclusive easement over, under, and across

the Development, as well as any portion of the Property owned by Declarant, or any areas owned or maintained by the Association, or any areas reserved or held as Common Area or Special Common Area, for the installation, use, operation, maintenance, repair, relocation, removal and/or modification of any Improvements, roadways, walkways, pathways, street lighting, sewer lines, water lines, utility lines, drainage and storm water lines, and/or other pipelines, conduits, wires, and/or any public utility function on, beneath or above the surface of the ground that serve the Development, the Property, and any other property owned by Declarant, with the right of access to the same at any time. Declarant shall be entitled to unilaterally assign the easements reserved hereunder to any third party who owns, operates or maintains the infrastructure, facilities and Improvements described in this *Section 8.3*. The exercise of the easement reserved herein shall not extend to permitting entry into any residence, nor shall it unreasonably interfere with the use of any Lot or residence or Improvement constructed thereon. In addition, Declarant may designate all or any portion of the easements or facilities constructed therein as Common Area, Special Common Area, or a Service Area.

8.4 **Subdivision Entry, Walls and Fencing Easement**. Declarant reserves for itself and the Association, an easement over and across the Development for the installation, maintenance, repair or replacement of certain subdivision entry facilities, walls and/or fencing which serve the Development, the Property, or any other property owned by Declarant. Declarant shall have the right, from time to time, to Record a written notice which identifies the subdivision entry facilities, walls and/or fencing to which the easement reserved hereunder applies. Declarant may designate all or any portion of the subdivision entry facilities, walls and/or fencing as Common Area, Special Common Area, or a Service Area.

8.5 **Sign, Monumentation, and Landscape Easement**. Declarant hereby reserves for itself, its successors and assigns, and the Association an easement over and across the Development for the installation, maintenance, repair or replacement of signs, monument signs and/or landscaping which serves the Development, the Property, and any other property owned by Declarant. Declarant shall have the right, from time to time, to Record a written notice which identifies those portions of the Property or Development to which the easement reserved hereunder applies. Declarant may designate all or any portion of the easement areas reserved hereunder as Common Area, Special Common Area, or a Service Area. The exercise of the easements reserved hereunder shall not extend to permitting entry into any residence, nor shall it unreasonably interfere with the use of any Lot, Condominium Unit, or residence or Improvement constructed thereon.

8.6 **Easement for Special Events**. The Declarant reserves for itself and the Association, and their successors, assigns, and designees, a perpetual, nonexclusive easement over the Common Area, for the purpose of conducting educational, cultural, artistic, musical and entertainment activities; and other activities of general community interest at such locations and times as the Declarant or the Association, in their reasonable discretion, deem appropriate. Members of the public may have access to such events. Each Owner, by accepting a deed or other instrument conveying any interest in a Lot or Condominium Unit subject to this Covenant

acknowledges and agrees that the exercise of this easement may result in a temporary increase in traffic, noise, gathering of crowds, and related inconveniences, and each Owner agrees on behalf of itself and the Occupants to take no action, legal or otherwise, which would interfere with the exercise of such easement.

8.7 **Shared Amenities Reciprocal Easements**. Certain portions of real property located near the Property (the "Other Development") may be developed and made subject to a separate covenants and governed by a separate property owners association (the "Other Association"), which in turn may share certain amenities, including drainage improvements, signage, monumentation, open space and landscaping (the "Shared Amenities") with the Association. Declarant reserves the right to grant and convey easements to the owner(s) of the Other Development m the Other Association or other similar entity responsible for the Shared Amenities (each an "Other Party") over and across Common Area or any portion of the Development which may be necessary or required to utilize and/or maintain the Shared Amenities; provided, however, that such easements may in no event unreasonably interfere with use of the Development or the Owner(s) thereof. Declarant reserves the right to (i) grant any Other Party the right to access and/or use the Shared Amenities, as applicable, located within the Development; (ii) obligate any Other Party to participate in performing the maintenance of the Shared Amenities located within the Development; (iii) require any Other Party to share in the expenses associated with the use and maintenance of the Shared Amenities; and (iv) enter into with any Other Party or cause any Other Party to enter into a shared amenity and cost allocation agreement (the "**SACA**"), to govern the rights and responsibilities of both the Association and the Other Party in regard to use and maintenance of the Shared Amenities, to allocate costs for the operation, maintenance and reserves for the Shared Amenities and to grant reciprocal easements for access and use of the Shared Amenities. Each Owner, by accepting an interest in or title to a Lot or Condominium Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay any fee allocated under the SACA to the Association as an Assessment to be levied and secured by a continuing lien on the Lot or Condominium Unit in the same manner as any other Assessment and Assessment lien arising under *Article 5* of this Covenant.

8.8 **Declarant as Attorney in Fact.** To secure and facilitate Declarant's exercise of the rights reserved by Declarant pursuant to the terms and provisions of the Documents, each Owner, by accepting a deed to a Lot or Condominium Unit and each Mortgagee, by accepting the benefits of a Mortgage against a Lot or Condominium Unit, and any other third party by acceptance of the benefits of a mortgage, deed of trust, mechanic's lien contract, mechanic's lien claim, vendor's lien and/or any other security interest against any Lot or Condominium Unit, shall thereby be deemed to have appointed Declarant such Owner's, Mortgagee's, and third party's irrevocable attorney-in-fact, with full power of substitution, to do and perform, each and every act permitted or required to be performed by Declarant pursuant to the terms of the Documents. The power thereby vested in Declarant as attorney-in-fact for each Owner, Mortgagee and/or third party, shall be deemed, conclusively, to be coupled with an interest and

shall survive the dissolution, termination, insolvency, bankruptcy, incompetency and death of an Owner, Mortgagee and/or third party and shall be binding upon the legal representatives, administrators, executors, successors, heirs and assigns of each such party.

ARTICLE 9
DEVELOPMENT RIGHTS

9.1 **Development**. It is contemplated that the Development shall be developed pursuant to a plan, which may, from time to time, be amended or modified by the Declarant in its sole and absolute discretion. Declarant reserves the right, but shall not be obligated, to designate Development Areas, and to create and/or designate Lots, Condominium Units, Neighborhoods, Voting Groups, Common Area, Special Common Area, and Service Areas and to subdivide all or any portion of the Development and Property. As each area is conveyed, developed or dedicated, Declarant may Record one or more Development Area Declarations and designate the use, classification and such additional covenants, conditions and restrictions as Declarant may deem appropriate for that area. Any Development Area Declaration may provide its own procedure for the amendment thereof.

9.2 **Special Declarant Rights**. Notwithstanding any provision of this Covenant to the contrary, until twenty-four (24) months after the expiration or termination of the Development Period, the Declarant for itself, and for its agents, employees, successors, and assigns, may construct, use, and maintain such facilities and conduct such activities upon portions of the Common Area and other property owned by the Declarant, in the Declarant's opinion, may reasonably be required, convenient, or incidental to the construction or sale of Lots and Condominium Units in the Development or other property owned by the Declarant. Such permitted facilities and activities shall include business offices, signs, flags, (whether hung from flag poles or attached to a structure), model homes, construction offices, sales offices, parking facilities, exterior lighting features or displays, and special events, any or all of which may be located in permanent or temporary structures, or outside of any structure. The Declarant and authorized builders whom the Declarant may designate shall have easements for access to and use of such facilities at no charge. Such right shall specifically include the right of the Declarant and its designees to use Common Area facilities for an information center and/or for administrative, sales, and business offices at no charge and to restrict use or access to such facilities by the Association, its members and others as long as they are being used for such purpose. There shall be no limit on the number or location of such facilities, except as otherwise restricted by Applicable Law..

9.3 **Addition of Land**. Declarant may, at any time and from time to time, add additional lands to the Property and, upon the Recording of a notice of addition of land, such land shall be considered part of the Property for purposes of this Covenant, and upon the further Recording of a Notice of Applicability meeting the requirements of *Section 9.5*, such added lands shall be considered part of the Development subject to this Covenant and the terms, covenants, conditions, restrictions and obligations set forth in this Covenant, and the

rights, privileges, duties and liabilities of the persons subject to this Covenant shall be the same with respect to such added land as with respect to the lands originally covered by this Covenant. Such added land need not be contiguous to the Property. To add lands to the Property, Declarant shall be required only to Record, a notice of addition of land (which notice may be contained within any Development Area Declaration affecting such land) containing the following provisions:

(i) A reference to this Covenant, which reference shall state the document number or volume and page wherein this Covenant is Recorded;

(ii) A statement that such land shall be considered Property for purposes of this Covenant, and that upon the further Recording of a Notice of Applicability meeting the requirements of *Section 9.5* of this Covenant, all of the terms, covenants, conditions, restrictions and obligations of this Covenant shall apply to the added land; and

(iii) A legal description of the added land.

9.4 **Withdrawal of Land**. Declarant may, at any time and from time to time, reduce or withdraw from the Property, including the Development, and remove and exclude from the burden of this Covenant and the jurisdiction of the Association any portion of the Development. Upon any such withdrawal and removal, this Covenant and the covenants conditions, restrictions and obligations set forth herein shall no longer apply to the portion of the Development withdrawn. To withdraw lands from the Property or the Development hereunder, Declarant shall be required only to Record a notice of withdrawal of land containing the following provisions:

(i) A reference to this Covenant, which reference shall state the document number or volume and page number wherein this Covenant is Recorded;

(ii) A statement that the provisions of this Covenant shall no longer apply to the withdrawn land; and

(iii) A legal description of the withdrawn land.

9.5 **Notice of Applicability**. Upon Recording, this Covenant serves to provide notice that at any time, and from time to time, Declarant, and Declarant only, may subject all or any portion of the Property to the terms, covenants, conditions, restrictions and obligations of this Covenant and any applicable Development Area Declaration. This Covenant and any applicable Development Area Declaration shall apply to and burden a portion or portions of the Property upon the Recording of a Notice of Applicability describing such applicable portion of the Property by a legally sufficient description and expressly providing that such Property shall

be considered a part of the Development and shall be subject to the terms, covenants conditions, restrictions and obligations of this Covenant and any applicable Development Area Declaration. To be effective, a Notice of Applicability must be executed by Declarant, and the property included in the Notice of Applicability need not be owned by the Declarant if included within the Property. Declarant may also cause a Notice of Applicability to be Recorded covering a portion of the Property for the purpose of encumbering such Property with this Covenant and any Development Area Declaration previously Recorded by Declarant (which Notice of Applicability may amend, modify or supplement the restrictions, set forth in the Development Area Declaration, which shall apply to such Property). To make the terms and provisions of this Covenant applicable to a portion of the Property, Declarant shall be required only to cause a Notice of Applicability to be Recorded containing the following provisions:

(i) A reference to this Covenant, which reference shall state the document number or volume and page number wherein this Covenant is Recorded;

(ii) A reference, if applicable, to the Recorded Development Area Declaration which will apply to such portion of the Property (with any amendment, modification, or supplementation of the restrictions set forth in the Development Area Declaration which shall apply to such portion of the Property), which reference will state the document number or volume and page wherein the Development Area Declaration is Recorded;

(iii) A statement that all of the provisions of this Covenant shall apply to such portion of the Property;

(iv) A legal description of such portion of the Property; and

(v) If applicable, a description of any Special Common Area which benefits the Property and the beneficiaries of such Special Common Area.

NOTICE TO TITLE COMPANY

NO PORTION OF THE PROPERTY IS SUBJECT TO THE TERMS AND PROVISIONS OF THIS COVENANT AND THIS COVENANT DOES NOT APPLY TO ANY PORTION OF THE PROPERTY UNLESS A NOTICE OF APPLICABILITY DESCRIBING SUCH PROPERTY AND REFERENCING THIS COVENANT HAS BEEN RECORDED.

9.6 **Designation of Neighborhood**. Declarant may, at any time and from time to time, file a designation of neighborhood (a "**Designation of Neighborhood**") assigning portions of the Property to a specific Neighborhood. Upon the filing of a Designation of Neighborhood, such land will be considered part of the Neighborhood so designated. To assign

portions of the Property to a specific Neighborhood, Declarant will be required only to Record a Designation of Neighborhood containing the following provisions:

(i) A reference to this Covenant, which reference will state the document number or volume and initial page number where this Covenant is Recorded;

(ii) An identification of the Neighborhood applicable to such portion of the Property and a statement that such land will be considered part of such Neighborhood for purposes of this Covenant; and

(iii) A legal description of the designated land.

9.7 **Assignment of Declarant's Rights**. Notwithstanding any provision in this Covenant to the contrary, Declarant may, by Recorded written instrument, assign, in whole or in part, exclusively or nonexclusively, any of its privileges, exemptions, rights, reservations and duties under this Covenant to any person or entity. Declarant may also, by Recorded instrument, permit any other person or entity to participate in whole, in part, exclusively, or non-exclusively, in any of Declarant's privileges, exemptions, rights, and duties hereunder.

ARTICLE 10
GENERAL PROVISIONS

10.1 **Term**. Upon the Recording of a Notice of Applicability pursuant to *Section 9.5*, the terms, covenants, conditions, restrictions, easements, charges, and liens set out in this Covenant shall run with and bind the portion of the Property described in such notice, and shall inure to the benefit of and be enforceable by the Association, and every Owner, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Covenant is Recorded, and continuing through and including January 1, 2089, after which time this Covenant shall be automatically extended for successive periods of ten (10) years unless a change (the word "change" meaning a termination, or change of term or renewal term) is approved by Members entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association, voting in person or by proxy at a meeting duly called for such purpose, written notice of which will be given to all Members at least thirty (30) days in advance and will set forth the purpose of such meeting; provided, however, that such change will be effective only upon the Recording of a certified copy of such resolution. The foregoing sentence shall in no way be interpreted to mean sixty-seven percent (67%) of a quorum as established pursuant to the Bylaws. The Representative System of Voting is not applicable to a change as contemplated in this *Section 10.1*, it being understood and agreed that any change must be approved by a vote of the Members, with each Member casting their vote individually. Pursuant to *Section 11.9.5* and *Section 28.03.009* of the City Ordinances, the Association shall not be terminated or dissolved without the prior written consent of the City Council. Notwithstanding any provision in this *Section 10.1* to the contrary, if any provision of

this Covenant would be unlawful, void, or voidable by reason of any Applicable Law restricting the period of time that covenants on land may be enforced, such provision will expire twenty-one (21) years after the death of the last survivor of the now living, as of the date of the Recording of this document, descendants of Elizabeth II, Queen of England.

10.2 **Eminent Domain**. In the event it becomes necessary for any public authority to acquire all or any part of the Common Area or Special Common Area for any public purpose during the period this Covenant is in effect, the Board is hereby authorized to negotiate with such public authority for such acquisition and to execute instruments necessary for that purpose. Should acquisitions by eminent domain become necessary, only the Board need be made a party, and in any event the proceeds received shall be held by the Association for the benefit of the Owners. In the event any proceeds attributable to acquisition of Common Area are paid to Owners, such payments shall be allocated on the basis of Assessment Units and paid jointly to the Owners and the holders of first Mortgages or deeds of trust on the respective Lot or Condominium Unit. In the event any proceeds attributable to acquisition of Special Common Area are paid to Owners who have been assigned the obligation to pay Special Common Area Assessments attributable to such Special Common Area, such payment shall be allocated on the basis of Assessment Units and paid jointly to such Owners and the holders of first Mortgages or deeds of trust on the respective Lot or Condominium Unit.

10.3 **Amendment**. This Covenant may be amended or terminated by the Recording of an instrument executed and acknowledged by: (i) Declarant acting alone; or (ii) by the president and secretary of the Association setting forth the amendment and certifying that such amendment has been approved by Declarant (until expiration or termination of the Development Period) and Members entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association. The foregoing sentence shall in no way be interpreted to mean sixty-seven percent (67%) of a quorum as established pursuant to the Bylaws. The Representative System of Voting is not applicable to an amendment as contemplated in this *Section 10.3*, it being understood and agreed that any amendment must be approved by a vote of the Members, with each Member casting their vote individually. No amendment will be effective without the written consent of Declarant during the Development Period. Notwithstanding the foregoing, pursuant to *Section 11.9.5* of the City Ordinances, any other provisions in the Documents governing the maintenance of the private streets and alleys within the Development, as well as the Assessments levied for payment of any maintenance expenses related thereto, may not be amended without the prior written consent of the City Council.

10.4 **Enforcement**. Except as otherwise provided herein, any Owner of Lot, at such Owner's own expense, Declarant and the Association will have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, charges and other terms now or hereafter imposed by the provisions of the Documents. The Association and/or the Declarant may initiate, defend or intervene in any action brought to enforce any provision of the Documents. Such right of enforcement will include both damages for and injunctive relief against the breach of any provision hereof. Every act or omission whereby any

provision of the Documents is violated, in whole or in part, is hereby declared to be a nuisance and may be enjoined or abated by any Owner of a Lot (at such Owner's own expense), Declarant or the Association. Any violation of any Applicable Law pertaining to the ownership, occupancy, or use of any portion of the Property is hereby declared to be a violation of this Covenant and subject to all of the enforcement procedures set forth herein. Failure to enforce any right, provision, covenant, or condition set forth in the Documents will not constitute a waiver of the right to enforce such right, provision, covenants or condition in the future. Failure of the Declarant or the Association to enforce the terms and provisions of the Documents shall in no event give rise to any claim or liability against the Declarant, the Association, or any of their partners, directors, officers, or agents. EACH OWNER, BY ACCEPTING TITLE TO ALL OR ANY PORTION OF THE PROPERTY, HEREBY RELEASES AND SHALL HOLD HARMLESS EACH OF THE DECLARANT, THE ASSOCIATION, AND THEIR PARTNERS, DIRECTORS, OFFICERS, OR AGENTS FROM AND AGAINST ANY DAMAGES, CLAIMS, OR LIABILITY ASSOCIATED WITH THE FAILURE OF THE DECLARANT OR THE ASSOCIATION TO ENFORCE THE TERMS AND PROVISIONS OF THE DOCUMENTS.

10.5 **No Warranty of Enforceability**. Declarant makes no warranty or representation as to the present or future validity or enforceability of any restrictive covenants, terms, or provisions contained in the Covenant. Any Owner acquiring a Lot or Condominium Unit in reliance on one or more of such restrictive covenants, terms, or provisions shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot or Condominium Unit, agrees to hold Declarant harmless therefrom.

10.6 **Higher Authority**. The terms and provisions of this Covenant are subordinate to Applicable Law. Generally, the terms and provisions of this Covenant are enforceable to the extent they do not violate or conflict with Applicable Law.

10.7 **Severability**. If any provision of this Covenant is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other provision of this Covenant, or, to the extent permitted by Applicable Law, the validity of such provision as applied to any other person or entity.

10.8 **Conflicts**. If there is any conflict between the provisions of this Covenant, the Certificate, the Bylaws, or any Rules adopted pursuant to the terms of such documents, or any Development Area Declaration, the provisions of this Covenant shall govern.

10.9 **Gender**. Whenever the context so requires, all words herein in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

10.10 **Acceptance by Owner**. Each grantee of a Lot, Condominium Unit, or other real property interest in the Development, by the acceptance of a deed of conveyance, and each subsequent purchaser, accepts the same subject to all terms, restrictions, conditions, covenants,

reservations, easements, liens and charges, and the jurisdiction rights and powers created or reserved by this Covenant or to whom this Covenant is subject, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared. Furthermore, each Owner agrees that no assignee or successor to Declarant hereunder shall have any liability for any act or omission of Declarant which occurred prior to the effective date of any such succession or assignment. All impositions and obligations hereby imposed shall constitute covenants running with the land within the Development, and shall bind any person having at any time any interest or estate in the Development, and shall inure to the benefit of each Owner in like manner as though the provisions of this Covenant were recited and stipulated at length in each and every deed of conveyance.

10.11 **Damage and Destruction**.

10.11.1 Claims. Promptly after damage or destruction by fire or other casualty to all or any part of the Common Area or Special Common Area covered by insurance, the Board, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair of the damage. Repair, as used in this *Section 10.11*, means repairing or restoring the Common Area or Special Common Area to substantially the same condition as existed prior to the fire or other casualty.

10.11.2 Repair Obligations. Any damage to or destruction of the Common Area or Special Common Area shall be repaired unless a Majority of the Board decides within sixty (60) days after the casualty not to repair. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available.

10.11.3 Restoration. In the event that it should be determined by the Board that the damage or destruction of the Common Area or Special Common Area shall not be repaired and no alternative Improvements are authorized, then the affected portion of the Common Area or Special Common Area shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.

10.11.4 Special Assessment for Common Area. If insurance proceeds are paid to restore or repair any damaged or destroyed Common Area, and such proceeds are not sufficient to defray the cost of such repair or restoration, the Board shall levy a Special Assessment, as provided in *Article 5*, against all Owners. Additional Assessments may be made in like manner at any time during or following the completion of any repair.

10.11.5 Special Assessment for Special Common Area. If insurance proceeds are paid to restore or repair any damaged or destroyed Special Common Area, and such proceeds are not sufficient to defray the cost of such repair or restoration, the Board shall levy a Special

Assessment, as provided in *Article 5*, against all Owners who have been assigned the obligation to pay Special Common Area Assessments attributable to such Special Common Area. Additional Assessments may be made in like manner at any time during or following the completion of any repair.

10.11.6 Proceeds Payable to Owners. In the event that any proceeds of insurance policies are paid to Owners as a result of any damage or destruction to any Common Area, such payments shall be allocated based on Assessment Units and paid jointly to the Owners and the holders of first Mortgages or deeds of trust on their Lots or Condominium Units.

10.11.7 Proceeds Payable to Owners Responsible for Special Common Area. In the event that any proceeds of insurance policies are paid to Owners as a result of any damage or destruction to Special Common Area, such payments shall be allocated based on Assessment Units and shall be paid jointly to the Owners who have been assigned the obligation to pay Special Common Area Assessments attributable to such Special Common Area and the holders of first Mortgages or deeds of trust on their Lots or Condominium Units.

10.12 **No Partition**. Except as may be permitted in this Covenant or amendments thereto, no physical partition of the Common Area or Special Common Area or any part thereof shall be permitted, nor shall any person acquiring any interest in the Development or any part thereof seek any such judicial partition unless all or the portion of the Development in question has been removed from the provisions of this Covenant pursuant to *Section 9.4* above. This *Section 10.12* shall not be construed to prohibit the Board from acquiring and disposing of tangible personal property or from acquiring title to real property that may or may not be subject to this Covenant.

10.13 **View Impairment**. Neither the Declarant, the Headwaters Reviewer, nor the Association guarantee or represent that any view over and across the Lots, Condominium Units, or any open space within the Development shall be preserved without impairment. The Declarant, the Headwaters Reviewer and the Association shall have no obligation to relocate, prune, or thin trees or other landscaping. The Association (with respect to any Common Area or Special Common Area) shall have the right to add trees and other landscaping from time to time, subject to Applicable Law. There shall be no express or implied easements for view purposes or for the passage of light and air.

10.14 **Safety and Security**. Each Owner and Occupant of a Lot or Condominium Unit, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property in the Development. The Association may, but shall not be obligated to, maintain or support certain activities within the Development designed to promote or enhance the level of safety or security which each person provides for himself or herself and his or her property. However, neither the Association nor the Declarant nor their Directors, employees, or agents shall in any way be considered insurers or guarantors of safety or security within the Development, nor shall either be held liable for any loss or damage by

reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to the Development, cannot be compromised or circumvented; or that any such system or security measures undertaken shall in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing any Occupants of such Owner's Lot or Condominium Unit that the Association, its Board, employees, agents, and committees, and the Declarant are not insurers or guarantors of security or safety and that each person within the Development assumes all risks of personal injury and loss or damage to property, including any residences or Improvements constructed upon any Lot or Condominium Unit and the contents thereof, resulting from acts of third parties.

10.15 **Facilities Open to the Public**. Certain facilities and areas within the Property shall be open for the use and enjoyment of the public. Such facilities and areas may include, by way of example, greenbelts, trails and paths, parks, roads, sidewalks and medians.

10.16 **Notices**. Any notice permitted or required to be given to any person by this Covenant shall be in writing and shall be considered as properly given if (a) mailed by first class United States mail, postage prepaid; (b) by delivering same in person to the intended addressee; (c) by delivery to an independent third party commercial delivery service for same day or next day delivery and providing for evidence of receipt at the office of the intended addressee; or (d) by prepaid telegram, telex, E-mail, or facsimile to the addressee and providing for evidence of receipt at the office of the intended addressee. Notice so mailed shall be effective upon its deposit with the United States Postal Service or any successor thereto; notice sent by such a commercial delivery service shall be effective upon delivery to such commercial delivery service; notice given by personal delivery shall be effective only if and when received by the addressee; and notice given by other means shall be effective when received at the office or designated place or machine/equipment of the intended addressee. For purposes of notice the address of each Owner shall be the address of the Lot or Condominium Unit or such other address as provided by the Owner to the Association, and the address of each Mortgagee shall be the address provided to the Association; provided, however, that any party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the Association.

10.17 **Mining and Drilling**. Except for the Third Party Oil, Gas and Mineral Interests defined below, no other portion of the Development may be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth. This provision will not be construed to prevent the excavation of rocks, stones, sand, gravel, aggregate, or earth or the storage of such material for use as fill provided that such activities are conducted in conjunction

with the construction of Improvements and/or the development of the Development by the Declarant. Furthermore, this provision will not be interpreted to prevent the drilling of water wells approved in advance by the Headwaters Reviewer which are required to provide water to all or any portion of the Property. All water wells must also be approved in advance by the Headwaters Reviewer and any applicable regulatory authority. This *Section 10.17* shall not apply to minerals, resources and groundwater, or some portion thereof or some interest therein, that may have been conveyed or reserved by third parties prior to Declarant's ownership of the Property (the "**Third Party Oil, Gas and Mineral Interests**"). No representation or warranty, express or implied, is made as to the ownership of the minerals, resources and groundwater or any portion thereof or any interest therein.

ARTICLE 11
DISPUTE RESOLUTION

11.1 **Agreement to Encourage Resolution of Disputes Without Litigation**.

11.1.1 Bound Parties. Declarant, the Association and its officers, directors, and committee members, Owners and all other parties subject to this Covenant ("**Bound Party**", or collectively, the "**Bound Parties**"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Property without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in *Section 11.1.2*, unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in *Section 11.2* in a good faith effort to resolve such Claim.

11.1.2 Claim(s). As used in this Article, the term "**Claim**" or "**Claims**" will refer to any claim, grievance or dispute arising out of or relating to:

(i) Claim relating to the rights and/or duties of Declarant under the Documents; or

(ii) Claims against the Declarant relating to the design or construction of Improvements on the Common Areas or Lots.

11.2 **Claims Process**. In the event the Association or a Lot Owner asserts a Claim, as a precondition to providing the Notice defined in *Section 11.3*, initiating the mandatory dispute resolution procedures set forth in this *Article 11*, or taking any other action to prosecute a Claim, the Association or a Lot Owner, as applicable, must:

11.2.1 Independent Report on the Condition. Obtain an independent third-party report (the "**Condition Report**") from a licensed professional engineer which: (a) identifies the Improvements subject to the Claim including the present physical condition of the Improvements; (b) describes any modification, maintenance, or repairs to the Improvements

performed by the Lot Owner(s) and/or the Association; (c) provides specific and detailed recommendations regarding remediation and/or repair of the Improvements subject to the Claim. For the purposes of this *Section 11.2.2*, an independent third-party report is a report obtained directly by the Association or a Lot Owner and paid for by the Association or a Lot Owner, as applicable, and not prepared by a person employed by or otherwise affiliated with the attorney or law firm that represents or will represent the Association or a Lot Owner in the Claim. As a precondition to providing the Notice described in *Section 11.3*, the Association or Lot Owner must provide at least ten (10) days prior written notice of the inspection to each party subject to a Claim which notice shall identify the independent third-party engaged to prepare the Condition Report, the specific Improvements to be inspected, and the date and time the inspection will occur. Each party subject to a Claim may attend the inspection, personally or through an agent. Upon completion, the Condition Report shall be provided to each party subject to a Claim. In addition, before providing the Notice described in *Section 11.3*, the Association or the Lot Owner, as applicable, shall have permitted each party subject to a Claim the right, for a period of ninety (90) days, to inspect and correct, any condition identified in the Condition Report.

11.2.2 Claims by Association – Owner Meeting and Approval. If the Claim is brought by the Association, obtain approval from Members holding sixty-seven percent (67%) of the votes in the Association to provide the Notice described in *Section 11.3*, initiate the mandatory dispute resolution procedures set forth in this *Article 11*, or take any other action to prosecute a Claim, which approval from Members must be obtained at a special meeting of Members called in accordance with the Bylaws. The notice of meeting required hereunder will be provided pursuant to the Bylaws but the notice must also include: (a) the nature of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (b) a copy of the Condition Report; (c) a copy of any proposed engagement letter, with the terms of such engagement between the Association and an attorney to be engaged by the Association to assert or provide assistance with the claim (the "**Engagement Letter**"); (d) a description of the attorney fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which it may be liable if it is not the prevailing party or that the Association will be required, pursuant to the Engagement Letter or otherwise, to pay if the Association elects to not to proceed with the Claim; (e) a summary of the steps previously taken, and proposed to be taken, to resolve the Claim; (f) an estimate of the impact on the value of each Lot and Improvements if the Claim is prosecuted and an estimate of the impact on the value of each Lot and Improvements after resolution of the Claim; (g) an estimate of the impact on the marketability of each Lot and Improvements if the Claim is prosecuted and during prosecution of the Claim, and an estimate of the impact on the value of each Lot and Improvements during and after resolution of the Claim; (h) the manner in which the Association proposes to fund the cost of prosecuting the Claim; (i) the impact on the finances of the Association, including the impact on present and projected reserves, in the event the Association is not the prevailing party. The notice required by this paragraph must be prepared and signed by a person other than, and not employed by or otherwise affiliated with, the

attorney or law firm that represents or will represent the Association in the Claim. In the event Members approve providing the Notice described in *Section 11.3*, or taking any other action to prosecute a Claim, the Members holding a Majority of the votes in the Association, at special meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Claim.

11.3 **Notice.** The Bound Party asserting a Claim ("**Claimant**") against another Bound Party ("**Respondent**") must notify Respondent in writing of the Claim (the "**Notice**"), stating plainly and concisely: (a) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (b) the basis of the Claim (i.e., the provision of the Restrictions or other authority out of which the Claim arises); (c) what Claimant wants Respondent to do or not do to resolve the Claim; and (d) that the Notice is given pursuant to this *Section 11.3*. For Claims governed by Chapter 27 of the Texas Property Code, the time period for negotiation in *Section 11.4* below, is equivalent to the sixty (60) day period under *Section 27.004* of the Texas Property Code. If a Claim is subject to Chapter 27 of the Texas Property Code, the Claimant and Respondent are advised, in addition to compliance with *Section 11.4* to comply with the terms and provisions of *Section 27.004* during such sixty (60) day period. *Section 11.4* does not modify or extend the time period set forth in *Section 27.004* of the Texas Property Code. Failure to comply with the time periods or actions specified in *Section 27.004* could affect a Claim if the Claim is subject to Chapter 27 of the Texas Property Code. The one hundred and twenty (120) day period for mediation set forth in *Section 11.5* below, is intended to provide the Claimant and Respondent with sufficient time to resolve the Claim in the event resolution is not accomplished during negotiation. If the Claim is not resolved during negotiation, mediation pursuant to *Section 11.5* is required without regard to the monetary amount of the Claim.

If the Claimant is the Association, the Notice will also include: (a) a true and correct copy of the Condition Report; (b) a copy of the Engagement Letter; (c) copies of all reports, studies, analyses, and recommendations obtained by the Association related to the Improvements which form the basis of the Claim; (d) a true and correct copy of the special meeting notice provided to Members in accordance with *Section 11.2.2* above; and (e) and reasonable and credible evidence confirming that Members holding sixty-seven percent (67%) of the votes in the Association approved providing the Notice.

11.4 **Negotiation.** Claimant and Respondent will make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. Within 60 days after Respondent's receipt of the Notice, Respondent and Claimant will meet at a mutually acceptable place and time to discuss the Claim. If the Claim involves all or any portion of the Property, then at such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives will have full access to the Property that is subject to the Claim for the purposes of inspecting the Property. If Respondent elects to take corrective action, Claimant will provide Respondent and Respondent's representatives and agents with full access to the Property to take and complete corrective action.

11.5 **Mediation**. If the parties negotiate, but do not resolve the Claim through negotiation within one-hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant will have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator must have at least five (5) years of experience serving as a mediator and must have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the 30-day period, Respondent will submit the Claim to mediation in accordance with this *Section 11.5*.

11.6 **Termination Of Mediation**. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, or within a time deemed reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the Parties are at an impasse and the date that mediation was terminated. Thereafter, Claimant may file suit or initiate arbitration proceedings on the Claim, as appropriate and permitted by this Article.

11.7 **Binding Arbitration-Claims**. All Claims must be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this *Section 11.7*.

11.7.1 Governing Rules. If a Claim has not been resolved after Mediation as required by *Section 11.5*, the Claim will be resolved by binding arbitration in accordance with the terms of this *Section 11.7* and the rules and procedures of the American Arbitration Association ("**AAA**") or, if the AAA is unable or unwilling to act as the arbitrator, then the arbitration shall be conducted by another neutral reputable arbitration service selected by Respondent in Hays County, Texas. Regardless of what entity or person is acting as the arbitrator, the arbitration shall be conducted in accordance with the AAA's "Construction Industry Dispute Resolution Procedures" and, if they apply to the disagreement, the rules contained in the Supplementary Procedures for Consumer-Related Disputes. If such Rules have changed or been renamed by the time a disagreement arises, then the successor rules will apply. Also, despite the choice of rules governing the arbitration of any Claim, if the AAA has, by the time of Claim, identified different rules that would specifically apply to the Claim, then those rules will apply instead of the rules identified above. In the event of any inconsistency between any such applicable rules and this *Section 11.7*, this *Section 11.7* will control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows:

(i) one arbitrator shall be selected by Respondent, in its sole and absolute discretion;

(ii) one arbitrator shall be selected by the Claimant, in its sole and absolute discretion; and

(iii) one arbitrator shall be selected by mutual agreement of the arbitrators having been selected by Respondent and the Claimant, in their sole and absolute discretion.

11.7.2 Exceptions to Arbitration; Preservation of Remedies. No provision of, nor the exercise of any rights under, this *Section 11.7* will limit the right of Claimant or Respondent, and Claimant and the Respondent will have the right during any Claim, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (a) exercising self-help remedies (including set-off rights); or (b) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

11.7.3 Statute of Limitations. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this *Section 11.7*.

11.7.4 Scope of Award; Modification or Vacation of Award. The arbitrator shall resolve all Claims in accordance with the applicable substantive law. The arbitrator may grant any remedy or relief that the arbitrator deem just and equitable and within the scope of this *Section 11.7* but subject to *Section 11.8* below; provided, however, that for a Claim, or any portion of a Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code. The arbitrator may also grant such ancillary relief as is necessary to make effective the award. In all arbitration proceedings the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on (a) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (b) conclusions of law that are erroneous; (c) an error of federal or state law; or (d) a cause of action or remedy not expressly provided under existing state or federal law. In no event may an arbitrator award speculative, consequential, or punitive damages for any Claim.

11.7.5 Other Matters. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days of the filing of the Claim for arbitration by notice from either party to the other. Arbitration proceedings hereunder shall be conducted in Hays County, Texas. The arbitrator shall be

empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and applicable law. The arbitrator shall have the power to award recovery of all costs and fees (including attorney's fees, administrative fees, and arbitrator's fees) to the prevailing party. Each party agrees to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by applicable law or regulation. In no event shall any party discuss with the news media or grant any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

11.8 **Allocation Of Costs.** Notwithstanding any provision in this Covenant on the contrary, each Party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, Mediation, and Arbitration sections above, including its attorney's fees. Respondent and Claimant will equally divide all expenses and fees charged by the mediator and arbitrator.

11.9 **General Provisions.** A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim.

11.10 **Approval & Settlement.** The Association must levy a Special Assessment to fund the estimated costs of arbitration, including estimated attorney's fees, conducted pursuant to this *Article 11* or any judicial action initiated by the Association. The Association may not use its annual operating income or reserve funds or savings to fund arbitration or litigation, unless the Association's annual budget or a savings account was established and funded from its inception as an arbitration and litigation reserve fund.

[SIGNATURE PAGE FOLLOWS]

EXECUTED to be effective on the date this instrument is Recorded.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: _____
Name: Jesse R. Baker
Title: Authorized Representative

THE STATE OF MASSACHUSETTS §
§
COUNTY OF Suffolk §

This instrument was acknowledged before me this 6th day of May, 2016 by Jesse R. Baker, Authorized Representative of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said company and partnership.

_____
Notary Public Signature

(SEAL)

KIERSTEN P. JESTER
Notary Public
Commonwealth of Massachusetts
My Commission Expires
April 7, 2017

CONSENT OF MORTGAGEE

The undersigned, being the sole owner and holder of the lien created by a Deed of Trust recorded as Document No. 2015-15033037 in the Official Public Records of Hays County, Texas (the "Lien"), securing a note of even date therewith, executes this Covenant solely for the purposes of (i) evidencing its consent to this Covenant, and (ii) subordinating the Lien to this Covenant, both on the condition that the Lien shall remain superior to the Assessment Lien in all events.

AMERICAN BANK, N.A.

By: _____

Printed Name: Chris Bourne

Title: Senior Leader

THE STATE OF TEXAS §
§
COUNTY OF Travis §

This instrument was acknowledged before me on this 11 day of May, 2016, by Chris Bourne, senior leader of AMERICAN BANK, N.A., a national banking association, on behalf of said banking association.

_____
Notary Public, State of Texas

(seal)

CLEMENTE SOTO JR
Notary Public, State of Texas
My Commission Expires
March 09, 2019

EXHIBIT "A"

DESCRIPTION OF PROPERTY

Legal Description
Hays County, Texas

D&A Job No. 1137-001

DESCRIPTION OF A TRACT OF LAND CONTAINING 1035.73 ACRES OUT OF THE FOLLOWING TWELVE SURVEYS: THE WILLIAM WALKER SURVEY NO. 138, ABSTRACT NO. 475, THE HERMAN BENSON SURVEY NO. 137, ABSTRACT NO. 48, THE F.A. JOLLY SURVEY NO. 473, ABSTRACT NO. 555, THE J.W. POWELL SURVEY, ABSTRACT NO. 560, THE JOHN PITTS SURVEY NO. 47, ABSTRACT NO. 768, THE LEVI LEWIS SURVEY NO. 154, ABSTRACT NO. 639, THE J.E. GILBERT SURVEY NO. 1717, ABSTRACT NO. 811, THE W.R. WOOD SURVEY, ABSTRACT NO. 567, THE EDWARD BROWN SURVEY NO. 136, ABSTRACT NO. 44, THE HEINRICH BRASHE SURVEY, ABSTRACT NO. 58, THE MARCUS RAPER SURVEY NO. 60, ABSTRACT NO. 383, AND THE MARCUS RAPER SURVEY NO. 37, ABSTRACT NO. 394, ALL IN HAYS COUNTY, TEXAS, AND BEING A PORTION OF THAT CALLED 1035.75 ACRE TRACT CONVEYED TO AUSTIN-HIGHWAY 290 LLC PER DEED RECORDED AS DOCUMENT NO. 2018-18021578 (VOLUME 3940, PAGE 430) OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS (O.P.R.H.C.T.), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 60d nail found in a rock mound at an angle point in the easterly line of a 135.92 acre tract of land conveyed to John G. Bordie & Camille B. Bordie per deed of record in Volume 1293, Page 842, O.P.R.H.C.T., for a southwest corner and POINT OF BEGINNING hereof;

THENCE along the easterly line of said 135.92 acre tract and then along the easterly line of a 291 & 1/3 acre tract of land conveyed to Cynosure Corporation per deed recorded in Volume 238, Page 123, O.P.R.H.C.T., North 30°12'34" West, a distance of 4495.43 feet to a 60d nail found in a fence post for an angle point in the easterly line of said 291 & 1/3 acre tract;

THENCE along the easterly line of the 291 & 1/3 acre tract the following two (2) courses and distances:

1. North 86°00'31" East a distance of 4.80 feet to a 60d nail found in a rock mound;
2. North 30°08'19" West, a distance of 411.66 feet to a calculated point;

THENCE along the northwesterly line of said Austin-Highway 290 LLC tract the following twenty (20) courses and distances:

1. North 59°51'42" East a distance of 1450.34 feet to a calculated point;
2. North 15°43'58" West a distance of 787.28 feet to a calculated point;
3. North 60°52'23" West a distance of 562.42 feet to a calculated point;
4. North 37°03'56" West a distance of 409.06 feet to a calculated point;
5. North 23°43'55" West a distance of 472.51 feet to a calculated point;

6. North 32°20'35" East a distance of 766.59 feet to a calculated point;

7. North 40°18'35" East a distance of 73.06 feet to a calculated point;

8. North 48°58'48" East a distance of 186.19 feet to a calculated point;

9. North 58°50'22" East a distance of 696.30 feet to a calculated point;

10. North 13°49'52" East a distance of 717.14 feet to a calculated point;

11. North 64°56'18" East a distance of 118.77 feet to a calculated point;

12. North 66°43'13" East a distance of 178.67 feet to a calculated point;

13. North 71°31'26" East a distance of 121.87 feet to a calculated point;

14. North 76°15'42" East a distance of 211.08 feet to a calculated point;

15. North 61°42'56" East a distance of 426.91 feet to a calculated point;

16. North 68°53'58" East a distance of 557.32 feet to a calculated point;

17. North 79°28'21" East a distance of 176.92 feet to a calculated point;

18. South 78°33'40" East a distance of 386.79 feet to a calculated point;

19. South 78°10'26" East a distance of 433.91 feet to a calculated point;

20. South 60°12'01" East a distance of 285.00 feet to a calculated point in the west line of the 324.554 acre tract of land conveyed to William B. Mitchell and Mary G. Mitchell per deed recorded in Volume 1514, Page 326, O.P.R.H.C.T., from which a 1/2" iron rebar found with plastic cap stamped "Garon" bears North 29°26'29" East, a distance of 376.64 feet;

THENCE along the west and south lines of said 324.554 acre tract the following three (3) courses and distances:

1. South 29°26'29" West, a distance of 214.86 feet to a found cotton spindle;

2. South 28°08'54" West, a distance of 572.27 feet to a ½-inch iron rebar set with plastic cap stamped "Garon" for the southwest corner of said 324.544 acre tract;

3. South 60°56'32" East, a distance of 790.02 feet to a ½-inch iron rebar found for the northwest corner of Lot 815, Sunset Canyon, Section V, a subdivision of record in Volume 3, Page 284 of the Plat Records of Hays County, Texas, and amended in Volume 4, Page 234 of the Plat Records of Hays County, Texas;

THENCE along the westerly and southerly lines of said Sunset Canyon Section V, the following twelve (12) courses and distances:

1. South 28°31'27" West, a distance of 3732.86 feet to a ½-inch iron rebar found for the southwest corner of Lot 899 of said Sunset Canyon, Section V;

2. South 65°17'39" East, a distance of 448.50 feet to a ½-inch iron rebar found in the south line of Lot 902 of said Sunset Canyon, Section V;

3. South 58°00'00" East, a distance of 580.16 feet to a ½-inchiron rebar found in the south line of Lot 905 of said Sunset Canyon, Section V;

4. South 61°04'32" East, a distance of 921.35 feet to a ½-inch iron rebar found for the southerly common corner of Lot 911 and Lot 912 of said Sunset Canyon, Section V;

5. South 81°52'54" East, a distance of 2491.14 feet to a ½-inch iron rebar stamped "Prest" found for the southeast corner of Lot 954, Sunset Canyon, Section V;

6. North 29°22'51" West, a distance of 517.26 feet to a ½-inch iron rebar stamped "Prest" found in the south line of Lot 958 of said Sunset Canyon, Section V;

7. North 82°49'45" East, a distance of 798.68 feet to a mag nail found for the common corner of Lot 962, Lot 964, and Lot 965 of said Sunset Canyon, Section V;

8. South 27°12'05" East, a distance of 561.62 feet to a ½-inch iron rebar found for the southwest corner of Lot 967 of said Sunset Canyon, Section V;

9. North 59°01'12" East, a distance of 764.91 feet to a ½-inch iron rebar found for the common corner of Lot 988, Lot 1002, and Lot 1003 of said Sunset Canyon, Section V;

10. South 26°49'47" East, a distance of 264.15 feet to a ½-inch iron rebar found in the west line of Lot 1004 of said Sunset Canyon, Section V;

11. South 17°43'58" East, a distance of 2302.10 feet to a ½-inch iron rebar found in the west line of Lot 1019, Sunset Canyon, Section V;

12. South 01°27'20" East, a distance of 1910.18 feet to a ½-inch iron rebar found for the southwest corner of Lot 1031of said Sunset Canyon, Section V, and being in the north line of a 127.09 acre portion of the remainder of a 1539.45 acre tract of land conveyed to Paul Prestler Family Generation Skipping Trust, et al per deed recorded in Volume 1911, Page 481, O.P.R.H.C.T.;

THENCE along the north line of said 127.09 acre portion of the remainder of said 1539.45 acre tract, the following seven (7) courses and distances:

1. South 83°56'19" West, a distance of 749.40 feet to a found ½-inch iron rebar stamped "Grogan";

2. South 83°53'44" West, a distance of 131.29 feet to a found ½-inch iron rebar stamped "Grogan";

3. South 83°57'36" West, a distance of 335.38 feet to a found ½-inch iron rebar stamped "Grogan";

4. North 55°46'10" West, a distance of 802.10 feet to a found ½-inch iron rebar stamped "Grogan";

5. South 89°31'58" West, a distance of 1111.39 feet to a found ½-inch iron rebar stamped "Grogan";

6. South 68°55'06" West, a distance of 1662.37 feet to a found ½-inch iron rebar stamped "Grogan";

7. North 63°17'55" West, a distance of 278.77 feet to a found ½-inch iron rebar with "Grogan" tag for the northwest corner of said 127.09 acre portion of the remainder of said 1939.45 acre tract;

THENCE along the west line of said 127.09 acre portion of the remainder of said 1939.45 acre tract the following eight (8) courses:

1. South 22°08'16" East a distance of 378.88 feet to a calculated point at the beginning of a tangent 225.00 foot radius curve concave northerly;

2. Along the arc of said 225.00 foot radius curve a distance of 486.08 feet, and a chord bearing South 84°01'39" East and distance of 396.92 feet, through a central angle of 123°46'46" to a calculated point;

3. Tangent to said 225.00 foot radius curve, North 34°04'58" East, a distance of 170.97 feet to a calculated point at the beginning of a tangent 400.00 foot radius curve concave southerly;

4. Along the arc of said 400.00 foot radius curve a distance of 836.47 feet through a central angle of 119°48'54", and a chord bearing South 86°00'35" East and distance of 692.17 feet, to a calculated point;

5. Tangent to said 400.00 foot radius curve, South 25°06'08" East, a distance of 98.32 feet to a calculated point at the beginning of a tangent 700.00 foot radius curve concave westerly;

6. Along the arc of said 700.00 foot radius curve a distance of 372.31 feet through a central angle of 30°28'28", and a chord bearing South 10°51'54" East and distance of 367.94 feet, to a calculated point;

7. Tangent to said 700.00 foot radius curve, South 04°22'20" West, a distance of 378.48 feet to a calculated point at the beginning of a tangent 15.00 foot radius curve concave northeasterly;

8. Along the arc of said 15.00 foot radius curve a distance of 23.56 feet through a central angle of 90°00'00", and a chord bearing South 40°37'24" East and distance of 21.21 feet, to a calculated point for the southwest corner of said 127.09 acre portion of the remainder of said 1539.45 acre tract, and being on the north right-of-way line of U.S. Highway 290 West (R.O.W. varies), from which a Type I concrete monument found for an angle point in the south line of said 127.09 acre portion of the remainder of a 1539.45 acre tract and the north right-of-way line of said U.S. Highway 290 West bears South 85°37'40" East, a distance of 345.73 feet;

THENCE along the north right-of-way line of U.S. Highway 290 West, North 85°37'40" West, a distance of 130.00 feet to a calculated point for the southeast corner of a 39.73 acre portion of the remainder of said 1539.45 acre tract of land conveyed to Paul Pressler Family Generation Skipping Trust, et. al by deed of record in Volume 1911, Page 481, O.P.R.R.C.T., from which a Type I concrete monument found for an angle point in the south line of said 39.73 acre portion of a remainder of said 1539.45 acre tract and the north right-of-way line of U.S. Highway 290 West bears North 85°37'40" West, a distance of 498.34 feet; last said calculated point being a point of cusp with a tangent 15.00 foot radius curve concave northwesterly;

THENCE along the east line of said 39.73 acre portion of the remainder of said 1539.45 acre tract the following eight (8) courses:

1. Along the arc of last said 15.00 foot radius curve a distance of 23.56 feet through a central angle of 90°00'00", and a chord bearing North 49°22'04" East and distance of 21.21 feet, to a calculated point;

2. Tangent to last said 15.00 foot radius curve, North 04°22'20" East, a distance of 211.26 feet to a calculated point at the beginning of a tangent 490.00 foot radius curve concave westerly;

3. Along the arc of said 490.00 foot radius curve a distance of 260.62 feet through a central angle of 30°28'28", and a chord bearing North 10°51'54" West and distance of 257.56 feet, to a calculated point;

4. Tangent to said 490.00 foot radius curve, North 26°06'08" West, a distance of 298.27 feet to a calculated point at the beginning of a tangent 200.00 foot radius curve concave southerly;

5. Along the arc of said 200.00 foot radius curve a distance of 418.23 feet through a central angle of 119°48'54", and a chord bearing North 86°00'35" West and distance of 346.09 feet, to a calculated point;

6. Tangent to said 200.00 foot radius curve, South 34°04'58" West, a distance of 144.26 feet to a calculated point at the beginning of a tangent 375.00 foot radius curve concave northerly;

7. Along the arc of said 375.00 foot radius curve a distance of 810.13 feet through a central angle of 123°46'46", and a chord bearing North 84°01'39" West and distance of 661.53 feet, to a calculated point;

8. Tangent to said 375.00 foot radius curve, North 22°08'16" West a distance of 519.72 feet to a calculated point for the northeast corner of said 39.73 acre portion of the remainder of said 1539.45 acre tract;

THENCE along the north line of said 39.73 acre portion of the remainder of said 1539.45 acre tract the following two (2) courses:

1. North 63°21'49" West, a distance of 125.05 feet to a found ½-inch iron rebar with "Grogan" cap;

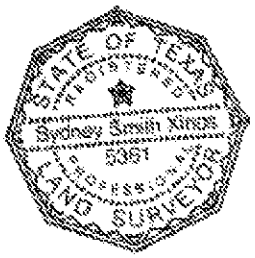
2. North 63°22'32" West a distance of 762.41 feet to a 3/8-inch iron rebar with "4542" cap found for the northerly common corner of said 39.73 acre portion of the remainder of said 1539.45 acre tract and said John G. Bordie and Camilla B. Bordie tract;

THENCE along the easterly northerly of said John G. Bordie and Camilla B. Bordie tract, South 88°36'32" West, a distance of 952.40 feet to the POINT OF BEGINNING, and containing 1035.73 acres of land, more or less.

Bearing Basis: Texas State Plane Coordinate System, South Central Zone, NAD83 (CORS).

9/12/14

Sydney Smith Xinos, R.P.L.S. Date:
Texas Registration No. 5361
Doucet & Associates Inc.,
7401 B Hwy. 71 West, Suite 160
Austin, Texas 78735
Firm Registration No. 10105800



****** Electronically Filed Document ******

Hays County Texas
Liz Q. Gonzalez
County Clerk

Document Number: 2016-16015147
Recorded As : ELECTRONIC RECORDING

Recorded On:	**May 12, 2016**
Recorded At:	**09:37:44 am**
Number of Pages:	**28**
Recording Fee:	**$130.00**

Parties:

Direct- WFC HEADWATERS OWNER VII LP
Indirect-

Receipt Number:	**428781**
Processed By:	**Barbara Rodriguez**

************** 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.

COUNTY COURT OF HAYS COUNTY, TEXAS

I hereby certify that this instrument was filed for record in my office on the date and time stamped hereon and was recorded on the volume and page of the named records of Hays County, Texas

Liz Q Gonzalez

Liz Q. Gonzalez, County Clerk

After Recording Return To:

Robert D. Burton, Esq.
Winstead, PC
401 Congress Ave., Suite 2100
Austin, Texas 78701
Email: rburton@winstead.com

HEADWATERS AT BARTON CREEK

DEVELOPMENT AREA DECLARATION
[*RESIDENTIAL*]

Hays County, Texas

Declarant: **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership

Cross reference to Headwaters at Barton Creek Master Covenant [*Residential*], recorded as Document No. 201616015124 in the Official Public Records of Hays County, Texas.

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HEADWATERS AT BARTON CREEK

DEVELOPMENT AREA DECLARATION
[*RESIDENTIAL*]

This Development Area Declaration for Headwaters at Barton Creek [*Residential*] (this "**Development Area Declaration**") is made by WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership (the "**Declarant**"), and is as follows:

RECITALS:

A. Declarant previously Recorded that certain Headwaters at Barton Creek Master Covenant [*Residential*], recorded as Document No. 201616015124 in the Official Public Records of Hays County, Texas (the "**Covenant**").

B. Pursuant to the Covenant, Declarant served notice that portions of the Property may be made subject to one or more Development Area Declarations upon the Recording of one or more Notices of Applicability in accordance with *Section 9.5* of the Covenant, and once such Notices of Applicability have been Recorded, the portions of the Property described therein shall constitute the Development Area and shall be governed by and fully subject to this Development Area Declaration in addition to the Covenant.

A Development Area is a portion of Headwaters at Barton Creek which is subject to the terms and provisions of the Covenant. A Development Area Declaration includes specific restrictions which apply to the Development Area, in addition to the terms and provisions of the Covenant.

C. Upon the further Recording of one or more Notices of Applicability, portions of the Property identified in such notice or notices shall be subject to the terms and provisions of this Development Area Declaration. The Property made subject to the terms and provisions of this Development Area Declaration shall be referred to herein as the "**Development Area**."

NOW, THEREFORE, it is hereby declared: (i) those portions of the Property as and when made subject to this Development Area Declaration by the filing of a Notice of Applicability shall be held, sold, conveyed, and occupied subject to the following covenants, conditions and restrictions which shall run with such portions of the Property and shall be binding upon all parties having right, title, or interest in or to such portions of the Property or any part thereof, their heirs, successors, and assigns and shall inure to the benefit of each Owner thereof; and (ii) each contract or deed conveying those portions of the Property which are made subject to this Development Area Declaration shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not the same are set out in full or by reference in said contract or deed;

and (iii) that this Development Area Declaration shall supplement and be in addition to the covenants, conditions, and restrictions of the Covenant.

ARTICLE 1
DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in this Development Area Declaration have the meanings hereinafter specified:

"**Solar Energy Device**" means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

Any other capitalized terms used but not defined in this Development Area Declaration shall have the meaning given to such terms in the Covenant.

ARTICLE 2
USE RESTRICTIONS

All of the Development Area shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the following limitations and restrictions:

2.01 Use Restrictions. The Development Area shall be used solely for single-family residential purposes.

No professional, business, or commercial activity to which the general public is invited shall be conducted on any portion of the Development Area, except an Owner or Occupant may conduct business activities within a residence so long as: (i) such activity complies with Applicable Law; (ii) participation in the business activity is limited to the Owner(s) or Occupant(s) of a residence; (iii) the existence or operation of the business activity is not apparent or detectable by sight, i.e., no sign may be erected advertising the business within the Development Area, sound, or smell from outside the residence; (iv) the business activity does not involve door-to-door solicitation of residents within the Development Area; (v) the business does not, in the Board's judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles parked within the Development Area which is noticeably greater than that which is typical of residences in which no business activity is being conducted; (vi) the business activity is consistent with the residential character of the Development Area and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Development Area as may be determined in the sole discretion of the Board; and (vii) the business does not require the installation of any machinery other than that customary to normal household operations. In addition, for the purpose of obtaining any business or commercial

license, neither the residence nor the Lot shall be considered open to the public. 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 which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (x) such activity is engaged in full or part-time; (y) such activity is intended to or does generate a profit; or (z) a license is required. Leasing of a residence in compliance with *Section 2.02* shall not be considered a business or trade within the meaning of this subsection. This subsection shall not apply to any activity conducted by the Declarant or a Homebuilder.

Notwithstanding any provision in this Declaration to the contrary, until the expiration or termination of the Development Period:

(a) Declarant and/or its licensees may construct and maintain upon portions of the Common Area or Special Common Area, and any Lot owned by the Declarant such facilities and may conduct such activities which, in Declarants sole opinion, may be reasonably required, convenient, or incidental to the construction or sale of single family residences constructed upon the Lots, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and/or its licensees have an easement over and across the Common Area and Special Common Area for access and use of such facilities at no charge; and

(b) Declarant and/or its licensees shall have an access easement over and across the Common Area and Special Common Area for the purpose of making, constructing and installing improvements to the Common Area and Special Common Area.

2.02 Rentals. No portion of the Development Area may be used as an apartment house, flat, lodging house, hotel, bed and breakfast lodge, or any similar purpose, but the primary residence constructed on a Lot may be leased for residential purposes for a lease term of no less than six (6) months. All leases shall be in writing. The Owner must provide to its lessee copies of the Documents. Notice of any lease, together with such additional information as may be required by the Board, must be remitted to the Association by the Owner on or before the expiration of ten (10) days after the effective date of the lease. All leases must be for the entire residence.

2.03 Rubbish and Debris. As determined by the Headwaters Reviewer no rubbish or debris of any kind may be placed or permitted to accumulate on or within the Development Area, and no odors shall be permitted to arise therefrom so as to render all or any portion of the Development Area unsanitary, unsightly, offensive, or detrimental to any other property or Occupants. Refuse, garbage, and trash must be kept at all times in covered containers, and such containers must be kept within enclosed structures or appropriately screened from view. Each

Owner shall contract with an independent disposal service to collect all garbage or other wastes, if such service is not provided by a governmental entity or the Association.

2.04 Trash Containers. Trash containers and recycling bins must be stored in one of the following locations: (i) inside the garage of the residence; or (ii) behind or on the side of a residence in such a manner that the trash container and recycling bin is not visible from any street, alley, or adjacent residence, e.g. behind a privacy fence or other appropriate screening. The Headwaters Reviewer shall have the right to specify additional locations in which trash containers or recycling bins must be stored.

2.05 Unsightly Articles; Vehicles. No article deemed to be unsightly by the Board shall be permitted to remain on any Lot so as to be visible from adjoining property or from public or private thoroughfares. Without limiting the generality of the foregoing, trailers, graders, trucks larger than 3/4 ton pickups, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, all-terrain vehicles and garden maintenance equipment shall be kept at all times except when in actual use, in enclosed structures or screened from view and no repair or maintenance work may be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages or other structures. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials, scrap, refuse or trash shall be kept, stored, or allowed to accumulate on any portion of the Development Area except within enclosed structures or appropriately screened from view. No: (i) racing vehicles; or (ii) other vehicles (including, without limitation, motorcycles or motor scooters) which are inoperable or do not have a current license tag shall be permitted to remain visible on any Lot or to be parked on any roadway within the Development Area. Motorcycles shall be operated in a quiet manner.

2.06 Outside Burning. There shall be no exterior fires, except that barbecues, outside fireplaces, braziers and incinerator fires contained within facilities or receptacles and in areas designated and approved by the Headwaters Reviewer shall be permitted. No Owner shall permit any condition upon its portion of the Development Area which creates a fire hazard or violates Applicable Law.

2.07 Hazardous Activities. No activities may be conducted on or within the Development Area and no Improvements may be constructed on or within any portion of the Development Area which, in the opinion of the Board, are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or fireworks may be discharged upon any portion of the Development Area unless discharged in conjunction with an event approved in advance by the Headwaters Reviewer and no open fires may be lighted or permitted except within safe and well-designed fireplaces or in contained barbecue units while attended and in use for cooking purposes. No portion of the Development Area may be used for the takeoff, storage, or landing of aircraft (including, without limitation, helicopters) except for medical emergencies.

2.08 Animals - Household Pets. No animals, including pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained, or cared for on or within the Development Area (as used in this paragraph, the term "domestic household pet" shall not mean or include non-traditional pets such pot-bellied pigs, **miniature horses, chickens, exotic snakes or lizards, ferrets, monkeys or other exotic animals). The Board may conclusively determine, in its sole discretion, whether a particular pet is a domestic household pet within the ordinary meaning and interpretation of such words.** No Owner or Occupant may keep on such Owner's or Occupant's Lot more than four (4) cats and dogs, in the aggregate. No animal may be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic pets will be allowed on the Development Area other than within the residence, or the fenced yard space associated therewith, unless confined to a leash. The Board may restrict pets to certain areas on the Development Area. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Development Area, and no kennels or breeding operation will be allowed. No animal may be allowed to run at large, and all animals must be kept within enclosed areas which must be clean, sanitary, and reasonably free of refuse, insects, and waste at all times. No pet may be left unattended in front yards, porches or other unenclosed outside areas of the Lot. All pet waste will be removed and appropriately disposed of by the owner of the pet. All pets must be registered, licensed and inoculated as required by Applicable Law. All pets not confined to a residence must wear collars with appropriate identification tags and all outdoor cats are required to have a bell on their collar. If, in the opinion of the Board, any pet becomes a source of unreasonable annoyance to others, or the owner of the pet fails or refuses to comply with these restrictions, the Owner or Occupant, upon written notice, may be required to remove the pet from the Development Area.

2.09 Maintenance. The Owners of each Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep their Lot and all Improvements thereon in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times. The Board, in its sole discretion, shall determine whether a violation of the maintenance obligations set forth in this Section has occurred. Such maintenance includes, but is not limited to the following, which shall be performed in a timely manner, as determined by the Board, in its sole discretion:

(a) Prompt removal of all litter, trash, refuse, and wastes.

(b) Lawn mowing and edging.

(c) Tree and shrub pruning.

(d) Watering.

(e) Keeping exterior lighting and mechanical facilities in working order.

(f) Keeping lawn and garden areas alive, free of weeds, and attractive.

(g) Keeping planting beds free of turf grass.

(h) Keeping sidewalks and driveways in good repair.

(i) Complying with Applicable Law.

(j) Repainting of Improvements.

(k) Repair of exterior damage, and wear and tear to Improvements.

2.10 **Antennae**. Except as expressly provided below, no exterior radio or television antennae or aerial or satellite dish or disc, nor any Solar Energy Device, may be erected, maintained or placed on a Lot without the prior written approval of the Headwaters Reviewer; provided, however, that:

(a) an antenna designed to receive direct broadcast services, including direct-to-home satellite services, that is one meter or less in diameter; or

(b) an antenna designed to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement; or

(c) an antenna that is designed to receive television broadcast signals;

(collectively, (a) through (c) are referred to herein as the **"Permitted Antennas"**) shall be permitted subject to reasonable requirements as to location and screening as may be set forth in rules adopted by the Headwaters Reviewer, consistent with Applicable Law, in order to minimize obtrusiveness as viewed from streets and adjacent property. Declarant and/or the Association shall have the right, but not the obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna, cable, or other communication system for the benefit of all or any portion of the Development.

(d) Location of Permitted Antennas. A Permitted Antenna may be installed solely on the Owner's Lot and may not encroach upon any street, Common Area, Special Common Area, or any other portion of the Development Area. A Permitted Antenna may be installed in a location on the Lot from which an acceptable quality signal can be obtained and where least visible from the street and the Development Area, other than the Lot. In order of preference, the locations of a Permitted Antenna which shall be considered least visible by the Headwaters Reviewer are as follows:

(i) attached to the back of the principal single-family residence constructed on the Lot, with no part of the Permitted Antenna any higher than the lowest point of the roofline and screened from view of adjacent Lots and the street; then

(ii) attached to the side of the principal single-family residence constructed on the Lot, with no part of the Permitted Antenna any higher than the lowest point of the roofline and screened from view of adjacent Lots and the street.

The Headwaters Reviewer may, from time to time, modify, amend, or supplement the rules regarding installation and placement of Permitted Antennas.

Satellite dishes one meter or less in diameter, *e.g.*, DirecTV or Dish satellite dishes, are permitted; HOWEVER, you are required to comply with the rules regarding installation and placement. These rules and regulations may be modified by the Headwaters Reviewer from time to time. Please contact the Headwaters Reviewer for the current rules regarding installation and placement.

2.11 Signs. No sign of any kind may be displayed to the public view on any Lot without the prior written approval of the Headwaters Reviewer, except for:

(a) Declarant Signs. Signs erected by the Declarant or erected with the advance written consent of the Declarant;

(b) Security Signs. One small security service sign per Lot, provided that the sign has a maximum face area of two (2) square feet and is located no more than five (5) feet from the front elevation of the principal residence constructed upon the Lot;

(c) Permits. Permits as may be required by Applicable Law;

(d) Religious Item on Door. A religious item on the entry door or door frame of a residence (which may not extend beyond the outer edge of the door frame), provided that the size of the item(s), individually or in combination with other religious items on the entry door or door frame of the residence, does not exceed twenty-five (25) square inches;

(e) Sale or Rental Signs. One (1) temporary "For Sale" or "For Lease" sign per Lot, provided that the sign shall be limited to: (i) a maximum face area of five (5) square feet on each visible side and, if free standing, is mounted on a single or frame post; (ii) an overall height of the sign from finished grade at the spot where the sign is located may not exceed four feet (4'); and (iii) the sign shall be removed within two (2) business days following the sale or lease of the Lot;

(f) Political Signs. Political signs may be erected provided the sign: (i) is erected no earlier than the 90th day before the date of the election to which the sign

relates; (ii) is removed no later than the 10th day after the date of the election to which the sign relates; and (iii) is ground-mounted. Only one sign may be erected for each candidate or ballot item. In addition, signs which include any of the components or characteristics described in Section 202.009(c) of the Texas Property Code are prohibited; and

(g) No Soliciting Signs. A "no soliciting" sign near or on the front door to the principal residence constructed upon the Lot, provided, that the sign may not exceed twenty-five (25) square inches.

Except for signs which are erected by the Declarant or erected with the advance written consent of the Declarant, no sign may be displayed in the window of any Improvement located on a Lot.

2.12 Flags. Owners are permitted to display certain flags on the Owner's Lot, as further set forth below.

(a) Approval Requirements. An Owner is permitted to display the flag of the United States of America, the flag of the State of Texas, an official or replica flag of any branch of the United States Military, or one (1) flag with official insignia of a college or university (**"Permitted Flag"**) and permitted to install a flagpole no more than five feet (5') in length affixed to the front of a residence near the principal entry or affixed to the rear of a residence (**"Permitted Flagpole"**). Only two (2) permitted Flagpoles are allowed per residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the Headwaters Reviewer. Approval by the Headwaters Reviewer is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any Lot (**"Freestanding Flagpole"**).

(b) Installation and Display. Unless otherwise approved in advance and in writing by the Headwaters Reviewer, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, shall comply with the following:

(i) No more than one (1) Freestanding Flagpole OR no more than two (2) Permitted Flagpoles are permitted per Lot, on which only Permitted Flags may be displayed;

(ii) Any Permitted Flagpole shall be no longer than five feet (5') in length and any Freestanding Flagpole shall be no more than twenty feet (20') in height;

(iii) Any Permitted Flag displayed on any flagpole may not be more than three feet in height by five feet in width (3' x 5');

(iv) The flag of the United States of America shall be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas shall be displayed in accordance with Chapter 3100 of the Texas Government Code;

(v) The display of a flag, or the location and construction of the flagpole shall comply with Applicable Law, easements and setbacks of record;

(vi) Any flagpole shall be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling;

(vii) A flag or a flagpole shall be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole shall be repaired, replaced or removed;

(viii) Any flag may be illuminated by no more than one (1) halogen landscaping light of low beam intensity which shall not be aimed towards or directly affect any neighboring Lot. Such illumination shall also comply with the outdoor lighting restrictions set forth in the Documents; and

(ix) Any external halyard of a flagpole shall be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

2.13 **Tanks**. The Headwaters Reviewer must approve any tank used or proposed in connection with a residence, including tanks for storage of fuel, water, oil, or liquid petroleum gas (LPG), and including swimming pool filter tanks. No elevated tanks of any kind may be erected, placed or permitted on any Lot within the Development Area without the advance written approval of the Headwaters Reviewer. All permitted tanks must be screened from view in accordance with a screening plan approved in advance by the Headwaters Reviewer. This provision will not apply to a tank used to operate a standard residential gas grills, nor shall it apply to barrels used as part of a Rainwater Harvesting Systems with a capacity of less than 50 gallons, so long as such barrels are actively being used for rainwater collection and storage.

2.14 **Temporary Structures**. No tent, shack, or other temporary building, Improvement, or structure shall be placed upon the Development Area without the prior written approval of the Headwaters Reviewer; provided, however, that temporary structures necessary for storage of tools and equipment, and for office space for Homebuilders, architects, and foremen during actual construction may be maintained with the prior approval of the Declarant, approval to include the nature, size, duration, and location of such structure.

2.15 **Mobile Homes, Travel Trailers and Recreational Vehicles**. No mobile homes, travel trailers or recreational vehicles shall be parked or placed on any street, right of way, Lot or used as a residence, either temporary or permanent, at any time. However, such vehicles may

be parked temporarily for a period not to exceed seventy-two (72) consecutive hours during each two (2) month period. Notwithstanding the foregoing, sales trailers or other temporary structures expressly approved by the Headwaters Reviewer or allowed pursuant to *Section 9.2* of the Covenant shall be permitted.

2.16 Party Wall Fences. Each wall built as a part of the original construction of a single family residence which serves and separates any two (2) adjoining single family residences or a fence or wall located on or near the dividing line between two (2) Lots and intended to benefit both Lots shall constitute a "**Party Wall**". To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. Party Walls shall also be subject to the following:

(a) Encroachments & Easement. If the Party Wall is on one Lot due to an error in construction, the Party Wall is nevertheless deemed to be on the dividing line for purposes of this Section. Each Lot sharing a Party Wall is subject to an easement for the existence and continuance of any encroachment by the Party Wall as a result of construction, repair, shifting, settlement, or movement in any portion of the Party Wall, so that the encroachment may remain undisturbed as long as the Party Wall stands. Each Lot is subject to a reciprocal easement for the maintenance, repair, replacement, or reconstruction of the Party Wall.

(b) Right to Repair. If the Party Wall is damaged or destroyed from any cause, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, the Owner of either Lot may repair or rebuild the Party Wall to its previous condition, and the other Owner or Owners that the wall serves shall thereafter contribute to the cost of restoration thereof in equal proportions without prejudice, subject however, to the right of any such Owners to call for a larger contribution from the others under any rule or law regarding liability for negligent or willful acts or omissions. The Owners of both Lots, their successors and assigns, have the right to the full use of the repaired or rebuilt Party Wall. No Party Wall may be constructed, repaired, or rebuilt without the advance written approval of the Headwaters Reviewer in accordance with *Article 6* of the Covenant.

(c) Maintenance Costs. The Owners of the adjoining Lots share equally the costs of repair, reconstruction, or replacement of the Party Wall, subject to the right of one Owner to call for larger contribution from the other under any rule of law regarding liability for negligence or willful acts or omissions. If an Owner is responsible for damage to or destruction of the Party Wall, that Owner will bear the entire cost of repair, reconstruction, or replacement. If an Owner fails or refuses to pay his share of costs of repair or replacement of the Party Wall, the Owner advancing monies has a right to file a claim of lien for the monies advanced in the Official Public Records of Hays County, Texas, and has the right to foreclose the lien as if it were a mechanic's

lien. The right of an Owner to require contribution from another Owner under this Section is appurtenant to the Lot and passes to the Owner's successors in title.

(d) Alterations. The Owner of a Lot sharing a Party Wall may not cut openings in the Party Wall or alter or change the Party Wall in any manner that affects the use, condition, or appearance of the Party Wall to the adjoining Lot. The Party Wall will always remain in the same location as when erected unless otherwise approved by the Owner of each Lot sharing the Party Wall and the Headwaters Reviewer.

(e) Dispute Resolution. In the event of any dispute arising concerning a Party Wall, or under the provisions of this Section (the "**Dispute**"), the parties shall submit the Dispute to mediation. Should the parties be unable to agree on a mediator within ten (10) days after written request therefore by the Board, the Board shall appoint a mediator. If the Dispute is not resolved by mediation, the Dispute shall be resolved by binding arbitration. Either party may initiate the arbitration. Should the parties be unable to agree on an arbitrator within ten (10) days after written request therefore by the Board, the Board shall appoint an arbitrator. The decision of the arbitrator shall be binding upon the parties and shall be in lieu of any right of legal action that either party may have against the other. In the event an Owner fails to properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) implement the decision of the mediator or arbitrator, as applicable, the Board may implement said mediator's or arbitrator's decision, as applicable. If the Board implements the mediator's or arbitrator's decision on behalf of an Owner, the Owner otherwise responsible therefor will be personally liable to the Association for the cost of obtaining the all costs and expenses incurred by the Association in conjunction therewith. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1-1/2%) per month) will be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot hereunder will be secured by the liens reserved in the Covenant for Assessments and may be collected by any means provided in the Covenant for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s).

2.17 Water Quality Facilities, Drainage Facilities and Drainage Ponds. The Property may include one or more water treatment plant, waste water treatment plant, water quality facilities, sedimentation, drainage and detention facilities, or ponds which serve all or a portion of the Property and are inspected, maintained and administered by the City of Dripping Springs or Hays County in accordance with all Applicable Law. Access to these facilities and ponds is limited to persons engaged by the Association to periodically maintain such facilities. Each Owner is advised that the water treatment plant, waste water treatment plant, water quality facilities, sedimentation, drainage and detention facilities, and ponds are an active utility feature integral to the proper operation of the Property and may periodically hold

standing water. Each Owner is advised that entry into the water treatment plant, waste water treatment plant, water quality facilities, sedimentation, drainage and detention facilities, or ponds may result in injury and is a violation of the Rules.

2.18 **Water Quality Buffer Zones**. Water quality buffer zones (the "**Buffer Zones**") are areas of undisturbed native vegetation that have been established to buffer stream drainage systems and sensitive environmental features from development. Buffer Zones exist on the Property and are depicted on **Exhibit "D"** of the Development Agreement. The Buffer Zones shall remain free of construction, development, or other alterations, unless allowed under Applicable Law.

2.19 **No Warranty of Enforceability**. Declarant makes no warranty or representation as to the present or future validity or enforceability of the Documents. Any Owner acquiring a Lot in reliance on one or more of the Documents shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant harmless therefrom.

2.20 **Owner's Obligation to Maintain Street Landscape**. Each Owner shall be responsible, at such Owner's sole cost and expense, for maintaining mowing, replacing, pruning, and irrigating the landscaping between the boundary of such Owner's Lot and the edge of the pavement of any adjacent public right-of-way, street or alley (the "**ST Landscape Area**") unless the responsibility for maintaining the ST Landscape Area or any portion thereof has been assumed by the Association, in the Board's sole discretion, in a Recorded written instrument identifying all or any portion of the ST Landscape Area to be maintained (the "**Association Landscape Area**"). If the Association assumes such responsibility as set forth herein, Owner shall neither perform any maintenance in the Association Landscape Area nor construct any Improvements therein. Otherwise specifically, and not by way of limitation, each Owner, at such Owner's sole cost and expense, shall be required to maintain, irrigate and replace any trees located within the ST Landscape Area. No landscaping, including trees, may be removed from or installed within the ST Landscape Area without the advance written consent of the Board. In the event an Owner fails to properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) mow, replace, prune, and/or irrigate any landscaping, including trees, in such Owner's ST Landscape Area, such failure shall constitute a violation of the Documents and the Board may cause such landscaping, including trees, to be mowed, replaced, pruned and/or irrigated in a manner determined by the Board, in its sole and absolute discretion. If the Board causes such landscaping, including trees, to be mowed, replaced, pruned and irrigated, the Owner otherwise responsible therefor shall be personally liable to the Association for all costs and expenses incurred by the Association for effecting such work. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1½%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot hereunder shall be secured by the liens reserved in the Covenant for Assessments and may be

collected by any means provided in the Covenant for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s). EACH OWNER AND OCCUPANT SHALL INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION INCLUDING ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.

2.21 **Compliance with Documents**. Each Owner, his or her family, occupants of a Lot, and the Owner's tenants, guests, invitees, and licensees shall comply strictly with the provisions of the Documents as the same may be amended from time to time. Failure to comply with any of the Documents shall constitute a violation of thereof and may result in a fine against the Owner in accordance with *Section 5.14* of the Covenant, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Declarant, the Board on behalf of the Association, the Headwaters Reviewer, or by an aggrieved Owner. Without limiting any rights or powers of the Association, either the Board or the Headwaters Reviewer may (but shall not be obligated to) remedy or attempt to remedy any violation of any of the provisions of Documents, and the Owner whose violation has been so remedied shall be personally liable to the Association for all costs and expenses of effecting (or attempting to effect) such remedy. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one half percent (1½%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot shall be secured by the liens reserved in the Development Area Declaration and/or the Covenant for Assessments and may be collected by any means provided in the Development Area Declaration and/or the Covenant for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s). Each such Owner shall release and hold harmless the Association and its officers, directors, employees and agents from any cost, loss, damage, expense, liability, claim or cause of action incurred or that may arise by reason of the Association's acts or activities under this Section (including any cost, loss, damage, expense, liability, claim or cause of action arising out of the Association's negligence in connection therewith), except for such cost, loss, damage, expense, liability, claim or cause of action arising by reason of the Association's gross negligence or willful misconduct. "Gross negligence" as used herein does not include simple negligence, contributory negligence or similar negligence short of actual gross negligence.

2.22 **Insurance Rates**. Nothing shall be done or kept on the Development Area that would increase the rate of casualty or liability insurance or cause the cancellation of any such insurance on the Common Area or Special Common Area, or the Improvements located thereon, without the prior written approval of the Board.

2.23 **Release**. EACH OWNER HEREBY RELEASES AND HOLDS HARMLESS THE ASSOCIATION, DECLARANT, THE HEADWATERS REVIEWER AND THEIR AFFILIATES, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF SUCH OWNER'S USE OF ANY COMMON AREA OR SPECIAL COMMON AREA.

Neither the Association nor Declarant shall assume any responsibility or liability for any personal injury or property damage which is occasioned by use of any Common Area or Special Common Area, and in no circumstance shall words or actions by the Association or Declarant constitute an implied or express representation or warranty regarding the fitness or condition of any Common Area or Special Common Area.

ARTICLE 3
CONSTRUCTION RESTRICTIONS

3.01 **Construction of Improvements**. Unless prosecuted by the Declarant, no Improvements of any kind shall hereafter be placed, maintained, erected or constructed upon any portion of the Development Area unless approved in advance and in writing by the Headwaters Reviewer in accordance with the Covenant. Pursuant to *Section 6.4* of the Covenant, the Headwaters Reviewer may adopt Design Guidelines applicable to the Development Area. If adopted, all Improvements shall strictly comply with the requirements of the Design Guidelines unless a variance is obtained pursuant to the Covenant. The Design Guidelines may be supplemented, modified, amended, or restated by the Headwaters Reviewer as authorized by the Covenant.

3.02 **Utility Lines**. Unless otherwise approved by the Headwaters Reviewer, no sewer, drainage or utility lines or wires or other devices for the communication or transmission of electric current, power, or signals including telephone, television, microwave or radio signals, shall be constructed, placed or maintained anywhere in or upon any portion of the Development Area other than within buildings or structures unless the same shall be contained in conduits or cables constructed, placed or maintained underground, concealed in or under buildings or other structures.

3.03 **Garages**. All garages, carports and other open automobile storage units shall be approved in advance of construction by the Headwaters Reviewer. No garage may be permanently enclosed or otherwise used for habitation. The garage requirements for each residence are set forth in the Design Guidelines.

3.04 Fences. No fence may be constructed on the Development Area without the prior written consent of the Headwaters Reviewer. If adopted, all fences must strictly comply with the requirements of the Design Guidelines unless a variance is obtained pursuant to the Covenant. The fencing requirements for each residence constructed on a Lot are set forth in the Design Guidelines.

3.05 Driveways. The design, construction material, and location of: (i) all driveways, and (ii) culverts incorporated into driveways for ditch or drainage crossings, must be approved by the Headwaters Reviewer. Each Owner will be responsible, at such Owner's sole cost and expense, for properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) maintaining and repairing the driveway on such Owner's Lot.

3.06 Roofing. All roofing material shall be approved in advance of construction by the Headwaters Reviewer. In addition, roofs of buildings may be constructed with "Energy Efficiency Roofing" with the advance written approval of the Headwaters Reviewer. For the purpose of this Section, "Energy Efficiency Roofing" means shingles that are designed primarily to: (a) be wind and hail resistant; (b) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (c) provide solar generation capabilities. The Headwaters Reviewer will not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (i) resemble the shingles used or otherwise authorized for use within the Development Area; (ii) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (iii) match the aesthetics of adjacent property. An Owner who desires to install Energy Efficient Roofing will be required to comply with the architectural review and approval procedures set forth the Documents. In conjunction with any such approval process, the Owner should submit information which will enable the Headwaters Reviewer to confirm the criteria set forth in this Section. Any other type of roofing material shall be permitted only with the advance written approval of the Headwaters Reviewer

3.07 HVAC Location. No air-conditioning apparatus may be installed on the ground in front of a residence or on the roof of any residence, unless otherwise approved in advance by the Headwaters Reviewer. No window air-conditioning apparatus or evaporative cooler may be attached to any front wall or front window of a residence or at any other location where it would be visible from any street, any other residence, Common Area, or Special Common Area. All HVAC units must be screened in a manner approved in advance by the Headwaters Reviewer, or as otherwise set forth in the Design Guidelines.

3.08 Solar Energy Device. Solar Energy Devices may be installed with the advance written approval of the Headwaters Reviewer, or after expiration of termination of the Development Period the ACC, in accordance with the procedures and requirements set forth below:

(a) Application. To obtain approval of a Solar Energy Device, the Owner shall provide the Headwaters Reviewer with the following information: (i) the proposed installation location of the Solar Energy Device; and (ii) a description of the Solar Energy Device, including the dimensions, manufacturer, and photograph or other accurate depiction (the "**Solar Application**"). A Solar Application may only be submitted by an Owner. The Solar Application shall be submitted in accordance with the provisions of *Article 6* of the Covenant.

(b) Approval Process. The Headwaters Reviewer shall review the Solar Application in accordance with the terms and provisions of *Article 6* of the Covenant. The Headwaters Reviewer shall approve a Solar Energy Device if the Solar Application complies with *Section 3.08(c)* below **UNLESS** the Headwaters Reviewer makes a written determination that placement of the Solar Energy Device, despite compliance with *Section 3.08(c)*, shall create a condition that substantially interferes with the use and enjoyment of property within the Development by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The Headwaters Reviewer's right to make a written determination in accordance with the foregoing sentence is negated if all Owners of Lots immediately adjacent to the Owner/applicant provide written approval of the proposed placement. Any proposal to install a Solar Energy Device on property owned or maintained by the Association or property owned in common by Members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request.

(c) Approval Conditions. Unless otherwise approved in advance and in writing by the Headwaters Reviewer, each Solar Application and each Solar Energy Device to be installed in accordance therewith shall comply with the following:

(i) The Solar Energy Device shall be located on the roof of the residence located on the Owner's Lot, entirely within a fenced area of the Owner's Lot, or entirely within a fenced patio located on the Owner's Lot. If the Solar Energy Device shall be located on the roof of the residence, the Headwaters Reviewer may designate the location for placement unless the location proposed by the Owner increases the estimated annual energy production of the Solar Energy Device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than ten percent (10%) percent above the energy production of the Solar Energy Device if installed in the location designated by the Headwaters Reviewer. If the Owner desires to contest the alternate location proposed by the Headwaters Reviewer, the Owner should submit information to the Headwaters Reviewer which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device shall be located in the fenced area of the Owner's Lot or patio, no portion of the Solar Energy Device may extend above the fence line.

(ii) If the Solar Energy Device is mounted on the roof of the principal residence located on the Owner's Lot, then: (A) the Solar Energy Device may not extend higher than or beyond the roofline; (B) the Solar Energy Device shall conform to the slope of the roof and the top edge of the Solar Device shall be parallel to the roofline; (C) the frame, support brackets, or visible piping or wiring associated with the Solar Energy Device shall be silver, bronze or black.

3.09 **Rainwater Harvesting Systems**. Rainwater Harvesting Systems may be installed with the advance written approval of the Headwaters Reviewer.

(a) Application. To obtain Headwaters Reviewer approval of a Rainwater Harvesting System, the Owner shall provide the Headwaters Reviewer with the following information: (i) the proposed installation location of the Rainwater Harvesting System; and (ii) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the "**Rain System Application**"). A Rain System Application may only be submitted by an Owner.

(b) Approval Process. The decision of the Headwaters Reviewer shall be made in accordance with *Article 6* of the Covenant. Any proposal to install a Rainwater Harvesting System on property owned by the Association or property owned in common by Members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request.

(c) Approval Conditions. Unless otherwise approved in advance and in writing by the Headwaters Reviewer, each Rain System Application and each Rainwater Harvesting System to be installed in accordance therewith shall comply with the following:

(i) The Rainwater Harvesting System shall be consistent with the color scheme of the residence constructed on the Owner's Lot, as reasonably determined by the Headwaters Reviewer.

(ii) The Rainwater Harvesting System does not include any language or other content that is not typically displayed on such a device.

(iii) The Rainwater Harvesting System is in no event located between the front of the residence constructed on the Owner's Lot and any adjoining or adjacent street.

(iv) There is sufficient area on the Owner's Lot to install the Rainwater Harvesting System, as reasonably determined by the Headwaters Reviewer.

(d) Guidelines. If the Rainwater Harvesting System is installed on or within the side yard of a Lot, or would otherwise be visible from a street, the Common Area, Special Common Area, or another Owner's Lot, the Headwaters Reviewer may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. Accordingly, when submitting a Rain System Application, such application should describe methods proposed by the Owner to shield the Rainwater Harvesting System from the view of any street, Common Area, Special Common Area, or another Owner's Lot. When reviewing a Rain System Application for a Rainwater Harvesting System that shall be installed on or within the side yard of a Lot, or would otherwise be visible from a street, the Common Area, Special Common Area, or another Owner's Lot, any additional requirements imposed by the Headwaters Reviewer to regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System, may not prohibit the economic installation of the Rainwater Harvesting System, as reasonably determined by the Headwaters Reviewer.

3.10 **Xeriscaping**. As part of the installation and maintenance of landscaping on an Owner's Lot, an Owner may submit plans for and install drought tolerant landscaping ("**Xeriscaping**") upon written approval by the Headwaters Reviewer. All Owners implementing Xeriscaping shall comply with the following:

(a) Application. Approval by the Headwaters Reviewer is required prior to installing Xeriscaping. To obtain the approval of the Headwaters Reviewer for Xeriscaping, the Owner shall provide the Headwaters Reviewer with the following information: (i) the proposed site location of the Xeriscaping on the Owner's Lot; (ii) a description of the Xeriscaping, including the types of plants, border materials, hardscape materials and photograph or other accurate depiction and (iii) the percentage of yard to be covered with gravel, rocks and cacti (the "**Xeriscaping Application**"). A Xeriscaping Application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Xeriscaping Application. The Headwaters Reviewer is not responsible for: (i) errors or omissions in the Xeriscaping Application submitted to the Headwaters Reviewer for approval; (ii) supervising installation or construction to confirm compliance with an approved Xeriscaping Application or (iii) the compliance of an approved application with Applicable Law.

(b) Approval Conditions. Unless otherwise approved in advance and in writing by the Headwaters Reviewer each Xeriscaping Application and all Xeriscaping to be installed in accordance therewith shall comply with the following:

(i) The Xeriscaping shall be aesthetically compatible with other landscaping in the community as reasonably determined by the Headwaters Reviewer. For purposes of this *Section 3.10(b)(i)*, "aesthetically compatible" shall mean overall and long-term aesthetic compatibility within the community. For

example, an Owner's Lot plan may be denied if the Headwaters Reviewer determines that: (A) the proposed Xeriscaping would not be harmonious with already established turf and landscaping in the overall community; and/or (B) the use of specific turf or plant materials would result in damage to or cause deterioration of the turf or landscaping of an adjacent property owner, resulting in a reduction of aesthetic appeal of the adjacent property Owner's Lot.

(ii) No Owner shall install gravel, rocks or cacti that in the aggregate encompass over ten percent (10%) of such Owner's front yard or ten percent (10%) of such Owner's back yard.

(iii) The Xeriscaping shall not attract diseases and insects that are harmful to the existing landscaping on neighboring Lots, as reasonably determined by the Headwaters Reviewer.

(c) Process. The decision of the Headwaters Reviewer shall be made within a reasonable time, or within the time period otherwise required by the specific provisions in the Design Guidelines, if adopted, or other provisions in the Documents that govern the review and approval of improvements. A Xeriscaping Application submitted to install Xeriscaping on property owned by the Association or property owned in common by members of the Association shall not be approved. Any proposal to install Xeriscaping on property owned by the Association or property owned in common by members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to the requirements set forth in this *Section 3.10* when considering any such request.

(d) Approval. Each Owner is advised that if the Xeriscaping Application is approved by the Headwaters Reviewer installation of the Xeriscaping shall: (i) strictly comply with the Xeriscaping Application; (ii) commence within thirty (30) days of approval; and (iii) be diligently prosecuted to completion. If the Owner fails to cause the Xeriscaping to be installed in accordance with the approved Xeriscaping Application, the Headwaters Reviewer may require the Owner to: (i) modify the Xeriscaping Application to accurately reflect the Xeriscaping installed on the property; or (ii) remove the Xeriscaping and reinstall the Xeriscaping in accordance with the approved Xeriscaping Application. Failure to install Xeriscaping in accordance with the approved Xeriscaping Application or an Owner's failure to comply with the post-approval requirements constitutes a violation of the Covenant and may subject the Owner to fines and penalties. Any requirement imposed by the Headwaters Reviewer to resubmit a Xeriscaping Application or remove and relocate Xeriscaping in accordance with the approved Xeriscaping Application shall be at the Owner's sole cost and expense.

ARTICLE 4
DEVELOPMENT

4.01 Notice of Applicability. Upon Recording, this Development Area Declaration serves to provide notice that at any time, and from time to time, Declarant, and Declarant only, may subject all or any portion of the Property to the terms, covenants, conditions, restrictions and obligations of this Development Area Declaration. This Development Area Declaration shall apply to and burden a portion or portions of the Property upon the filing of a Notice of Applicability in accordance with *Section 9.5* of the Covenant describing such Property by a legally sufficient description and expressly providing that such Property shall be subject to the terms, covenants conditions, restrictions and obligations of this Development Area Declaration. To add land to the Development Area, Declarant shall be required only to Record a Notice of Applicability filed pursuant to *Section 9.5* of the Covenant containing the following provisions:

(A) A reference to this Development Area Declaration, which shall include the recordation information thereof;

(B) A statement that such land shall be considered a part of the Development Area for purposes of this Development Area Declaration, and that all of the terms, covenants, conditions, restrictions and obligations of this Development Area Declaration shall apply to the added land; and

(C) A legal description of the added land.

4.02 Withdrawal of Land. Declarant may, at any time and from time to time, reduce or withdraw land from the Development Area and remove and exclude from the burden of this Development Area Declaration any portion of the Development Area. Upon any such withdrawal this Development Area Declaration and the covenants, conditions, restrictions and obligations set forth herein shall no longer apply to the portion of the Development Area withdrawn. To withdraw lands from the Development Area hereunder, Declarant shall be required only to Record a notice of withdrawal of land containing the following provisions:

(A) A reference to this Development Area Declaration, which shall include the recordation information thereof;

(B) A statement that the provisions of this Development Area Declaration shall no longer apply to the withdrawn land; and

(C) A legal description of the withdrawn land.

4.03 Assignment of Declarant's Rights. Notwithstanding any provision in this Development Area Declaration to the contrary, Declarant may, by written instrument, assign, in whole or in part, any of its privileges, exemptions, rights, and duties under this Development Area Declaration to any person or entity and may permit the participation, in whole, in part,

exclusively, or non-exclusively, by any other person or entity in any of its privileges, exemptions, rights, and duties hereunder.

ARTICLE 5
GENERAL PROVISIONS

5.01 Term. The terms, covenants, conditions, restrictions, easements, charges, and liens set out in this Development Area Declaration shall run with and bind the portion of the Property described, in a Notice of Applicability Recorded pursuant to *Section 9.5* of the Covenant or in any Recorded notice, and shall inure to the benefit of and be enforceable by the Association, and every Owner, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Development Area Declaration is Recorded, and continuing through and including January 1, 2089, after which time this Development Area Declaration shall be automatically extended for successive periods of ten (10) years unless a change (the word "change" meaning a termination, or change of term or renewal term) is approved by Members entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association, voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of such meeting; provided, however, that such change shall be effective only upon the Recording of a certified copy of such resolution. The foregoing sentence shall in no way be interpreted to mean sixty-seven percent (67%) of a quorum as established pursuant to the Bylaws. The Representative System of Voting is not applicable to an amendment as contemplated in this Section, it being understood and agreed that any change must be approved by a vote of the Members, with each Member casting their vote individually. Pursuant to *Section 11.9.5* and *Section 28.03.009* of the City Ordinances, the Association shall not be terminated or dissolved without the prior written consent of the City Council. Notwithstanding any provision in this Section to the contrary, if any provision of this Development Area Declaration would be unlawful, void, or voidable by reason of any Applicable Law restricting the period of time that covenants on land may be enforced, such provision shall expire twenty-one (21) years after the death of the last survivor of the now living as of the date of the Recording of this document descendants of Elizabeth II, Queen of England.

5.02 Amendment. This Development Area Declaration may be amended or terminated by the Recording of an instrument setting forth the amendment executed and acknowledged by (i) the Declarant, acting alone; or (ii) by the president and secretary of the Association setting forth the amendment and certifying that such amendment has been approved by Declarant (until expiration or termination of the Development Period) and Members entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association. The foregoing sentence shall in no way be interpreted to mean sixty-seven percent (67%) of a quorum as established pursuant to the Bylaws. The Representative System of Voting is not applicable to an amendment as contemplated in this *Section 5.02*, it being understood and agreed that any such amendment must be approved by a vote of the Members, with each Member casting their vote individually.

5.03 Interpretation. The provisions of this Development Area Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the Development Area, provided, however, that the provisions of this Development Area Declaration shall not be held to impose any restriction, condition or covenant whatsoever on any land owned by Declarant other than the Development Area. This Development Area Declaration shall be construed and governed under the laws of the State of Texas.

5.04 Gender. Whenever the context so requires, all words herein in the male gender will be deemed to include the female or neuter gender, all singular words will include the plural, and all plural words will include the singular.

5.05 Enforcement and Nonwaiver. Except as otherwise provided herein, any Owner of Lot, at such Owner's own expense, Declarant and the Association shall have the right to enforce all of the provisions of this Development Area Declaration. The Association and/or the Declarant may initiate, defend or intervene in any action brought to enforce any provision of this Development Area Declaration. Such right of enforcement shall include both damages for and injunctive relief against the breach of any provision hereof. Every act or omission whereby any provision of the Documents is violated, in whole or in part, is hereby declared to be a nuisance and may be enjoined or abated by any Owner of a Lot (at such Owner's own expense), Declarant or the Association. Any violation of any Applicable Law pertaining to the ownership, occupancy, or use of any portion of the Development Area is hereby declared to be a violation of this Development Area Declaration and subject to all of the enforcement procedures set forth herein. The failure to enforce any provision of the Documents at any time shall not constitute a waiver of the right thereafter to enforce any such provision or any other provision of the Documents.

5.06 Severability. If any provision of this Development Area Declaration is held to be invalid by any court of competent jurisdiction, such invalidity will not affect the validity of any other provision of this Development Area Declaration, or, to the extent permitted by applicable law, the validity of such provision as applied to any other person or entity.

5.07 Captions. All captions and titles used in this Development Area Declaration are intended solely for convenience of reference and will not enlarge, limit, or otherwise affect that which is set forth in any of the paragraphs, sections, or articles hereof.

5.08 Conflicts. If there is any conflict between the provisions of the Covenant, the Certificate, the Bylaws, or any Rules adopted pursuant to the terms of such documents, or any Development Area Declaration, the provisions of the Covenant will govern.

5.09 Higher Authority. The terms and provisions of this Development Area Declaration are subordinate to Applicable Law. Generally, the terms and provisions of this

Development Area Declaration are enforceable to the extent they do not violate or conflict with Applicable Law.

5.10 Acceptance by Owners. Each Owner of a Lot, Condominium Unit, or other real property interest in the Development Area, by the acceptance of a deed of conveyance, and each subsequent purchaser, accepts the same subject to all terms, restrictions, conditions, covenants, reservations, easements, liens and charges, and the jurisdiction rights and powers created or reserved by this Development Area Declaration or to whom this Development Area Declaration is subject, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared. Furthermore, each Owner agrees that no assignee or successor to Declarant hereunder will have any liability for any act or omission of Declarant which occurred prior to the effective date of any such succession or assignment. All impositions and obligations hereby imposed will constitute covenants running with the land within the Development Area, and will bind any person having at any time any interest or estate in the Development Area, and will inure to the benefit of each Owner in like manner as though the provisions of this Development Area Declaration were recited and stipulated at length in each and every deed of conveyance.

[SIGNATURE PAGE TO FOLLOW]

EXECUTED to be effective the 12 day of May, 2016.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company,
its General Partner

By: _____
Name: Jesse R. Baker
Title: Authorized Representative

THE STATE OF MASSACHUSETTS §
§
COUNTY OF Suffolk §

This instrument was acknowledged before me this 6th day of May, 2016 by Jesse R. Baker, Authorized Representative of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said company and partnership.

_____
Notary Public Signature

KIERSTEN P. JESTER
Notary Public
Commonwealth of Massachusetts
My Commission Expires
April 7, 2017

****** Electronically Filed Document ******

Hays County Texas
Liz Q. Gonzalez
County Clerk

Document Number: 2016-16015157

Recorded As : ELECTRONIC RECORDING

Recorded On:	May 12, 2016
Recorded At:	01:45:54 pm
Number of Pages:	20
Recording Fee:	$98.00
Parties:	HEADWATERS AT BARTON CREEK
Receipt Number:	428797
Processed By:	Christina Rodriguez

************** 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.

COUNTY COURT OF HAYS COUNTY, TEXAS

I hereby certify that this instrument was filed for record in my office on the date and time stamped hereon and was recorded on the volume and page of the named records of Hays County, Texas

Liz Q Gonzalez

Liz Q. Gonzalez, County Clerk

After recording return to:
Robert D. Burton, Esq.
WINSTEAD PC
401 Congress Avenue, Suite 2100
Austin, Texas 78701
rburton@winstead.com

HEADWATERS AT BARTON CREEK

COMMUNITY ENHANCEMENT COVENANT
[RESIDENTIAL]

Hays County, Texas

NOTE: NO PORTION OF THE PROPERTY DESCRIBED ON EXHIBIT "A" IS SUBJECT TO THE TERMS OF THIS COMMUNITY ENHANCEMENT COVENANT UNLESS A NOTICE OF APPLICABILITY DESCRIBING SUCH PORTION OF THE PROPERTY IS FILED IN THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, IN ACCORDANCE WITH *SECTION 9.5* OF THE MASTER COVENANT AS FURTHER DESCRIBED BELOW.

Declarant: WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership

Cross reference to Headwaters at Barton Creek Master Covenant *[Residential]*, recorded under Document No. 201616015124 in the Official Public Records of Hays County, Texas.

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COMMUNITY ENHANCEMENT COVENANT

[RESIDENTIAL]

This Community Enhancement Covenant *[Residential]* (the "**Community Covenant**"), is made by WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership ("**Declarant**"), and is as follows:

RECITALS

A. Declarant owns certain real property located in Hays County, Texas, as more particularly described on Exhibit "A", attached hereto (the "**Property**").

B. Declarant has caused to be filed that certain Headwaters at Barton Creek Master Covenant *[Residential]*, recorded as Document No. 201616015124 in the Official Public Records of Hays County, Texas (the "**Master Covenant**").

C. Portions of the Property may be made subject to the Master Covenant upon the Recordation of one or more Notices of Applicability pursuant to *Section 9.5* of the Master Covenant. Upon the Recordation of a Notice of Applicability in the Official Public Records of Hays County, Texas: (i) the portions of the Property described therein shall be governed by and fully subject to this Community Covenant, and (ii) the portions of the Property described therein and any additional property made subject to this Community Covenant in the future shall constitute the "Community" for the purposes set forth herein.

No portion of the Property is subject to the terms and provisions of this Community Covenant until a Notice of Applicability (as defined in *Section 9.5* of the Master Covenant) is Recorded in the Official Public Records of Hays County, Texas. A Notice of Applicability may only be filed by Declarant. If Declarant is not the owner of any portion of the Property then being made subject to the terms and provisions of the Master Covenant, the owner of the Property must execute the Notice of Applicability evidencing its consent to its recordation.

Property versus Community	
"Property" -	**Land described in *Exhibit "A"*. This is the land that may be made subject to this Community Covenant, from time to time, by the Recording of one or more Notices of Applicability.**
"Community" -	**This is the portion of the land described in *Exhibit "A"* that has been made subject to this Community Covenant through the Recordation of a Notice of Applicability.**

D. A successful community evolves through the application and enforcement of the guiding principles and the standards set forth in all of the Documents. Declarant and the Association, as well as builders, owners, residents, visitors and other "stakeholders" all have a role in ensuring the application and enforcement of the guiding principles and the standards of the Community.

E. Upon Recordation by Declarant, and as further set forth below, this Community Covenant creates a vehicle and a process through which all stakeholders in the Community can partner to uphold the Community vision through the establishment of an administrative and funding structure with the mission and authority to enhance overall life and promote individual and collective creativity and interests within the Community through the levy and collection of a Community Enhancement Fee (as defined below).

F. Declarant now desires to impose upon the Property the terms and provisions of this Community Covenant.

NOW, THEREFORE, it is hereby declared that upon the Recordation of a Notice of Applicability pursuant to *Section 9.5* of the Master Covenant: (i) such portions of the Property described in the Notice of Applicability shall be held, sold, conveyed, and occupied subject to the following covenants, conditions, and restrictions which shall run with such Property and shall be binding upon all parties having right, title, or interest in or to such Property or any part thereof, their heirs, successors, and assigns and shall inure to the benefit and burden of each owner thereof; and (ii) that each contract or deed which may hereafter be executed with regard to such Property, or any portion thereof, shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions, and restrictions, regardless of whether or not the same are set out in full or by reference in said contract or deed.

ARTICLE I
DEFINITIONS

1.01 Definitions. Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Master Covenant. Additionally, unless the context otherwise specifies or requires, the following words and phrases when used in this Community Covenant have the meanings hereinafter specified.

(a) "Board" means the Board of Directors of the Association. All acts of the Board hereunder shall be deemed an act of the Association when taken by a Majority vote of the Board.

(b) "Community Enhancement Fee" has the meaning given such term in *Section 2.04* below.

(c) "Community Investment Fund" means the account designated pursuant to this Community Covenant to receive the Community Enhancement Fee.

(d) "Transfer" means, for the purposes of the Community Enhancement Fee, any conveyance, assignment, lease, or other grant or conveyance of beneficial ownership of a Lot or Condominium Unit, whether occurring in one transaction or a series of related transactions, including but not limited to: (a) the conveyance of fee simple title to any Lot or Condominium Unit; (b) the transfer of more than fifty percent (50%) of the outstanding shares of the voting stock of a corporation which, directly, or indirectly, owns one or more Lots or Condominium Units; and (c) the transfer of more than fifty percent (50%) of the interests in net profits or net losses of any partnership, limited liability company, joint venture or other entity which, directly or indirectly, owns one or more Lots or Condominium Units; but "Transfer" shall not mean or include grants or conveyances expressly excluded under this Community Covenant.

(e) "Transfer Price" means the greater of: (i) the price paid by the Transferee for the Lot or Condominium Unit; or (ii) the value of the Lot or Condominium Unit, including any Improvements or betterments constructed thereon, as determined by the Hays County Appraisal District in their most recent valuation of such Lot or Condominium Unit for *ad valorem* tax purposes. For purposes of clause (ii) of the immediately preceding sentence, "valuation" means the appraised value without giving effect to any applicable tax exemptions.

(f) "Transferee" means all parties to whom any interest passes by a Transfer, and each party included in the term "Transferee" shall have joint and several liability for all obligations of the Transferee under this Community Covenant.

(g) "Transferor" means all parties who pass or convey any interest by a Transfer, and each party included in the term "Transferor" shall have joint and several liability for all obligations of that Transfer, as provided for in this Community Covenant.

ARTICLE II
COMMUNITY ENHANCEMENT FEE

2.01 **Community Enhancement Fee.** The Board, acting on behalf of the Association shall have the authority to levy and collect the Community Enhancement Fee, as further set forth below

2.02 **Community Activities, Services, Programs and Capital Improvements.** Through the collection and administration of the Community Enhancement Fee, the Board may organize, fund, and administer such community-building activities, services, programs and capital Improvements and other infrastructure as the Board deems necessary, desirable, and appropriate to serve as a means to: (i) enhance and promote the advancement of the Community and the Property; (ii) encourage, support and fund Community or Community-

related programs, activities, services, interests or construction of Improvements or other infrastructure benefiting the Property or the Community; (iii) fund the provision of electronic access to Community documents and documents pertaining to the Property; and (iv) fund educational, charitable, social, cultural, recreational, political, physical activities, capital Improvements or other infrastructure, services or programs benefiting, affecting or of interest to the Community and the Property. Such activities, capital Improvements or other infrastructure, services, and programs may include, but are not limited to, the following:

(a) primary and adult formal or informal education programs;

(b) training and orientation programs;

(c) learning centers, computer centers, activity centers and/or business centers;

(d) coordinated activities and recreational and social programs (*e.g.*, book clubs, hikes, cooking classes, scavenger hunts, etc.);

(e) environmental programs (*e.g.*, community-wide recycling, community gardens);

(f) activities designed to promote compliance with community regulations through education, communication, and grass roots support;

(g) promotional and public relations activities on behalf of the Community;

(h) cultural, artistic, environmental, and wellness programs;

(i) community services for the benefit of the Community's residents (*e.g.*, caretaker services, childcare, personal shopping services, etc.);

(j) developing, hosting or maintaining Community internet or intranet sites;

(k) learning centers and computer centers designed to supplement home offices;

(l) community-wide audio, video and technology;

(m) charter clubs and other volunteer organizations and activities;

(n) capital Improvements consisting of charitable, educational, cultural, social, recreational, environmental, political, physical fitness and/or wellness facilities or other infrastructure.; and

(o) other services, activities, and programs which enhance the sense of community within the Development.

Nothing in this Section shall be construed as a representation by Declarant, the Board or the Association to what, if any, activities, services, or programs shall be provided.

2.03 **Relationships with Quasi-Governmental Entities and Tax Exempt Organizations**. On behalf of the Association, the Board may create and enter into agreements or contracts with Quasi-Governmental Entities or non-profit, tax-exempt organizations, the operation of which confers some benefit upon the Community, the Association, its members, or residents. The Board may contribute money, real or personal property, or services to such entity from the Community Investment Fund. For the purposes of this Section, a "tax-exempt organization" shall mean an entity which is exempt from federal income taxes under the Internal Revenue Code (the "Code"), such as, but not limited to, entities which are exempt from federal income taxes under Sections 501(c)(3) or 501(c)(4), as the Code may be amended from time to time.

2.04 **Community Enhancement Fee Obligations.** The covenants, conditions and restrictions set forth below are hereby impressed upon the Property

(a) Obligation to Pay Community Enhancement Fee. Upon the Transfer of any Lot or Condominium Unit within the Community, the Transferee thereof shall be obligated to pay a "**Community Enhancement Fee**" to the Association equal to the Transfer Price multiplied by one fourth of one percent (0.25%), unless the Transfer in question is excluded under this Community Covenant. The Community Enhancement Fee is imposed not as a penalty and not as a tax but as a means to provide additional funding to fulfill the goals set forth in the Master Covenant and this Community Covenant for the betterment of the Community. As such, the Community Enhancement Fee shall be deemed an Assessment imposed by and subject to all rights, obligations and provisions set forth in *Article 5* of the Master Covenant.

(b) Liability for the Community Enhancement Fee. If the Transferee does not pay the Community Enhancement Fee as required by this section, the Community Enhancement Fee payment shall be a lien against the applicable Lot or Condominium Unit for the amount of the Community Enhancement Fee and any fees or sums associated with collection of same, and, if unpaid, shall be handled in accordance with *Article 5* of the Master Covenant.

(c) Deposit of Community Enhancement Fee Into Community Investment Fund. On behalf of the Association, the Board shall establish a Community Investment Fund with a reputable financial institution for purposes of depositing, receiving and distributing the proceeds of the Community Enhancement Fee. No other funds shall be deposited or held in the Community Investment Fund other than the proceeds of the Community Enhancement Fee and

any interest earned thereon. Within sixty (60) days after the end of each calendar year, the Board shall cause to be prepared a Community Enhancement Fee receipts and disbursements schedule which may be in form which may be reviewed, on an annual basis, by a Certified Public Accountant.

(d) Due on Closing and Method for Payment. Payment of the Community Enhancement Fee shall be made upon the closing of the Transfer in cash or cash equivalent funds to the Association, at the address and account number specified by the Board from time to time. With such payment, the Transferor or Transferee shall provide a written report in a form approved by the Board (the "**Community Enhancement Fee Report**") which: (i) describes the Transfer and the Lot or Condominium Unit; (ii) sets forth the Transfer Price for the Transfer and the names and addresses of Transferor and Transferee; and (iii) provides such other information as the Board may reasonably require. The Board, at its own expense, shall have the right at any time during regular business hours to inspect and copy all records and to audit all accounts of any owner, Transferor, or Transferee which are reasonably related to the payment of the Community Enhancement Fee.

(e) Disbursements. Upon Majority vote, the Board may, from time to time, make disbursements from the Community Investment Fund to achieve the objectives set forth in this Community Covenant or to pay costs to administer this Community Covenant and the Community Investment Fund.

(f) Community Enhancement Fee Lien and Foreclosure. Each Owner, by accepting an interest in or title to a Lot or Condominium Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay the Community Enhancement Fee to the Association. Each Community Enhancement Fee is a charge on the Lot or Condominium Unit and is secured by a continuing lien on the Lot or Condominium Unit in the same manner as an Assessment lien arising under *Article 5* of the Master Covenant. Each Owner, and each prospective Owner, is placed on notice that the Owner's title may be subject to the continuing lien for the Community Enhancement Fee attributable to a period prior to the date that the Owner purchased a Lot or Condominium Unit. An express lien on each Lot or Condominium Unit is hereby granted and conveyed by Declarant to the Association to secure the payment of the Community Enhancement Fee which shall be enforced as an Assessment lien in accordance with the terms and provisions set forth in *Article 5* of the Master Covenant. The Community Enhancement Fee lien is superior to all other liens and encumbrances on a Lot or Condominium Unit, except only for: (i) tax and governmental assessment liens; (ii) all sums secured by a first mortgage Recorded lien or Recorded first deed of trust lien, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot or Condominium Unit in questions; and (iii) home equity loans or home equity lines of credit which are secured by a Recorded second mortgage lien or Recorded second deed of trust lien; provided that, in the case of subparagraphs (ii) and (iii) above, such Mortgage was Recorded, before the Community Enhancement Fee lien. The Community Enhancement Fee lien is superior to a lien arising from

the construction of improvements to the Lot or Condominium Unit regardless of when recorded or perfected. It is also superior to any recorded assignment of the right to insurance proceeds on the Lot unless the assignment is part of a superior deed of trust lien. Foreclosure of a superior lien extinguishes the Association's claim against the Lot or Condominium Unit for an unpaid Community Enhancement Fee that became due before the sale, but does not extinguish the Association's claim against the former Owner personally for the payment of such Community Enhancement Fee. The Association's lien for the Community Enhancement Fee is created by recordation of this Community Covenant, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien is required. However, the Association may record a notice of the lien in the Official Public Records for Hays County, Texas. If the debt is cured after a notice has been recorded, the Association shall record a release of the notice of lien at the expense of the curing Owner and may require reimbursement of its costs of preparing and recording the notice of lien before granting the release. By accepting an interest in or title to a Lot or Condominium Unit, each Owner grants to the Association a power of sale in connection with the Community Enhancement Fee lien, which may be exercised in the same manner as all other Assessment liens as further set forth in *Article 5* of the Master Covenant.

(g) Reporting on Exclusions from Community Enhancement Fee. In the event that a Transferee or Transferor is involved in a Transfer that it believes to be excluded from the requirement to pay the Community Enhancement Fee under this section, the Transferee or Transferor shall provide written notice (the "**Notice**") to the Board within five (5) days prior to the Transfer in question, explaining the Transfer and the reason such Transfer should be excluded. If, after review of the Notice, the Board does not concur that the Transfer in question should be excluded from the Community Enhancement Fee, the Board shall notify the party providing the Notice of its obligation to pay the Community Enhancement Fee to the Association. Prior to its decision on any Notice, the Board may request additional information or clarification from the party submitting such Notice, and such party shall promptly provide the Board with such additional information.

(h) Exclusions from the Community Enhancement Fee. The Community Enhancement Fee shall not apply to any of the following, except to the extent any of the following are used for the purpose of avoiding the Community Enhancement Fee:

(i) Transfers to Certain Governmental Agencies. Any Transfer to the United States, or any agency or instrumentality thereof, the State of Texas, or any county, city and county, municipality, district or other political subdivision of such states;

(ii) Transfer to the Association. Any Transfer to the Association created pursuant to the Master Covenant, or its respective successors or assignees;

(iii) Transfer to Declarant. Any Transfer to Declarant, any affiliate of Declarant or their successors or assignees;

(iv) Transfer from Declarant. Unless waived in writing by Declarant, any Transfer from or by Declarant or its successor, assignee or affiliate;

(v) Transfer to Homebuilder/Development Owner. Any Transfer from Declarant, or its successor, assignee or affiliate, to a Homebuilder or a Development Owner. For purposes of this subparagraph, **"Homebuilder"** means any Owner who is in the business of constructing residences for resale to third parties and intends to construct a residence on a Lot or Condominium Unit for resale to a third party, and **"Development Owner"** means any Owner who acquires a Lot for the purpose of resale to a Homebuilder.

(vi) Transfer to Initial Homeowner. Any Transfer to an Initial Homeowner. For the purposes of this subparagraph, **"Initial Homeowner"** means the first Owner that acquires a Lot or Condominium Unit with a completed residence from a Homebuilder or Developer and that is not in the business of constructing single-family residences for resale to third parties.

(vii) Exempt Family or Related Transfers. Any Transfer, whether outright or in trust that is for the benefit of the Transferor or his or her relatives, but only if there is no more than nominal consideration for the Transfer. For the purposes of this exclusion, the relatives of a Transferor shall include all lineal descendants of any grandparent of the Transferor, and the spouses of the descendants. Any person's stepchildren and adopted children shall be recognized as descendants of that person for all purposes of this exclusion.

(viii) Exemption for Transfers on Death. Any Transfer or change of interest by reason of death, whether provided for in a will, trust or decree of distribution;

(ix) Exempt Technical Transfers. Any Transfer made solely for the purpose of confirming, correcting, modifying or supplementing a Transfer previously recorded, making minor boundary adjustments, removing clouds on titles, or granting easements, rights-of-way or licenses;

(x) Exempt Court Ordered Transfers. Any Transfer pursuant to any decree or order of a court of record determining or vesting title, including a final order awarding title pursuant to a divorce or condemnation proceeding;

(xi) Exempt Transfers On Conveyance To Satisfy Certain Debts. Any Transfer to secure a debt or other obligation or to release property which is security for a

debt or other obligation, including Transfers in connection with foreclosure of a deed of trust or mortgage or Transfers in connection with a deed given in lieu of foreclosure;

(xii) Holding Company Exemption. Any Transfer made by a corporation or other entity, for consideration (1) to any other corporation or entity which owns one-hundred percent (100%) of its equity securities (a "**Holding Company**"), or (2) to a corporation or entity whose stock or other equity securities are owned, directly or indirectly, one-hundred percent (100%) by such Holding Company;

(xiii) Subsidiary Conveyance Exemption. Any Transfer from a partially owned direct or indirect subsidiary corporation to its direct or indirect parent corporation where consideration is paid for, or in connection with, such Transfer; and

(xiv) Exemption for Certain Conveyances of Convenience. The consecutive Transfer of a Lot or Condominium Unit wherein the interim owner acquires such Lot or Condominium Unit for the sole purpose of immediately re-conveying such Lot or Condominium Unit to the ultimate owner and such interim owner receives no right to use or enjoyment of such Lot or Condominium Unit, provided the Board specifically approves such exemption in each particular case.

ARTICLE III
MISCELLANEOUS

3.01 **Breach Shall Not Permit Termination**. Notwithstanding anything to the contrary contained herein, no breach of this Community Covenant shall entitle Declarant or the owner of any portion of the Property to cancel, rescind or otherwise terminate this Community Covenant.

3.02 **Amendment**. This Community Covenant may be amended: (i) unilaterally by the Declarant during the Development Period; or (i) the Majority vote by the Board and for a period of thirty (30) years following the date of initial recording of this Community Covenant, the written consent of Declarant, or its express successors or assignees, unless Declarant's right to consent is terminated in writing.

3.03 **Enforcement**. The Association or Declarant shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, and covenants imposed by the provisions of this Community Covenant.

3.04 **Inurement**. This Community Covenant and the restrictions created hereby are binding upon the Owners of all or any portion of the Property.

3.05 **Severability; Governing Law**. The provisions of this Community Covenant shall be deemed independent and severable, and the invalidity or partial invalidity of any

provision or portion hereof shall not affect the validity or enforceability of any other provision. This Community Covenant and all rights and obligations created hereby shall be governed by the laws of the State of Texas. This Community Covenant is performable in Hays County, Texas.

3.06 **Notices**. Any notice to any owner of the Property shall be in writing and given by delivering the same to such party in person, by expedited, private carrier services (such as FedEx) or by sending the same by registered or certified mail, return receipt requested, with postage prepaid, to the intended recipient's last known mailing address. All notices under this Community Covenant shall be deemed given, received, made or communicated on the date personal delivery is effected or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

[SIGNATURE PAGE FOLLOWS]

EXECUTED to be effective on the date this instrument is Recorded.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: _____
Name: Jesse R. Baker
Title: Authorized Representative

THE STATE OF MASSACHUSETTS §
§
COUNTY OF Suffolk §

This instrument was acknowledged before me this 6th day of May, 2016 by Jesse R. Baker, Authorized Representative of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said company and partnership.

_____
Notary Public Signature

KIERSTEN P. JESTER
Notary Public
Commonwealth of Massachusetts
My Commission Expires
April 7, 2017

EXHIBIT A

PROPERTY DESCRIPTION

Legal Description
Hays County, Texas

D&A Job No. 1137-001

DESCRIPTION OF A TRACT OF LAND CONTAINING 1035.73 ACRES OUT OF THE FOLLOWING TWELVE SURVEYS: THE WILLIAM WALKER SURVEY NO. 130, ABSTRACT NO. 475, THE HERMAN BENSON SURVEY NO. 137, ABSTRACT NO. 40, THE F.A. JOLLY SURVEY NO. 473, ABSTRACT NO. 555, THE J.W. POWELL SURVEY, ABSTRACT NO. 560, THE JOHN PITTS SURVEY NO. 47, ABSTRACT NO. 768, THE LEVI LEWIS SURVEY NO. 154, ABSTRACT NO. 639, THE J.E. GILBERT SURVEY NO. 1717, ABSTRACT NO. 811, THE W.R. WOOD SURVEY, ABSTRACT NO. 567, THE EDWARD BROWN SURVEY NO. 136, ABSTRACT NO. 44, THE HEINRICH BRASHE SURVEY, ABSTRACT NO. 58, THE MARCUS RAPER SURVEY NO. 60, ABSTRACT NO. 383, AND THE MARCUS RAPER SURVEY NO. 37, ABSTRACT NO. 394, ALL IN HAYS COUNTY, TEXAS, AND BEING A PORTION OF THAT CALLED 1035.75 ACRE TRACT CONVEYED TO AUSTIN-HIGHWAY 290 LLC PER DEED RECORDED AS DOCUMENT NO. 2010-10021578 (VOLUME 3940, PAGE 430) OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS (O.P.R.H.C.T.), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 60d nail found in a rock mound at an angle point in the easterly line of a 135.92 acre tract of land conveyed to John G. Bordie & Camilla B. Bordie per deed of record in Volume 1293, Page 842, O.P.R.H.C.T., for a southwest corner and POINT OF BEGINNING hereof;

THENCE along the easterly line of said 135.92 acre tract and then along the easterly line of a 291 & 1/3 acre tract of land conveyed to Cynosure Corporation per deed recorded in Volume 258, Page 123, O.P.R.H.C.T., North 30°12'34" West, a distance of 4495.43 feet to a 60d nail found in a fence post for an angle point in the easterly line of said 291 & 1/3 acre tract;

THENCE along the easterly line of the 291 & 1/3 acre tract the following two (2) courses and distances:

1. North 86°00'31" East a distance of 4.60 feet to a 60d nail found in a rock mound;
2. North 30°08'19" West, a distance of 411.66 feet to a calculated point;

THENCE along the northwesterly line of said Austin-Highway 290 LLC tract the following twenty (20) courses and distances:

1. North 59°51'42" East a distance of 1450.34 feet to a calculated point;
2. North 15°43'58" West a distance of 787.28 feet to a calculated point;
3. North 60°52'23" West a distance of 562.42 feet to a calculated point;
4. North 37°03'56" West a distance of 409.06 feet to a calculated point;
5. North 23°43'55" West a distance of 472.51 feet to a calculated point;

6. North 32°20'35" East a distance of 766.59 feet to a calculated point;

7. North 40°18'35" East a distance of 73.06 feet to a calculated point;

8. North 48°58'48" East a distance of 186.19 feet to a calculated point;

9. North 58°50'22" East a distance of 696.30 feet to a calculated point;

10. North 13°49'52" East a distance of 717.14 feet to a calculated point;

11. North 64°56'18" East a distance of 118.77 feet to a calculated point;

12. North 66°43'13" East a distance of 178.67 feet to a calculated point;

13. North 71°31'26" East a distance of 121.87 feet to a calculated point;

14. North 76°15'42" East a distance of 211.04 feet to a calculated point;

15. North 61°42'56" East a distance of 426.91 feet to a calculated point;

16. North 68°53'58" East a distance of 557.32 feet to a calculated point;

17. North 70°28'21" East a distance of 176.92 feet to a calculated point;

18. South 78°33'40" East a distance of 386.79 feet to a calculated point;

19. South 76°10'26" East a distance of 433.91 feet to a calculated point;

20. South 60°12'01" East a distance of 285.00 feet to a calculated point in the west line of the 324.554 acre tract of land conveyed to William B. Mitchell and Mary G. Mitchell per deed recorded in Volume 1514, Page 326, O.P.R.H.C.T., from which a 1/2" iron rebar found with plastic cap stamped "Garon" bears North 29°26'29" East, a distance of 376.64 feet;

THENCE along the west and south lines of said 324.554 acre tract the following three (3) courses and distances:

1. South 29°26'29" West, a distance of 214.86 feet to a found cotton spindle;

2. South 28°08'54" West, a distance of 572.27 feet to a ½-inch iron rebar set with plastic cap stamped "Garon" for the southwest corner of said 324.544 acre tract;

3. South 60°56'32" East, a distance of 790.02 feet to a ½-inch iron rebar found for the northwest corner of Lot 815, Sunset Canyon, Section V, a subdivision of record in Volume 3, Page 284 of the Plat Records of Hays County, Texas, and amended in Volume 4, Page 234 of the Plat Records of Hays County, Texas;

THENCE along the westerly and southerly lines of said Sunset Canyon Section V, the following twelve (12) courses and distances:

1. South 28°31'27" West, a distance of 3732.86 feet to a ½-inch iron rebar found for the southwest corner of Lot 899 of said Sunset Canyon, Section V;

2. South 65°17'39" East, a distance of 448.50 feet to a ½-inch iron rebar found in the south line of Lot 902 of said Sunset Canyon, Section V;

3. South 58°00'00" East, a distance of 580.16 feet to a ½-inchIron rebar found in the south line of Lot 905 of said Sunset Canyon, Section V;

4. South 61°04'32" East, a distance of 921.35 feet to a ½-inch iron rebar found for the southerly common corner of Lot 911 and Lot 912 of said Sunset Canyon, Section V;

5. South 81°52'54" East, a distance of 2491.14 feet to a ½-inch iron rebar stamped "Preci" found for the southeast corner of Lot 954, Sunset Canyon, Section V;

6. North 29°22'51" West, a distance of 517.26 feet to a ½-inch iron rebar stamped "Preci" found in the south line of Lot 958 of said Sunset Canyon, Section V;

7. North 62°49'45" East, a distance of 798.68 feet to a mag nail found for the common corner of Lot 962, Lot 964, and Lot 965 of said Sunset Canyon, Section V;

8. South 27°12'05" East, a distance of 561.62 feet to a ½-inch iron rebar found for the southwest corner of Lot 967 of said Sunset Canyon, Section V;

9. North 59°01'12" East, a distance of 764.91 feet to a ½-inch iron rebar found for the common corner of Lot 988, Lot 1002, and Lot 1003 of said Sunset Canyon, Section V;

10. South 26°49'47" East, a distance of 264.25 feet to a ½-inch iron rebar found in the west line of Lot 1004 of said Sunset Canyon, Section V;

11. South 17°49'58" East, a distance of 2302.10 feet to a ½-inch iron rebar found in the west line of Lot 1019, Sunset Canyon, Section V;

12. South 01°27'20" East, a distance of 1910.18 feet to a ½-inch iron rebar found for the southwest corner of Lot 1031of said Sunset Canyon, Section V, and being in the north line of a 127.09 acre portion of the remainder of a 1539.45 acre tract of land conveyed to Paul Pressler Family Generation Skipping Trust, et al per deed recorded in Volume 1911, Page 481, O.P.R.H.C.T.;

THENCE along the north line of said 127.09 acre portion of the remainder of said 1539.45 acre tract, the following seven (7) courses and distances:

1. South 83°56'19" West, a distance of 749.40 feet to a found ½-inch iron rebar stamped "Grogan";

2. South 83°53'44" West, a distance of 131.20 feet to a found ½-inch iron rebar stamped "Grogan";

3. South 83°57'56" West, a distance of 335.38 feet to a found ½-inch iron rebar stamped "Grogan";

4. North 55°46'10" West, a distance of 802.10 feet to a found ½-inch iron rebar stamped "Grogan";

5. South 89°31'56" West, a distance of 1111.39 feet to a found ½-inch iron rebar stamped "Grogan";

6. South 68°55'06" West, a distance of 1662.37 feet to a found ½-inch iron rebar stamped "Grogan";

7. North 63°17'55" West, a distance of 276.77 feet to a found ½-inch iron rebar with "Grogan" tag for the northwest corner of said 127.09 acre portion of the remainder of said 1539.45 acre tract;

THENCE along the west line of said 127.09 acre portion of the remainder of said 1539.45 acre tract the following eight (8) courses:

1. South 22°08'16" East a distance of 378.88 feet to a calculated point at the beginning of a tangent 225.00 foot radius curve concave northerly;

2. Along the arc of said 225.00 foot radius curve a distance of 486.08 feet, and a chord bearing South 84°01'39" East and distance of 396.92 feet, through a central angle of 123°46'46" to a calculated point;

3. Tangent to said 225.00 foot radius curve, North 34°04'58" East, a distance of 170.97 feet to a calculated point at the beginning of a tangent 400.00 foot radius curve concave southerly;

4. Along the arc of said 400.00 foot radius curve a distance of 836.47 feet through a central angle of 119°48'54", and a chord bearing South 86°00'35" East and distance of 692.17 feet, to a calculated point;

5. Tangent to said 400.00 foot radius curve, South 26°06'08" East, a distance of 98.37 feet to a calculated point at the beginning of a tangent 700.00 foot radius curve concave westerly;

6. Along the arc of said 700.00 foot radius curve a distance of 372.31 feet through a central angle of 30°28'28", and a chord bearing South 10°51'54" East and distance of 367.94 feet, to a calculated point;

7. Tangent to said 700.00 foot radius curve, South 04°22'20" West, a distance of 378.48 feet to a calculated point at the beginning of a tangent 15.00 foot radius curve concave northeasterly;

8. Along the arc of said 15.00 foot radius curve a distance of 23.56 feet through a central angle of 90°00'00", and a chord bearing South 40°37'24" East and distance of 21.21 feet, to a calculated point for the southwest corner of said 127.09 acre portion of the remainder of said 1539.45 acre tract, and being on the north right-of-way line of U.S. Highway 290 West (R.O.W. varies), from which a Type I concrete monument found for an angle point in the south line of said 127.09 acre portion of the remainder of a 1539.45 acre tract and the north right-of-way line of said U.S. Highway 290 West bears South 85°37'40" East, a distance of 345.73 feet;

THENCE along the north right-of-way line of U.S. Highway 290 West, North 85°37'40" West, a distance of 130.00 feet to a calculated point for the southeast corner of a 39.73 acre portion of the remainder of said 1539.45 acre tract of land conveyed to Paul Pressler Family Generation Skipping Trust, et. al by deed of record in Volume 1911, Page 481, O.P.R.H.C.T., from which a Type I concrete monument found for an angle point in the south line of said 39.73 acre portion of a remainder of said 1539.45 acre tract and the north right-of-way line of U.S. Highway 290 West bears North 85°37'40" West, a distance of 498.34 feet; last said calculated point being a point of cusp with a tangent 15.00 foot radius curve concave northwesterly;

THENCE along the east line of said 39.73 acre portion of the remainder of said 1539.45 acre tract the following eight (8) courses:

1. Along the arc of last said 15.00 foot radius curve a distance of 23.56 feet through a central angle of 90°00'00", and a chord bearing North 49°22'04" East and distance of 21.21 feet, to a calculated point;

2. Tangent to last said 15.00 foot radius curve, North 04°22'20" East, a distance of 211.26 feet to a calculated point at the beginning of a tangent 490.00 foot radius curve concave westerly;

3. Along the arc of said 490.00 foot radius curve a distance of 260.62 feet through a central angle of 30°28'28", and a chord bearing North 10°51'54" West and distance of 257.56 feet, to a calculated point;

4. Tangent to said 490.00 foot radius curve, North 26°06'08" West, a distance of 298.27 feet to a calculated point at the beginning of a tangent 200.00 foot radius curve concave southerly;

5. Along the arc of said 200.00 foot radius curve a distance of 418.23 feet through a central angle of 119°48'54", and a chord bearing North 86°00'35" West and distance of 346.09 feet, to a calculated point;

6. Tangent to said 200.00 foot radius curve, South 34°04'58" West, a distance of 144.26 feet to a calculated point at the beginning of a tangent 375.00 foot radius curve concave northerly;

7. Along the arc of said 375.00 foot radius curve a distance of 810.13 feet through a central angle of 123°46'46", and a chord bearing North 84°01'39" West and distance of 661.53 feet, to a calculated point;

8. Tangent to said 375.00 foot radius curve, North 22°08'16" West a distance of 519.72 feet to a calculated point for the northeast corner of said 39.73 acre portion of the remainder of said 1539.45 acre tract;

THENCE along the north line of said 39.73 acre portion of the remainder of said 1539.45 acre tract the following two (2) courses:

1. North 63°21'49" West, a distance of 125.05 feet to a found ½-inch iron rebar with "Grogan" cap;

2. North 63°22'32" West a distance of 762.41 feet to a 3/8-inch iron rebar with "4542" cap found for the northerly common corner of said 39.73 acre portion of the remainder of said 1539.45 acre tract and said John G. Bordie and Camilla B. Bordie tract;

THENCE along the easterly northerly of said John G. Bordie and Camilla B. Bordie tract, South 88°36'32" West, a distance of 952.40 feet to the POINT OF BEGINNING, and containing 1035.73 acres of land, more or less.

Bearing Basis: Texas State Plane Coordinate System, South Central Zone, NAD83 (CORS).

9/12/16

Sydney Smith Xinos, R.P.L.S. Date:
Texas Registration No. 5361
Doucet & Associates Inc.,
7401 B Hwy. 71 West, Suite 160
Austin, Texas 78735
Firm Registration No. 10105800

****** Electronically Filed Document ******

Hays County Texas
Liz Q. Gonzalez
County Clerk

Document Number: 2016-16015181
Recorded As : ELECTRONIC RECORDING

Recorded On:	**May 12, 2016**
Recorded At:	**03:13:16 pm**
Number of Pages:	**49**
Recording Fee:	**$214.00**

Parties:

Direct- WFC HEADWATERS OWNERS VII LP
Indirect-

Receipt Number:	**428814**
Processed By:	**Rose Robinson**

************** 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.

COUNTY COURT OF HAYS COUNTY, TEXAS

I hereby certify that this instrument was filed for record in my office on the date and time stamped hereon and was recorded on the volume and page of the named records of Hays County, Texas

Liz Q Gonzalez

Liz Q. Gonzalez, County Clerk

AFTER RECORDING RETURN TO:
Robert D. Burton, Esq.
Winstead, PC
401Congress Ave., Suite 2100
Austin, Texas 78701
Email: rburton@winstead.com

HEADWATERS AT BARTON CREEK

COMMUNITY MANUAL

WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership, as the Declarant under Headwaters at Barton Creek Master Covenant [Residential] recorded under Document No. 201616015124, Official Public Records of Hays County, Texas, and the initial and sole member of Headwaters Residential Master Community, Inc., a Texas nonprofit corporation (the "Association"), certifies that the foregoing Community Manual was adopted as part of the initial project documentation for Headwaters at Barton Creek. This Community Manual becomes effective when Recorded.

IN WITNESS WHEREOF, the undersigned has executed this Community Manual 12 day of May, 2016.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: _____
Name: Jesse R. Baker
Title: Authorized Representative

THE STATE OF MASSACHUSETTS §
§
COUNTY OF Suffolk §

This instrument was acknowledged before me this 6th day of May, 2016 by Jesse R. Baker, Authorized Representative of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said company and partnership.

KIERSTEN P. JESTER
Notary Public
Commonwealth of Massachusetts
My Commission Expires
April 7, 2017

_____
Notary Public Signature

Cross-reference to Headwaters at Barton Creek Master Covenant [Residential] recorded under Document No. 201616015124, Official Public Records of Hays County, Texas as the same may be amended from time to time.

HEADWATERS AT BARTON CREEK

COMMUNITY MANUAL

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COMMUNITY MANUAL

for

HEADWATERS AT BARTON CREEK

A Master Planned Community in Hays County

WFC Headwaters Owner VII, L.P., a Delaware limited partnership, is the developer of Headwaters at Barton Creek (the "**Community**"). The guiding principles for the Community have been set forth in the governing documents for Headwaters at Barton Creek which include the Development Documents and the Association Documents (both defined below) and are collectively referred to herein as the "Documents." (the "**Documents**"). The Documents include such instruments as the Headwaters at Barton Creek Master Covenant [Residential] (the "**Covenant**"), any applicable Notices of Applicability, any applicable Development Area Declaration (the "**DAD**"), the Design Guidelines, if any, and this Community Manual (collectively referred to as the "**Development Documents**"), all of which are recorded in the property records by the developer generally prior to the time that you purchased your property. The Development Documents contain covenants, conditions and restrictions which not only encumber your property, but also have a legal and binding effect on all Owners and Occupants in the Community, now or in the future.

Under the Development Documents, the developer is the "**Declarant**" who has reserved certain rights to facilitate the development, construction, and marketing of the Community, including its size, shape and composition, while the Community is being built-out (the "**Development Period**"). Furthermore, the Development Documents identify and set forth the obligations of Headwaters at Barton Creek Master Community, Inc., the non-profit corporation created by the Declarant to exercise the authority and assume the powers described in the Covenant (the "**Association**"). Integral to the functioning of the Community, the Association's roles include owning, operating and maintaining various Common Areas and Community amenities, as well as administering and enforcing all of the Documents.

Other specific Documents include such instruments as the Certificate of Formation and Bylaws which set forth the corporate governance structure of the Association as well as the various Rules, which include rules, regulations, policies and procedures outlining the operation of the Association and required standards for use of property, activities and conduct (the "**Association Documents**"). It is the Association Documents which are included within this Community Manual, as further set forth herein.

Capitalized terms used but not defined in this Community Manual shall have the meaning subscribed to such terms in the Covenant.

This Community Manual becomes effective when Recorded.

ATTACHMENT 1

CERTIFICATE OF FORMATION

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Carlos H. Cascos
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

Headwaters Residential Master Community, Inc.
File Number: 802414132

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 03/14/2016

Effective: 03/14/2016

Carlos H. Cascos
Secretary of State

FILED
In the Office of the
Secretary of State of Texas
MAR 14 2016
Corporations Section

CERTIFICATE OF FORMATION
OF
HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

The undersigned natural person, being of the age of eighteen (18) years or more, a citizen of the State of Texas, acting as incorporator of a nonprofit corporation under the Texas Business Organizations Code, does hereby adopt the following Certificate of Formation for such corporation:

ARTICLE I
NAME

The name of the corporation is: Headwaters Residential Master Community, Inc. (hereinafter called the **"Association"**).

ARTICLE II
NONPROFIT CORPORATION

The Association is a nonprofit corporation.

ARTICLE III
DURATION

The Association shall exist perpetually.

ARTICLE IV
PURPOSE AND POWERS OF THE ASSOCIATION

The Association is organized in accordance with, and shall operate for nonprofit purposes pursuant to, the Texas Business Organizations Code, and does not contemplate pecuniary gain or profit to its members. In furtherance of its purposes, the Association shall have the following powers which, unless indicated otherwise by this Certificate of Formation, are set forth in that certain Headwaters at Barton Creek Master Covenant *[Residential]*, recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time (the **"Covenant"**), the Bylaws, or Applicable Law, may be exercised by the Board of Directors:

(a) all rights and powers conferred upon nonprofit corporations by Applicable Law;

(b) all rights and powers conferred upon property associations by Applicable Law, in effect from time to time, provided, however, that the Association shall not have the power to institute, defend, intervene in, settle or compromise proceedings in the name of any Owner or Member; and

(c) all powers necessary, appropriate, or advisable to perform any purpose or duty of the Association as set out in this Certificate of Formation, the Bylaws, the Covenant, or Applicable Law.

Notwithstanding any provision in Article XIV to the contrary, any proposed amendment to the provisions of this Article IV shall be adopted only upon an affirmative vote of Members holding one-hundred percent (100%) of the total number of votes of the Association and the Declarant during the Development Period.

Terms used but not defined in this Certificate of Formation, shall have the meaning subscribed to such terms in the Covenant.

ARTICLE V
REGISTERED OFFICE; REGISTERED AGENT

The street address of the initial registered office of the Association is 401 Congress Avenue, Suite 2100, Austin, Texas 78701. The name of its initial registered agent at such address is Robert D. Burton.

ARTICLE VI
MEMBERSHIP

Membership in the Association shall be dependent upon ownership of a qualifying property interest as defined and set forth in the Covenant. Any person or entity acquiring such a qualifying property interest shall automatically become a member of the Association, and such membership shall be appurtenant to, and shall run with, the property interest. The foregoing shall not be deemed or construed to include persons or entities holding an interest merely as security for performance of an obligation. Membership may not be severed from or in any way transferred, pledged, mortgaged, or alienated except together with the title to the qualifying property interest, and then only to the transferee of title to said property interest. Any attempt to make a prohibited severance, transfer, pledge, mortgage, or alienation shall be void.

ARTICLE VII
VOTING RIGHTS

Voting rights of the members of the Association shall be determined as set forth in the Covenant.

ARTICLE VIII
INCORPORATOR

The name and street address of the incorporator is:

NAME	ADDRESS
Robert D. Burton	401 Congress Avenue, Suite 2100 Austin, Texas 78701

ARTICLE IX
BOARD OF DIRECTORS

The affairs of the Association shall be managed by an initial Board of Directors consisting of three (3) individuals, who need not be members of the Association. The Board shall fulfill all of the functions of, and possess all powers granted to, Boards of Directors of nonprofit corporations pursuant to the Texas Business Organizations Code. The number of Directors of the Association may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of initial Directors until the selection of their successors are:

NAME	ADDRESS
Matt D. Matthews	8601 Ranch Road 2222 Building 1, Suite 260 Austin, Texas 78730
Thomas C. Tischer, Jr.	500 Boylston St., Suite 2010 Boston, Massachusetts 02116
Stanley S. Brown	500 Boylston St., Suite 2010 Boston, Massachusetts 02116

All of the powers and prerogatives of the Association shall be exercised by the Board of Directors named above until their successors are elected or appointed in accordance with the Covenant.

ARTICLE X
LIMITATION OF DIRECTOR LIABILITY

A member of the Board of Directors shall not be personally liable to the Association for monetary damages for any act or omission in his capacity as a board member, except to the extent otherwise expressly provided by Applicable Law. Any repeal or modification of this

Article shall be prospective only, and shall not adversely affect any limitation of the personal liability of a member of the Board of Directors existing at the time of the repeal or modification.

ARTICLE XI
INDEMNIFICATION

Each person who acts as a member of the Board of Directors, officer or committee member of the Association shall be indemnified by the Association against any costs, expenses and liabilities which may be imposed upon or reasonably incurred by him in connection with any civil or criminal action, suit or proceeding in which he may be named as a party defendant or in which he may be a witness by reason of his or her being or having been a member of the Board of Directors, officer, or committee member of the Association, or by reason of any action alleged to have been taken or omitted by him or her in either such capacity. Such indemnification shall be provided in the manner and under the terms, conditions and limitations set forth in *Section 3.10* of the Covenant.

ARTICLE XII
DISSOLUTION

The Association may be dissolved with the written and signed assent of not less than ninety percent (90%) of the total number of votes of the Association, as determined under the Covenant. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to such similar purposes.

ARTICLE XIII
ACTION WITHOUT MEETING

Any action required or permitted by Applicable Law to be taken at a meeting of the Members or Neighborhood Delegates may be taken without a meeting, without prior notice, and without a vote if written consent specifically authorizing the proposed action is signed by the Members or Neighborhood Delegates holding at least the minimum number of votes necessary to authorize such action at a meeting if all the Members or Neighborhood Delegates entitled to vote thereon were present. If the action is proposed by the Association, the Board of Directors shall provide each member of the Association or Neighborhood Delegate, as applicable, written notice at least ten (10) days in advance of the date the Board of Directors proposes to initiate securing consent as contemplated by this Article XIII. Consents obtained pursuant to this Article XIII shall be dated and signed within sixty (60) days after receipt of the earliest dated consent and delivered to the Association at its principal place of business in Texas. Such consents shall be filed with the minutes of the Association and shall have the same

force and effect as a vote of the Members or Neighborhood Delegates, as applicable, at a meeting. Within ten (10) days after receiving authorization for any action by written consent, the Secretary shall give written notice to all Members or Neighborhood Delegates entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

ARTICLE XIV
AMENDMENT

Except as otherwise provided by the terms and provisions of Article IV of this Certificate of Formation, this Certificate of Formation may be amended by the Declarant during the Development Period or by a Majority of the Board of Directors; provided, however, that any amendment to this Certificate of Formation by a Majority of the Board of Directors must be approved in advance and in writing by the Declarant during the Development Period.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand, this 14 day of March, 2016.

Robert D. Burton, Incorporator

ATTACHMENT 2

BYLAWS
OF
HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

ARTICLE I
INTRODUCTION

The name of the corporation is HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC., a Texas nonprofit corporation, hereinafter referred to as the "Association". The principal office of the Association shall be located initially in Hays County, Texas, but meetings of Members and Directors may be held at such places within the State of Texas, County of Hays, as may be designated by the Board of Directors as provided in these Bylaws.

The Association is organized to be a nonprofit corporation.

Notwithstanding anything to the contrary in these Bylaws, a number of provisions are modified by the Declarant's reservations in that certain Headwaters at Barton Creek Master Covenant [Residential], recorded in the Official Public Records of Hays County, Texas (the "Covenant"), including the number, qualification, appointment, removal, and replacement of Directors.

ARTICLE II
DEFINITIONS

Capitalized terms used but not defined in these Bylaws shall have the meaning subscribed to such terms in the Covenant.

ARTICLE III
MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

Section 3.1. Membership. Each Owner of a Lot or Condominium Unit is a mandatory Member of the Association, as more fully set forth in the Covenant.

Section 3.2. Place of Meetings. Meetings of the Association shall be held where designated by the Board, either within the Development or as convenient as possible and practical.

Section 3.3. Annual Meetings. There shall be an annual meeting of the Members of the Association for the purposes of Association-wide elections or votes and for such other Association business at such reasonable place, date and time as set by the Board.

Section 3.4. Special Meetings. Special meetings of Members or Neighborhood Delegates may be called in accordance with Section 22.155 of the Texas Business Organizations Code or any successor statute.

Section 3.5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members or Neighborhood Delegates shall be delivered, either personally or by mail, to each Member or Neighborhood Delegate entitled to vote at such meeting or by publication in a newspaper of general circulation, not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President, the Secretary, or the officers or persons calling the meeting. In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member or Neighborhood Delegate at his address as it appears on the records of the Association, with postage prepaid. If an election or vote of the Members will occur outside of a meeting of the Members (*i.e.*, absentee or electronic ballot), then the Association shall provide notice to each Member no later than the 20th day before the latest date on which a ballot may be submitted to be counted.

Section 3.6. Waiver of Notice. Waiver of notice of a meeting of the Members or Neighborhood Delegates shall be deemed the equivalent of proper notice. Any Member or Neighborhood Delegate may, in writing, waive notice of any meeting of the Members or Neighborhood Delegates, either before or after such meeting. Attendance at a meeting by a Member or Neighborhood Delegate shall be deemed a waiver by such Member or Neighborhood Delegate of notice of the time, date, and place thereof, unless such Member or Neighborhood Delegate specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting by a Member or Neighborhood Delegate shall be deemed a waiver of notice of all business transacted at such meeting unless an objection by a Member or Neighborhood Delegate on the basis of lack of proper notice is raised before the business is put to a vote.

Section 3.7. Quorum. Except as provided in these Bylaws or in the Covenant, the presence of the Members or Neighborhood Delegates, as applicable, representing ten percent (10%) of the total votes in the Association shall constitute a quorum at all Association meetings. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of enough Members to leave less than a quorum, provided that Members representing at least five percent (5%) of the total votes in the Association remain in attendance, and provided that any action taken is approved by at least a Majority of the votes present at such adjourned meeting, unless otherwise provided in the Covenant.

Section 3.8. Conduct of Meetings. The President or any other person appointed by the Board shall preside over all Association meetings, and the Secretary, or the Secretary's designee, shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 3.9. Voting. The voting rights of the Members and Neighborhood Delegates shall be as set forth in the Covenant, and such voting rights provisions are specifically incorporated by reference. Except as otherwise provided in the Covenant, action may be taken at any legally convened meeting of the Members or Neighborhood Delegates upon the affirmative vote of the Members or Neighborhood Delegates having a Majority of the total votes present at such meeting in person or proxy or by absentee ballot or electronic ballot, if such votes are considered present at the meeting as further set forth herein. Cumulative voting shall not be allowed. The person holding legal title to a Lot or Condominium Unit shall be entitled to cast the vote allocated to such Lot or Condominium Unit and not the person merely holding beneficial title to the same unless such right is expressly delegated to the beneficial Owner

thereof in writing. Other than representative voting by Neighborhood Delegates, any provision in the Association's governing documents that would disqualify an Owner from voting in an Association election of Board Members or on any matter concerning the rights or responsibilities of the Owner is void.

Section 3.10. Methods of Voting: In Person; Proxies; Absentee Ballots; Electronically. On any matter as to which a Member is entitled individually to cast the vote for his Lot or Condominium Unit such vote may be cast or given: (a) in person or by proxy at a meeting of the Association; (b) by absentee ballot; (c) by electronic ballot; or (d) by such other means as may be permitted by law and as adopted by the Board. Any vote cast in an election or vote by a Member of the Association must be in writing and signed by the Member. Electronic votes constitute written and signed ballots. In an Association election, written and signed ballots are not required for uncontested races. Notwithstanding anything to the contrary in the Documents, Neighborhood Delegates may not vote by proxy but only in person or through their designated alternates; provided, any Neighborhood Delegate who is only entitled to cast the vote(s) for his own Lot(s) or Condominium Unit(s) pursuant to *Section 3.5* of the Covenant may cast such vote as provided herein until such time as the Board first calls for election of a Neighborhood Delegate to represent the Neighborhood where the Lot or Condominium Unit is located. Votes shall be cast as provided in this Section:

(A) Proxies. Any Member may give a revocable written proxy in the form as prescribed by the Board from time to time to any person authorizing such person to cast the Member's vote on any matter. A Member's vote by proxy is subject to any limitations of Texas law relating to the use of general proxies and subject to any specific provision to the contrary in the Covenant or these Bylaws. No proxy shall be valid unless signed by the Member for which it is given or his duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective. Proxies shall be valid only for the specific meeting for which given and for lawful adjournments of such meeting. In no event shall a proxy be valid more than eleven (11) months after the effective date of the proxy. Every proxy shall be revocable and shall automatically cease upon conveyance of the Lot or Condominium Unit for which it was given.

(B) Absentee and Electronic Ballots. An absentee or electronic ballot: (i) may be counted as a Member or Neighborhood Delegate, as applicable, present and voting for the purpose of establishing a quorum only for items appearing on the ballot; (ii) may not be counted, even if properly delivered, if the Member or Neighborhood Delegate, as applicable, attends any meeting to vote in person, so that any vote cast at a meeting by a Member or Neighborhood Delegate supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal; and (iii) may not be counted on the final vote of a proposal if the proposal was amended at the meeting to be different from the exact language on the absentee or electronic ballot. For the purposes of this Section, a nomination taken from the floor in a Board member election is not considered an amendment to the proposal for the election.

(1) *Absentee Ballots.* No absentee ballot shall be valid unless it is in writing, signed by the Neighborhood Delegate or Member for which it is given or his duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective. Absentee ballots shall be valid only for the specific meeting for which given and for lawful adjournments of such meeting. In no event shall an absentee ballot be valid after the specific meeting or lawful adjournment of such meeting at which such ballot is counted or upon conveyance of the Lot or Condominium Unit for which it was given. Any solicitation for votes by absentee ballot must include:

(i) an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action;

(ii) instructions for delivery of the completed absentee ballot, including the delivery location; and

(iii) the following language: *"By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail."*

(2) *Electronic Ballots.* "Electronic ballot" means a ballot: (a) given by email, facsimile or posting on a website; (b) for which the identity of the Neighborhood Delegate or Member submitting the ballot can be confirmed; and (c) for which the Neighborhood Delegate or Member may receive a receipt of the electronic transmission and receipt of the Neighborhood Delegate or Member's ballot. If an electronic ballot is posted on a website, a notice of the posting shall be sent to each Neighborhood Delegate or Member that contains instructions on obtaining access to the posting on the website.

Section 3.11. Tabulation of and Access to Ballots. A person who is a candidate in an Association election or who is otherwise the subject of an Association vote, or a person related to that person within the third degree by consanguinity or affinity may not tabulate or otherwise be given access to the ballots cast in that election or vote except such person may be given access to the ballots cast in the election or vote as part of a recount process. A person tabulating votes in an Association election or vote or who performs a recount pursuant to *Section 3.12* may not disclose to any other person how an individual voted. Notwithstanding any provision of these Bylaws to the contrary, only a person who tabulates votes pursuant to this Section or performs a recount pursuant to *Section 3.12* shall be given access to any Association ballots.

Section 3.12. Recount of Votes. Any Member (the "**Recount Requesting Member**") may, not later than the fifteenth (15th) day after the later of the date of any meeting of Members at which an election or vote was held, or the date of the announcement of the results of the election or vote, require a recount of the votes (the "**Recount Request**"). A Recount Request must be submitted in writing either: (i) by any method of mailing for which evidence of mailing is provided by the United States Postal Service or a common carrier, with signature confirmation service to the Association's mailing address as reflected on the latest management certificate; or (ii) in person to the Association's managing agent as reflected on the latest management certificate or to the address to which absentee and proxy ballots are mailed. The Recount Requesting Member shall be required to pay, in advance, expenses associated with the recount as estimated by the Association, pursuant to subsection (a) below.

(a) Cost of Recount. The Association shall estimate the costs for performing the recount by a person qualified to tabulate votes under subsection (b) and no later than the 20th day after the date the Association receives the Recount Request, shall send an invoice for the estimated costs (the "**Initial Recount Invoice**") to the Recount Requesting Member at the Recount Requesting Member's last known

address according to the Association's records. The Recount Requesting Member must pay the Initial Recount Invoice in full to the Association on or before the 30th day after the date the Initial Recount Invoice was delivered to the Recount Requesting Member (the "**Deadline**"). If the Initial Recount Invoice is not paid by the Recount Requesting Member by the Deadline, the Recount Requesting Member's Recount Request shall be considered withdrawn and the Association shall not be required to perform a recount. If the Initial Recount Invoice is paid by the Recount Requesting Member by the Deadline, then on or before the 30th day after the date of receipt of payment of the Invoice, the recount must be completed and the Association must provide each Recount Requesting Member with notice of the results of the recount. If the recount changes the results of the election, the Association shall reimburse the Recount Requesting Member for the cost of the recount not later than the 30th day after the date the results of the recount are provided. If the recount does not change the results of the election, and the estimated costs included on the Initial Recount Invoice are either lesser or greater than the actual costs of the recount, the Association shall send a final invoice (the "**Final Recount Invoice**") to the Recount Requesting Member on or before the 30th business day after the date the results of the recount are provided. If the Final Recount Invoice reflects that additional amounts are owed by the Recount Requesting Member, the Recount Requesting Member shall remit such additional amounts to the Association immediately. Any additional amounts not paid to the Association by the Recount Requesting Member before the 30th business day after the date the Final Recount Invoice is sent may be charged as an Individual Assessment against the Recount Requesting Member. If the costs estimated in the Initial Recount Invoice costs exceed the amount reflected in the Final Recount Invoice, then the Recount Requesting Member shall be entitled to a refund, which such refund shall be paid at the time the Final Recount Invoice is delivered pursuant to this Section.

(b) Vote Tabulator. Following receipt of payment of the Initial Recount Invoice, the Association shall retain for the purpose of performing the recount, the services of a person qualified to tabulate votes. The Association shall enter into a contract for the services of a person who: (i) is not a Member of the Association or related to a Member of the Association Board within the third degree by consanguinity or affinity; and (ii) is either a person agreed on by the Association and each person requesting a recount or is a current or former county judge, county elections administrator, justice of the peace or county voter registrar.

(c) Board Action. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

Section 3.13 Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Members or Neighborhood Delegates, as applicable, may be taken without a meeting, without prior notice, and without a vote if written consent specifically authorizing the proposed action is signed by Members or Neighborhood Delegates, as applicable, holding at least the minimum number of votes necessary to authorize such action at a meeting if all Members or Neighborhood Delegates entitled to vote thereon were present. Such consents shall be signed within sixty (60) days after receipt of the earliest dated consent, dated, and delivered to the Association at its principal place of business in Texas. Such consents shall be filed with the minutes of the Association and shall have the same force and effect as a vote of the Members or Neighborhood Delegates at a meeting. Within ten (10) days after receiving authorization for any action by written consent, the Secretary shall give written notice to all Members or Neighborhood Delegates entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

ARTICLE IV
BOARD OF DIRECTORS

Section 4.1. Authority; Number of Directors.

(a) The affairs of the Association shall be governed by a Board of Directors. The number of Directors shall be fixed by the Board of Directors from time to time. The initial Directors shall be three (3) in number and shall be those Directors named in the Certificate. The initial Directors shall serve until their successors are elected and qualified.

(b) In accordance with *Section 3.4* of the Covenant, i.e., no later than the 10th anniversary of the date the Covenant is recorded in the Official Public Records of Hays County, Texas or sooner as determined by Declarant, the Board must have held a meeting of the Members of the Association (the "**Initial Member Election Meeting**") where the Members will elect one (1) Director, for a one (1) year term ("**Initial Member Elected Director**"). Declarant will continue to appoint and remove two-thirds (⅔) of the Board after the Initial Member Election Meeting until expiration or termination of the Development Period. Notwithstanding the foregoing, the Initial Member Elected Director's term will expire as of the date of the Member Election Meeting (defined below).

(c) At the expiration or termination of the Development Period, the Declarant will thereupon call a meeting of the Members of the Association where the Declarant appointed Directors will resign and the Members or Neighborhood Delegates, as applicable, will elect three (3) new directors (to replace all Declarant appointed Directors and the Initial Member Elected Director) (the "**Member Election Meeting**"), one (1) Director for a three (3) year term, one (1) Director for a two (2) year term, and one (1) Director for a one (1) year term (with the individual receiving the highest number of votes to serve the three (3) year term, the individual receiving the next highest number of votes to serve the two (2) year term, and the individual receiving the third highest number of votes to serve a one (1) year term). Notwithstanding the foregoing provision, if a Voting Group Designation is filed in accordance with the Covenant such designation may establish a different number of Board members to be elected at the Member Election Meeting provided that in any event the number of Board members shall be no less than three (3) in number. The Voting Group Designation may also assign an initial term to each Board member position. A Voting Group Designation which establishes a different number of Board members and the initial terms of such Board members shall be deemed an amendment to the Bylaws. Upon expiration of the term of a Director elected by the Members or Neighborhood Delegates pursuant to this *Section 4.1(c)*, his or her successor will be elected for a term of two (2) years.

(d) A Director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed.

(e) Each Director, other than Directors appointed by Declarant, shall be a Member. In the case of corporate, partnership or other entity ownership of a Lot or Condominium Unit, the Director must be a duly authorized agent or representative of the corporation, partnership or other entity Owner. Other than as set forth in this subparagraph (e), the Association may not restrict an Owner's right to run for a position on the Board.

Section 4.2. Compensation. The Directors shall serve without compensation for such service.

Section 4.3. Designation of Voting Groups by Declarant. Declarant may (but is not obligated to) designate Voting Groups consisting of one or more Neighborhoods for the purpose of electing directors to the Board. If Neighborhood Delegates are elected, such Neighborhood Delegates within each Voting Group shall vote on a separate slate of candidates for election to the Board. The Declarant shall establish Voting Groups, if at all, not later than the date of expiration or termination of the Development Period by Recording a written instrument identifying each Voting Group by legal description or other means such that the Lots and Condominium Units within each Voting Group can easily be determined. Such designation may be amended from time to time by Declarant, acting alone, at any time prior to the expiration or termination of the Development Period. Upon expiration or termination of the Development Period, the Board will have the right by Recording an appropriate written instrument to amend any existing designation of Voting Groups, or to designate new Voting Groups, upon the vote of a Majority of the Board and approval of Neighborhood Delegates representing a Majority of the Neighborhoods. Until such time as Voting Groups are established, all of the Development shall constitute a single Voting Group. After a written instrument establishing Voting Groups has been Recorded, any and all portions of the Development which are not assigned to a specific Voting Group shall constitute a single Voting Group.

Section 4.4 Nominations to Board of Directors. Members may be nominated for election to the Board of Directors in either of the following ways:

(a) A Member who is not a Director and who desires to run for election to that position shall be deemed to have been nominated for election upon his filing with the Board of Directors a written petition of nomination; or

(b) A Director who is eligible to be re-elected shall be deemed to have been nominated for re-election to the position he holds by signifying his intention to seek reelection in a writing addressed to the Board of Directors.

Section 4.5. Vacancies on Board of Directors. Except with respect to Directors appointed by the Declarant, if the office of any elected Director shall become vacant by reason of death, resignation, or disability, the remaining Directors, at a special meeting duly called for this purpose, shall choose a successor who shall fill the unexpired term of the directorship being vacated. If there is a deadlock in the voting for a successor by the remaining Directors, the one Director with the longest continuous term on the Board shall select the successor. At the expiration of the term of his position on the Board of Directors, the successor Director shall be re-elected or his successor shall be elected in accordance with these Bylaws. Except with respect to Directors appointed by the Declarant, any Board Member whose term has expired or who has been removed from the Board must be elected by the Members or the Neighborhood Delegates, as applicable.

Section 4.6. Removal of Directors. Subject to the right of Declarant to nominate and appoint Directors as set forth in *Section 4.1* of these Bylaws, an elected Director may be removed, with or without cause, by the Majority of the Members or Neighborhood Delegates, as applicable, which elected such Director. In the event Voting Groups are established pursuant to the Covenant, only the Neighborhood Delegates within the Voting Group may vote to remove the Director elected from such Voting Group.

Section 4.7. Solicitation of Candidate for Election to the Board. At least thirty (30) days before the date an Association disseminates absentee ballots or other ballots to Members for the purpose of voting in a Board election, the Association shall provide notice (the "**Solicitation Notice**") of the election to the Members. The Solicitation Notice shall: (a) solicit candidates that are eligible under *Section 4.1(e)* and interested in running for a position on the Board; (b) state that an eligible candidate has fifteen (15) days to respond to the Solicitation Notice and request to be placed on the ballot; and (c) must be: (1) mailed to each Member; (2) e-mailed to each Member that has registered their e-mail address with the Association; or (3) posted in a conspicuous manner reasonably designed to provide notice to Members, such as: (i) within the Common Area or, with the Member's consent, on other conspicuously located privately owned property within the subdivision; or (ii) on any website maintained by the Association or other internet media.

ARTICLE V
MEETINGS OF DIRECTORS

Section 5.1. Development Period. The provisions of this *Article V* do not apply to Board meetings during the Development Period (as defined in the Covenant) during which period the Board may take action by unanimous written consent in lieu of a meeting pursuant to *Section 5.12*, except with respect to a meeting conducted for the purpose of: (a) adopting or amending the Documents (*i.e.*, declarations, bylaws, rules, and regulations); (b) increasing the amount of Regular Assessments of the Association or adopting or increasing a Special Assessment; (c) electing non-Declarant Board members or establishing a process by which those members are elected; or (d) changing the voting rights of Members.

Section 5.2. Definition of Board Meetings. A meeting of the Board means a deliberation between a quorum of the Board, or between a quorum of the Board and another person, during which Association business is considered and the Board takes formal action.

Section 5.3. Regular Meetings. Regular meetings of the Board shall be held annually or such other frequency as determined by the Board, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 5.4. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 5.5. Quorum. A Majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a Majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

Section 5.6. Open Board Meetings. All regular and special Board meetings must be open to Owners. However, the Board has the right to adjourn a meeting and reconvene in closed executive session to consider actions involving: (a) personnel; (b) pending or threatened litigation; (c) contract negotiations; (d) enforcement actions; (e) confidential communications with the Association's attorney; (f) matters involving the invasion of privacy of individual Owners, or matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made by the Board in executive session must be summarized orally in general terms and placed in the minutes. The oral summary must include a general explanation of expenditures approved in executive session.

Section 5.7. Location. Except if otherwise held by electronic or telephonic means, a Board meeting must be held in the county in which the Development is located or in a county adjacent to that county, as determined in the discretion of the Board.

Section 5.8. Record; Minutes. The Board shall keep a record of each regular or special Board meeting in the form of written minutes of the meeting. The Board shall make meeting records, including approved minutes, available to a Member for inspection and copying on the Member's written request to the Association's managing agent at the address appearing on the most recently filed management certificate or, if there is not a managing agent, to the Board.

Section 5.9. Notices. Members shall be given notice of the date, hour, place, and general subject of a regular or special board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be: (a) mailed to each Member not later than the tenth (10th) day or earlier than the sixtieth (60th) day before the date of the meeting; or (b) provided at least seventy-two (72) hours before the start of the meeting by: (i) posting the notice in a conspicuous manner reasonably designed to provide notice to Members in a place located on the Association's common area or on any website maintained by the Association; and (ii) sending the notice by e-mail to each Member who has registered an e-mail address with the Association. It is the Member's duty to keep an updated e-mail address registered with the Association. The Board may establish a procedure for registration of email addresses, which procedure may be required for the purpose of receiving notice of Board meetings. If the Board recesses a regular or special Board meeting to continue the following regular business day, the Board is not required to post notice of the continued meeting if the recess is taken in good faith and not to circumvent this Section. If a regular or special Board meeting is continued to the following regular business day, and on that following day the Board continues the meeting to another day, the Board shall give notice of the continuation in at least one manner as set forth above within two (2) hours after adjourning the meeting being continued.

Section 5.10. Unanimous Consent. During the Development Period, Directors may vote by unanimous written consent. Unanimous written consent occurs if all Directors individually or collectively consent in writing to a Board action. The written consent must be filed with the minutes of Board meetings. Action by written consent shall be in lieu of a meeting and has the same force and effect as a unanimous vote of the Directors. As set forth in *Section 5.1*, Directors may not vote by unanimous consent if the Directors are considering any of the following actions: (a) adopting or amending the Documents (*i.e.*, declarations, bylaws, rules, and regulations); (b) increasing the amount of Regular Assessments of the Association or adopting or increasing a Special Assessment; (c) electing non-Declarant Board members or establishing a process by which those members are elected; or (d) changing the voting rights of Members

Section 5.11. Meeting without Prior Notice. The Board may take action outside a meeting, including voting by electronic or telephonic means, without prior notice to the Members if each Board member is given a reasonable opportunity (i) to express his or her opinions to all other Board members and (ii) to vote. Any action taken without notice to Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting. The Board may not, unless done in an open meeting for which prior notice was given to the Members pursuant to *Section 5.9* above consider or vote on: (a) fines; (b) damage assessments; (c) the initiation of foreclosure actions; (d) the initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety; (e) increases in assessments; (f) levying of special assessments; (g) appeals from a denial of

architectural control approval; (h) a suspension of a right of a particular Member before the Member has an opportunity to attend a Board meeting to present the Member's position, including any defense, on the issue; (i) the lending or borrowing of money; (j) the adoption of any amendment of a dedicatory instrument; (k) the approval of an annual budget or the approval of an amendment of an annual budget that increases the budget by more than 10 percent (10%); (l) the sale or purchase of real property; (m) the filling of a vacancy on the Board; (n) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; or (o) the election of an officer.

Section 5.11. Telephone and Electronic Meetings. Any action permitted to be taken by the Board may be taken by telephone or electronic methods provided that: (1) each Board member may hear and be heard by every other Board member; (2) except for any portion of the meeting conducted in executive session: (i) all Members in attendance at the meeting may hear all Board members; and (ii) any Members are allowed to listen using any electronic or telephonic communication method used or expected to be used by a participating Board member at the same meeting; and (3) the notice of the Board meeting provides instructions to the Members on how to access the electronic or telephonic communication method used in the meeting. Participation in such a meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE VI
POWERS AND DUTIES OF THE BOARD

Section 6.1. Powers. The Board shall have power and duty to undertake any of the following actions, in addition to those actions to which the Association is authorized to take in accordance with the Covenant:

(a) adopt, amend, revoke, record and publish the Rules;

(b) suspend the right of a Member to use of the Common Area during any period in which such Member shall be in default in the payment of any Assessment levied by the Association, or after notice and hearing, for any period during which an infraction of the Rules by such Member exists;

(c) exercise for the Association all powers, duties and authority vested in or related to the Association and not reserved to the membership by other provisions of the Documents;

(d) to enter into any contract or agreement with a municipal agency or utility company to provide electric utility service to all or any portion of the Development;

(e) declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

(f) employ such employees as they deem necessary, and to prescribe their duties;

(g) as more fully provided in the Covenant, to:

(1) fix the amount of the Assessments against each Lot and/or Condominium Unit in advance of each annual assessment period and any other assessments provided by the Covenant; and

(2) foreclose the lien against any property for which Assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(h) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid and to levy a reasonable charge for the issuance of these certificates (it being understood that if a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment);

(i) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(j) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(k) exercise such other and further powers or duties as provided in the Covenant or by Applicable Law.

ARTICLE VII
OFFICERS AND THEIR DUTIES

Section 7.1. Enumeration of Offices. The officers of the Association shall be a President and a Vice-President, who shall at all times be members of the Board, a Secretary and a Treasurer, and such other officers as the Board may from time to time create by resolution.

Section 7.2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 7.3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he resigns sooner, or shall be removed or otherwise disqualified to serve.

Section 7.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 7.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.6. Vacancies. A vacancy in any office may be filled through appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to *Section 7.4*.

Section 7.8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) Vice President. The Vice President, if any, shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him by the President or the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.

(d) Assistant Secretaries. Each Assistant Secretary shall generally assist the Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him or her by the Secretary, the President, the Board or any committee established by the Board.

(e) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; keep proper books of account in appropriate form such that they could be audited by a public accountant whenever ordered by the Board or the membership; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members.

Section 7.9. Execution of Instruments. Except when the Documents require execution of certain instruments by certain individuals, the Board may authorize any person to execute instruments on behalf of the Association, including without limitation checks from the Association's bank account. In the absence of Board designation, and unless otherwise provided herein, the President and the Secretary are the only persons authorized to execute instruments on behalf of the Association.

ARTICLE VIII
OTHER COMMITTEES OF THE BOARD OF DIRECTORS

The Board may, by resolution adopted by affirmative vote of a Majority of the number of Directors fixed by these Bylaws, designate two or more Directors (with such alternates, if any, as may be deemed desirable) to constitute another committee or committees for any purpose; provided, that any such other committee or committees shall have and may exercise only the power of recommending action to the Board of Directors and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board.

ARTICLE IX
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Documents shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE X
ASSESSMENTS

As more fully provided in the Covenant, each Member is obligated to pay to the Association Assessments which are secured by a continuing lien upon the property against which the Assessments are made. Assessments shall be due and payable in accordance with the Covenant.

ARTICLE XI
CORPORATE SEAL

The Association may, but shall have no obligation to, have a seal in a form adopted by the Board.

ARTICLE XII
AMENDMENTS

These Bylaws may be amended by: (i) the Declarant until expiration or termination of the Development Period; or (ii) a Majority vote of the Board of Directors with the advance written consent of the Declarant until expiration or termination of the Development Period.

ARTICLE XIII
INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Association shall indemnify every Director. Officer or Committee Member against, and reimburse and advance to every Director, Officer or Committee Member for, all liabilities, costs and expenses' incurred in connection with such directorship or office and any actions taken or omitted in such capacity to the greatest extent permitted under the Texas Business Organizations Code and all other applicable laws at the time of such indemnification, reimbursement or advance payment; provided, however, no Director, Officer or Committee Member shall be indemnified for: (a) a breach of duty of loyalty to the Association or its Members; (b) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law; (c) a transaction from which such Director, Officer or Committee Member received an improper benefit, whether or not the benefit resulted from an action taken within the scope of directorship or office; or (d) an act or omission for which the liability of such Director, Officer or Committee Member is expressly provided for by statute.

ARTICLE XIV
MISCELLANEOUS

Section 14.1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 14.2. Review of Statutes and Court Rulings. Users of these Bylaws should also review statutes and court rulings that may modify or nullify provisions of this document or its enforcement, or may create rights or duties not anticipated by these Bylaws.

Section 14.3. Conflict. In the case of any conflict between the Certificate and these Bylaws, the Certificate shall control; and in the case of any conflict between the Covenant and these Bylaws, the Covenant shall control. In the case of any conflict between these Bylaws and any provision of the

applicable laws of the State of Texas, the conflicting aspect of the Bylaws provision is null and void, but all other provisions of these Bylaws remain in full force and effect.

Section 14.4. Interpretation. The effect of a general statement is not limited by the enumerations of specific matters similar to the general. The captions or articles and sections are inserted only for convenience and are in no way to be construed as defining or modifying the text to which they refer. The singular is construed to mean the plural, when applicable, and the use of masculine or neuter pronouns includes the feminine.

Section 14.5. No Waiver. No restriction, condition, obligation, or covenant contained in these Bylaws may be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

ATTACHMENT 3

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
FINE AND ENFORCEMENT POLICY

1. Background. Headwaters at Barton Creek is subject to that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time ("**Covenant**"). In accordance with the Covenant, HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC., a Texas non-profit corporation (the "**Association**") was created to administer the terms and provisions of the Covenant. Unless the Covenant or Applicable Law expressly provides otherwise, the Association acts through a majority of its board of directors (the "**Board**"). The Association is empowered to enforce the covenants, conditions and restrictions of the Covenant, Certificate, Bylaws, Community Manual, the Design Guidelines (if adopted), any applicable Development Area Declaration, any applicable Notice of Applicability, and any rules and regulations promulgated by the Association pursuant to the Covenant or any Development Area Declaration, as each may be adopted and amended from time to time (collectively, the "**Documents**"), including the obligation of Owners to pay assessments pursuant to the terms and provisions of the Covenant and the obligations of the Owners to compensate the Association for costs incurred by the Association for enforcing violations of the Documents.

   The Board hereby adopts this Fine and Enforcement Policy to establish equitable policies and procedures for the levy of fines within the Association in compliance with the Chapter 209 of the Texas Property Code, titled the "Texas Residential Property Owners Protection Act," as it may be amended (the **"Act"**). To the extent any provision within this policy is in conflict with the Act or any other applicable law, such provision shall be modified to comply with the applicable law.

   Terms used in this policy, but not defined, shall have the meaning subscribed to such term in the Documents

2. Policy. The Association uses fines to discourage violations of the Documents, and to encourage compliance when a violation occurs – not to punish violators or generate revenue for the Association. Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one of several methods available to the Association for enforcing the Documents. The Association's use of fines does not interfere with its exercise of other rights and remedies for the same violation.

3. Owner's Liability. An Owner is liable for fines levied by the Association for violations of the Documents by the Owner and the relatives, guests, employees, and agents of the Owner and residents. Regardless of who commits the violation, the Association may direct all communications regarding the violation to the Owner.

4. Amount. The Association may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Association may establish a schedule of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in comparison to the violation, and should be uniform for similar violations of the same provision of the Documents. If the Association allows fines to accumulate,

the Association may establish a maximum amount for a particular fine, at which point the total fine will be capped.

5. Violation Notice. Except as set forth in *Section 5(C)* below, before levying a fine, the Association will give (i) a written violation notice via certified mail to the Owner (at the Owner's last known address as shown in the Association records)(the "**Violation Notice**") and (ii) an opportunity to be heard, if requested by the Owner. The Association's Violation Notice will contain the following items: (1) the date the Violation Notice is prepared or mailed; (2) a description of the violation or property damage that is the basis for the Individual Assessment, suspension action, or other charge; (3) a reference to the rule or provision that is being violated; (4) a description of the action required to cure the violation and a reasonable timeframe in which the violation is required to be cured to avoid the fine or suspension; (5) the amount of the possible fine; (6) a statement that no later than the thirtieth (30th) day after the date the notice was mailed, the Owner may request a hearing pursuant to Section 209.007 of the Texas Property Code, and further, if the hearing held pursuant to Section 209.007 of the Texas Property Code is to be held by a committee appointed by the Board, a statement notifying the Owner that he or she has the right to appeal the committee's decision to the Board by written notice to the Board; and (7) a statement that the Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. app. section *et seq.*), if the Owner is serving on active military duty. The Violation Notice sent out pursuant to this paragraph is further subject to the following:

A. First Violation. If the Owner has not been given notice and a reasonable opportunity to cure the same or similar violation within the preceding six (6) months, the Violation Notice will state those items set out in (1) – (7) above, along with a reasonable timeframe by which the violation must be cured to avoid the fine. The Violation Notice must state that any future violation of the same rule may result in the levy of a fine. A fine pursuant to the *Schedule of Fines* may be levied if an Owner does not cure the violation within the timeframe set forth in the notice.

B. Uncurable Violation/Violation of Public Health or Safety. If the violation is of an uncurable nature or poses a threat to public health or safety (as exemplified in Section 209.006 of the Texas Property Code), then the Violation Notice shall state those items set out in (1), (2), (3), (5), (6), and (7) above, and the Association shall have the right to exercise any enforcement remedy afforded to it under the Documents, including but not limited to the right to levy a fine pursuant to the *Schedule of Fines*.

C. Repeat Violation without Attempt to Cure. If the Owner has been given a Violation Notice and a reasonable opportunity to cure the same or similar violation within the preceding six (6) months but commits the violation again, then the Owner shall not be entitled to an additional Violation Notice or a hearing pursuant to Section 209.007 of the Texas Property Code, and the Association shall have the right to exercise any enforcement remedy afforded to it under the Documents, including but not limited to the right to levy a fine pursuant to the *Schedule of Fines*. After an Owner has been provided a Violation Notice as set forth herein and assessed fines in the amounts set forth in the

Schedule of Fines, if the Owner has never cured the violation in response to any Violation Notices sent or any fines levied, then the Board, in its sole discretion, may determine that such a circumstance is a continuous violation which warrants a levy of a fine based upon a daily, monthly, or quarterly amount as determined by the Board.

6. Violation Hearing. If the Owner is entitled to an opportunity to cure the violation, then the Owner has the right to submit a written request to the Association for a hearing before the Board or a committee appointed by the Board to discuss and verify the facts and resolve the matter. To request a hearing, the Owner must submit a written request (the "**Request**") to the Association's manager (or the Board if there is no manager) within thirty (30) days after receiving the violation notice. The Association must then hold the hearing requested no later than thirty (30) days after the Board receives the Request. The Board must notify the Owner of the date, time, and place of the hearing at least (10) days' before the date of the hearing. The hearing will be scheduled to provide a reasonable opportunity for both the Board and the Owner to attend. The Board or the Owner may request a postponement, and if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. Notwithstanding the foregoing, the Association may exercise its other rights and remedies as set forth in Section 209.007(d) and (e) of the Texas Property Code. Any hearing before the Board will be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The Owner shall attend the hearing in person, but may be represented by another person (i.e., attorney) during the hearing, upon advance written notice to the Board. If an Owner intends to make an audio recording of the hearing, such Owner's request for hearing shall include a statement noticing the Owner's intent to make an audio recording of the hearing, otherwise, no audio or video recording of the hearing may be made, unless otherwise approved by the Board. The minutes of the hearing must contain a statement of the results of the hearing and the fine, if any, imposed. A copy of the violation notice and request for hearing should be placed in the minutes of the hearing. If the Owner appears at the meeting, the notice requirements will be deemed satisfied. Unless otherwise agreed by the Board, each hearing shall be conducted in accordance with the agenda attached hereto as Exhibit A.

7. Due Date. Fine and/or damage charges are due immediately if the violation is uncurable or poses a threat to public health or safety. If the violation is curable, the fine and/or damage charges are due immediately after the later of: (1) the date that the cure period set out in the First Violation notice ends and the Owner does not attempt to cure the violation or the attempted cure is unacceptable to Association, or (2) if a hearing is requested by the Owner, such fines or damage charges will be due immediately after the Board's final decision on the matter, assuming that a fine or damage charge of some amount is confirmed by the Board at such hearing.

8. Lien Created. The payment of each fine and/or damage charge levied by the Board against the Owner of a Lot is, together with interest as provided in *Section 5.11* of the Covenant and all costs of collection, including attorney's fees as herein provided, secured by the lien granted to the Association pursuant to *Section 5.1.2* of the Covenant. Unless otherwise provided in *Section 5.14* of the Covenant, the fine and/or damage charge will be considered an Assessment for the purpose of this Article and will be enforced in accordance with the terms and provisions governing the enforcement of assessments pursuant to *Article 5* of the Covenant.

9. Levy of Fine. Any fine levied shall be reflected on the Owner's periodic statements of account or delinquency notices.

10. Foreclosure. The Association may not foreclose its assessment lien on a debt consisting solely of fines.

11. Amendment of Policy. This policy may be revoked or amended from time to time by the Board. This policy will remain effective until the Association records an amendment to this policy in the county's official public records.

Schedule of Fines

The Board has adopted the following general schedule of fines. The number of notices set forth below does not mean that the Board is required to provide each notice prior to exercising additional remedies as set forth in the Documents. The Board may elect to pursue such additional remedies at any time in accordance with applicable law. The Board also reserves the right to set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effect of the violation:

FINES‡:

New Violation: **Notice of Violation**	**Fine Amount:** **$25.00 (if a curable violation, may be avoided if Owner cures the violation by the time specified in the notice)**
Repeat Violation (No Right to Cure or Uncurable Violation):	**Fine Amount:** **1st Notice $50.00** **2nd Notice $75.00** **3rd Notice $100.00** **4th Notice $125.00**
Continuous Violation: **Continuous Violation Notice**	**Amount TBD**

‡ The Board reserves the right to adjust these fine amounts based on the severity and/or frequency of the violation.

CONSTRUCTION FINES:

Pursuant to the Documents, any prohibited construction activities within Headwaters at Barton Creek are **subject to Construction Fines. Construction Fines commence upon the expiration of the cure** period provided in the First Notice. There is no Warning Notice. Construction Fines may be assessed pursuant to the schedule of fines as follows:

Premature Clearing	$500
Construction Without Headwaters Reviewer Approval	$500 plus $100/day
Inadequate Construction Entry	$250
Inadequate/Removed Silt Fence	$250
Excessive Mud/Debris on Street	$250 plus $50/day
Excessive Construction Debris	$250 plus $50/day
No Dumpster Provided	$150 plus $50/day
No Chemical Toilet Provided	$150 plus $25/day
Violation of designated Construction Times	$100
Encroachment on Adjacent Properties	$500 plus repair cost
Damage to Streets, Curbs, Infrastructure	$500 minimum
Failure to Obtain Inspection from Headwaters Reviewer upon Completion of Construction	$500 minimum
Miscellaneous Violation of Construction Rules	TBD by Reviewer

EXHIBIT A

HEARING BEFORE THE BOARD

Note: An individual will act as the presiding hearing officer. The hearing officer will provide introductory remarks and administer the hearing agenda.

I. Introduction:

Hearing Officer. The Board has convened for the purpose of providing [Owner] an opportunity to be heard regarding a notice of violation of the Documents sent by the Association.

The hearing is being conducted as required by Section 209.007(a) of the Texas Property Code, and is an opportunity for [Owner] to discuss, verify facts, and attempt to resolve the matter at issue. The Board may be able to resolve the dispute at the hearing or the Board may elect to take the matter under advisement and conclude the hearing. If the matter is taken under advisement, a final decision will be communicated in writing within fifteen (15) days.

II. Presentation of Facts:

Hearing Officer. This portion of the hearing is to permit a representative of the Association the opportunity to describe the violation and to present photographs or other material relevant to the violation, fines or penalties. After the Association's representative has finished his presentation, the Owner or its representative will be given the opportunity to present photographs or other material relevant to the violation, fines or penalties. The Board may ask questions during either party's presentation. It is requested that questions by [Owner] be held until completion of the presentation by the Association's representative.

[Presentations]

III. Discussion:

Hearing Officer. This portion of the hearing is to permit the Board and [Owner] to discuss factual disputes relevant to the violation. Discussion regarding any fine or penalty is also appropriate. Discussion should be productive and designed to seek, if possible, a mutually agreed upon resolution of the dispute. The Hearing Officer retains the right to conclude this portion of the hearing at any time.

IV. Resolution:

Hearing Officer. This portion of the hearing is to permit discussion between the Board and [Owner] regarding the final terms of a mutually agreed upon resolution, if such resolution was agreed upon during the discussion phase of the hearing. If no mutually agreed upon resolution was reached, the Hearing Officer may: (i) request that the Board enter into executive session to discuss the matter; (ii) request that the Board take the matter under advisement and adjourn the hearing; or (iii) adjourn the hearing.

ATTACHMENT 4

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
ASSESSMENT COLLECTION POLICY

Headwaters at Barton Creek is a community (the "**Community**") created by and subject to Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, and any amendments or supplements thereto ("**Covenant**"). The operation of the Community is vested in HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC. (the "**Association**"), acting through its board of directors (the "**Board**"). The Association is empowered to enforce the covenants, conditions and restrictions of the Covenant, Certificate, Bylaws, Community Manual, the Design Guidelines (if adopted), any applicable Development Area Declaration, any applicable Notice of Applicability, and any rules and regulations promulgated by the Association pursuant to the Covenant or any Development Area Declaration, as adopted and amended from time to time (collectively, the "**Documents**"), including the obligation of Owners to pay Assessments pursuant to the terms and provisions of the Documents.

The Board hereby adopts this Assessment Collection Policy to establish equitable policies and procedures for the collection of Assessments levied pursuant to the Documents. Terms used in this policy, but not defined, shall have the meaning subscribed to such term in the Documents.

SECTION 1. DELINQUENCIES, LATE CHARGES & INTEREST

1-A. Due Date. An Owner will timely and fully pay Assessments. Regular Assessments are assessed annually and are due and payable on the first calendar day of the month at the beginning of the fiscal year, or in such other manner as the Board may designate in its sole and absolute discretion.

1-B. Delinquent. Any Assessment that is not fully paid when due is delinquent. When the account of an Owner becomes delinquent, it remains delinquent until paid in full — including collection costs, interest and late fees.

1-C. Late Fees & Interest. If the Association does not receive full payment of an Assessment by 5:00 p.m. on the due date established by the Board, the Association may levy a late fee of $25 per month and/or interest at the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date thereof (or if there is no such highest rate, then at the rate of 1 and 1/2% per month) until paid in full.

1-D. Liability for Collection Costs. The defaulting Owner is liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, court costs, filing fees, and other reasonable costs and attorney's fees incurred by the Association in collecting the delinquency.

1-E. Insufficient Funds. The Association may levy a charge of $25 for any check returned to the Association marked "not sufficient funds" or the equivalent.

1-F. Waiver. Properly levied collection costs, late fees, and interest may only be waived by a Majority of the Board.

SECTION 2. INSTALLMENTS & ACCELERATION

If an Assessment, other than a Regular Assessment, is payable in installments, and if an Owner defaults in the payment of any installment, the Association may declare the entire Assessment in default and accelerate the due date on all remaining installments of the Assessment. An Assessment, other than a Regular Assessment, payable in installments may be accelerated only after the Association gives the Owner at least fifteen (15) days prior notice of the default and the Association's intent to accelerate the unpaid balance if the default is not timely cured. Following acceleration of the indebtedness, the Association has no duty to reinstate the installment program upon partial payment by the Owner.

SECTION 3. PAYMENTS

3-A. Application of Payments. After the Association notifies the Owner of a delinquency and the Owner's liability for late fees or interest, and collection costs, any payment received by the Association shall be applied in the following order, starting with the oldest charge in each category, until that category is fully paid, regardless of the amount of payment, notations on checks, and the date the obligations arose:

(1) Delinquent assessments

(2) Current assessments

(3) Attorney fees and costs associated with delinquent assessments

(4) Other attorney's fees

(5) Fines

(6) Any other amount

3-B. Payment Plans. The Association shall offer a payment plan to a delinquent Owner with a minimum term of at least three (3) months from the date the payment plan is requested for which the Owner may be charged reasonable administrative costs and interest. The Association will determine the actual term of each payment plan offered to an Owner in their sole and absolute discretion. An Owner is not entitled to a payment plan if the Owner has defaulted on a previous payment plan in the last two (2) years. The Association is not required to make a payment plan available to a Member after the Delinquency Cure Period allowed under Paragraph 5-B expires. If an Owner is in default at the time the Owner submits a payment, the Association is not required to follow the application of payments schedule set forth in Paragraph 3-A.

3-C. Form of Payment. The Association may require that payment of delinquent Assessments be made only in the form of cash, cashier's check, or certified funds.

3-D. Partial and Conditioned Payment. The Association may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payer attaches conditions or directions contrary to the Board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts the payment to the Owner's account. If the Association does not accept the payment at that time, it will promptly refund the payment to the payer. A payment that is not refunded to the payer within thirty (30) days after being deposited by the Association may be deemed accepted as to payment, but not as to words of limitation or instruction accompanying the payment. The acceptance by the Association of partial payment of delinquent Assessments does not waive the Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations.

3-E. Notice of Payment. If the Association receives full payment of the delinquency after Recording a notice of lien, the Association will cause a release of notice of lien to be publicly Recorded, a copy of which will be sent to the Owner. The Association may require the Owner to prepay the cost of preparing and Recording the release.

3-F. Correction of Credit Report. If the Association receives full payment of the delinquency after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of payment to the credit reporting service.

SECTION 4. LIABILITY FOR COLLECTION COSTS

4-A. Collection Costs. The defaulting Owner may be liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, filing fees, and other reasonable costs and attorney's fees incurred in the collection of the delinquency.

SECTION 5. COLLECTION PROCEDURES

5-A. Delegation of Collection Procedures. From time to time, the Association may delegate some or all of the collection procedures, as the Board in its sole discretion deems appropriate, to the Association's Manager, an attorney, or a debt collector.

5-B. Delinquency Notices. If the Association has not received full payment of an Assessment by the due date, the Association may send written notice of nonpayment to the defaulting Owner, by certified mail, stating: (a) the amount delinquent and the total amount of the payment required to make the account current, (b) the options the Owner has to avoid having the account turned over to a collection agent, as such term is defined in Texas Property Code Section 209.0064, including information regarding availability of a payment plan through the Association, and (c) that the Owner has thirty (30) days for the Owner to cure the delinquency before further collection action is taken (the "**Delinquency Cure Period**"). The Association's delinquency-related correspondence may state that if full payment is not timely received, the Association may pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.

5-C. Verification of Owner Information. The Association may obtain a title report to determine the names of the Owners and the identity of other lien-holders, including the mortgage company.

5-D. Collection Agency. The Board may employ or assign the debt to one or more collection agencies.

5-E. Notification of Mortgage Lender. The Association may notify the Mortgage lender of the default obligations.

5-F. Notification of Credit Bureau. The Association may report the defaulting Owner to one or more credit reporting services.

5-G. Collection by Attorney. If the Owner's account remains delinquent for a period of ninety (90) days, the Manager of the Association or the Board of the Association shall refer the delinquent account to the Association's attorney for collection. In the event an account is referred to the Association's attorney, the Owner will be liable to the Association for its legal fees and expenses. Upon referral of a delinquent account to the Association's attorney, the Association's attorney

will provide the following notices and take the following actions unless otherwise directed by the Board:

(1) Initial Notice: Preparation of the Initial Notice of Demand for Payment Letter. If the account is not paid in full within 30 days (unless such notice has previously been provided by the Association), then

(2) Lien Notice: Preparation of the Lien Notice and Demand for Payment Letter and Recordation of a Notice of Unpaid Assessment Lien. If the account is not paid in full within 30 days, then

(3) Final Notice: Preparation of the Final Notice of Demand for Payment Letter and Intent to Foreclose and Notice of Intent to Foreclose to Lender. If the account is not paid in full within 30 days, then

(4) Foreclosure of Lien: Only upon specific approval by a majority of the Board.

5-H. Notice of Lien. The Association's attorney may cause a notice of the Association's Assessment lien against the Owner's home to be publicly Recorded. In that event, a copy of the notice will be sent to the defaulting Owner and may also be sent to the Owner's Mortgagee.

5-I. Cancellation of Debt. If the Board deems the debt to be uncollectible, the Board may elect to cancel the debt on the books of the Association, in which case the Association may report the full amount of the forgiven indebtedness to the Internal Revenue Service as income to the defaulting Owner.

5-J. Suspension of Use of Certain Facilities or Services. The Board may suspend the use of the Common Area amenities by an Owner, or his Occupant, whose account with the Association is delinquent for at least thirty (30) days.

SECTION 6. GENERAL PROVISIONS

6-A. Independent Judgment. Notwithstanding the contents of this detailed policy, the officers, directors, Manager, and attorney of the Association may exercise their independent, collective, and respective judgment in applying this policy.

6-B. Other Rights. This policy is in addition to and does not detract from the rights of the Association to collect Assessments under the Documents and the laws of the State of Texas.

6-C. Limitations of Interest. The Association, and its officers, directors, Managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Documents or any other document or agreement executed or made in connection with this policy, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by law, the excess amount will be applied to the reduction of unpaid Assessments, or reimbursed to the Owner if those Assessments are paid in full.

6-D. Notices. Unless the Documents, applicable law, or this policy provide otherwise, any notice or other written communication given to an Owner pursuant to this policy will be deemed delivered to the Owner upon depositing same with the U.S. Postal Service, addressed to the Owner at the most recent address shown on the Association's records, or on personal delivery to the Owner. If the Association's records show that an Owner's property is owned by two (2) or more persons, notice to one co-Owner is deemed notice to all co-Owners. Similarly, notice to one Occupant is deemed notice to all Occupants. Written communications to the Association, pursuant to this policy, will be deemed given on actual receipt by the Association's president, secretary, managing agent, or attorney.

6-E. Amendment of Policy. This policy may be amended from time to time by the Board.

ATTACHMENT 5

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
RECORDS INSPECTION, COPYING AND RETENTION POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time.

Note: Texas statutes presently render null and void any restriction in the Covenant which restricts or prohibits the inspection, copying and/or retention of association records and files in violation of the controlling provisions of the Texas Property Code or any other applicable state law. The Board has adopted this policy in lieu of any express prohibition or any provision regulating such matters which conflict with Texas law, as set forth in the Covenant.

1. *Written Form.* The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

2. *Request in Writing; Pay Estimated Costs In Advance.* An Owner (or an individual identified as an Owner's agent, attorney or certified public accountant, provided the designation is in writing and delivered to the Association) may submit a written request via certified mail to the Association's mailing address or authorized representative listed in the management certificate to access the Association's records. The written request must include sufficient detail describing the books and records requested and whether the Owner desires to inspect or copy the records. Upon receipt of a written request, the Association may estimate the costs associated with responding to each request, which costs may not exceed the costs allowed pursuant to Texas Administrative Code Section 70.3, as may be amended from time to time (a current copy of which is attached hereto). Before providing the requested records, the Association will require that the Owner remit such estimated amount to the Association. The Association will provide a final invoice to the Owner on or before the 30th business day after the records are provided by the Association. If the final invoice includes additional amounts due from the requesting party, the additional amounts, if not reimbursed to the Association before the 30th business day after the date the invoice is sent to the Owner, may be added to the Owner's account as an assessment. If the estimated costs exceeded the final invoice amount, the Owner is entitled to a refund, and the refund shall be issued to the Owner not later than the 30th business day after the date the final invoice is sent to the Owner.

3. *Period of Inspection.* Within ten (10) business days from receipt of the written request, the Association must either: (1) provide the copies to the Owner; (2) provide available inspection dates; or (3) provide written notice that the Association cannot produce the documents within the ten (10) business days along with either: (i) another date within an additional fifteen (15) business days on which the records may either be inspected or by which the copies will be sent to the Owner; or (ii) a notice that after a diligent search, the requested records are missing and cannot be located.

4. *Records Retention.* The Association shall keep the following records for at least the time periods stated below:

a. **PERMANENT**: The Articles of Incorporation or the Certificate of Formation, the Bylaws and the Covenant, any and all other governing documents, guidelines, rules, regulations and policies and all amendments thereto Recorded in the property records to be effective against any Owner and/or Member of the Association.

b. **FOUR (4) YEARS**: Contracts with a term of more than one (1) year between the Association and a third party. The four (4) year retention term begins upon expiration of the contract term.

c. **FIVE (5) YEARS**: Account records of each Owner. Account records include debit and credit entries associated with amounts due and payable by the Owner to the Association and written or electronic records related to the Owner and produced by the Association in the ordinary course of business.

d. **SEVEN (7) YEARS**: Minutes of all meetings of the Board and the Owners.

e. **SEVEN (7) YEARS**: Financial books and records produced in the ordinary course of business, tax returns and audits of the Association.

f. **GENERAL RETENTION INSTRUCTIONS**: "Permanent" means records which are not to be destroyed. Except for contracts with a term of one (1) year or more (See item 4.b. above), a retention period starts on the last day of the year in which the record is created and ends on the last day of the year of the retention period. For example, if a record is created on June 14, 2016, and the retention period is five (5) years, the retention period begins on December 31, 2016 and ends on December 31, 2021. If the retention period for a record has elapsed and the record will be destroyed, the record should be shredded or otherwise safely and completely destroyed. Electronic files should be destroyed to ensure that data cannot be reconstructed from the storage mechanism on which the record resides.

5. ***Confidential Records***. As determined in the discretion of the Board, certain Association records may be kept confidential such as personnel files, Owner account or other personal information (except addresses) unless the Owner requesting the records provides a court order or written authorization from the person whose records are sought.

6. ***Attorney Files***. Attorney's files and records relating to the Association (excluding invoices requested by an Owner pursuant to Texas Property Code Section 209.008(d)), are not records of the Association and are not: (a) subject to inspection by the Owner; or (b) subject to production in a legal proceeding. If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document shall be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. The Association is not required under any circumstance to produce a document for inspection or copying that constitutes attorney work product or that is privileged as an attorney-client communication.

7. *Presence of Board Member or Manager; No Removal.* At the discretion of the Board or the Association's Manager, certain records may only be inspected in the presence of a Board member or employee of the Association's Manager. No original records may be removed from the office without the express written consent of the Board.

TEXAS ADMINISTRATIVE CODE
TITLE 1, PART 3, CHAPTER 70
RULE §70.3 - CHARGES FOR PROVIDING COPIES OF PUBLIC INFORMATION

(a) The charges in this section to recover costs associated with providing copies of public information are based on estimated average costs to governmental bodies across the state. When actual costs are 25% higher than those used in these rules, governmental bodies other than agencies of the state, may request an exemption in accordance with §70.4 of this title (relating to Requesting an Exemption).

(b) Copy charge.

(1) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is $.10 per page or part of a page. Each side that has recorded information is considered a page.

(2) Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:

(A) Diskette--$1.00;

(B) Magnetic tape--actual cost;

(C) Data cartridge--actual cost;

(D) Tape cartridge--actual cost;

(E) Rewritable CD (CD-RW)--$1.00;

(F) Non-rewritable CD (CD-R)--$1.00;

(G) Digital video disc (DVD)--$3.00;

(H) JAZ drive--actual cost;

(I) Other electronic media--actual cost;

(J) VHS video cassette--$2.50;

(K) Audio cassette--$1.00;

(L) Oversize paper copy (e.g.: 11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper--See also §70.9 of this title)--$.50;

(M) Specialty paper (e.g.: Mylar, blueprint, blueline, map, photographic--actual cost.

(c) Labor charge for programming. If a particular request requires the services of a programmer in order to execute an existing program or to create a new program so that requested information may be accessed and copied, the governmental body may charge for the programmer's time.

(1) The hourly charge for a programmer is $28.50 an hour. Only programming services shall be charged at this hourly rate.

(2) Governmental bodies that do not have in-house programming capabilities shall comply with requests in accordance with §552.231 of the Texas Government Code.

(3) If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of §552.261(b) of the Texas Government Code.

(d) Labor charge for locating, compiling, manipulating data, and reproducing public information.

(1) The charge for labor costs incurred in processing a request for public information is $15 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

(2) A labor charge shall not be billed in connection with complying with requests that are for 50 or fewer pages of paper records, unless the documents to be copied are located in:

(A) Two or more separate buildings that are not physically connected with each other; or

(B) A remote storage facility.

(3) A labor charge shall not be recovered for any time spent by an attorney, legal assistant, or any other person who reviews the requested information:

(A) To determine whether the governmental body will raise any exceptions to disclosure of the requested information under the Texas Government Code, Subchapter C, Chapter 552; or

(B) To research or prepare a request for a ruling by the attorney general's office pursuant to §552.301 of the Texas Government Code.

(4) When confidential information pursuant to a mandatory exception of the Act is mixed with public information in the same page, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information in order to release the public information. A labor charge shall not be made for redacting confidential information for requests of 50 or fewer pages, unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261(a)(1) or (2).

(5) If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of Texas Government Code, Chapter 552, §552.261(b).

(6) For purposes of paragraph (2)(A) of this subsection, two buildings connected by a covered or open sidewalk, an elevated or underground passageway, or a similar facility, are not considered to be separate buildings.

(e) Overhead charge.

(1) Whenever any labor charge is applicable to a request, a governmental body may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If a governmental body chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges made statewide.

(2) An overhead charge shall not be made for requests for copies of 50 or fewer pages of standard paper records unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261(a)(1) or (2).

(3) The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request. Example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, $15.00 x .20 = $3.00; or Programming labor charge, $28.50 x .20 = $5.70. If a request requires one hour of labor charge for locating, compiling, and reproducing information ($15.00 per hour); and one hour of programming labor charge ($28.50 per hour), the combined overhead would be: $15.00 + $28.50 = $43.50 x .20 = $8.70.

(f) Microfiche and microfilm charge.

(1) If a governmental body already has information that exists on microfiche or microfilm and has copies available for sale or distribution, the charge for a copy must not exceed the cost of its reproduction. If no copies of the requested microfiche or microfilm are available and the information on the microfiche or microfilm can be released in its entirety, the governmental body should make a copy of the microfiche or microfilm. The charge for a copy shall not exceed the cost of its reproduction. The Texas State Library and Archives Commission has the capacity to reproduce microfiche and microfilm for governmental bodies. Governmental bodies that do not have in-house capability to reproduce microfiche or microfilm are encouraged to contact the Texas State Library before having the reproduction made commercially.

(2) If only a master copy of information in microfilm is maintained, the charge is $.10 per page for standard size paper copies, plus any applicable labor and overhead charge for more than 50 copies.

(g) Remote document retrieval charge.

(1) Due to limited on-site capacity of storage documents, it is frequently necessary to store information that is not in current use in remote storage locations. Every effort should be made by governmental bodies to store current records on-site. State agencies are encouraged to store inactive or non-current records with the Texas State Library and Archives Commission. To the extent that the retrieval of documents results in a charge to comply with a request, it is permissible to recover costs of such services for requests that qualify for labor charges under current law.

(2) If a governmental body has a contract with a commercial records storage company, whereby the private company charges a fee to locate, retrieve, deliver, and return to storage the needed record(s), no additional labor charge shall be factored in for time spent locating documents at the storage location by the private company's personnel. If after delivery to the governmental body, the boxes must still be searched for records that are responsive to the request, a labor charge is allowed according to subsection (d)(1) of this section.

(h) Computer resource charge.

(1) The computer resource charge is a utilization charge for computers based on the amortized cost of acquisition, lease, operation, and maintenance of computer resources, which might include, but is not limited to, some or all of the following: central processing units (CPUs), servers, disk drives, local area networks (LANs), printers, tape drives, other peripheral devices, communications devices, software, and system utilities.

(2) These computer resource charges are not intended to substitute for cost recovery methodologies or charges made for purposes other than responding to public information requests.

(3) The charges in this subsection are averages based on a survey of governmental bodies with a broad range of computer capabilities. Each governmental body using this cost recovery charge shall determine which category(ies) of computer system(s) used to fulfill the public information request most closely fits its existing system(s), and set its charge accordingly. Type of System--Rate: mainframe--$10 per CPU minute; Midsize--$1.50 per CPU minute; Client/Server--$2.20 per clock hour; PC or LAN--$1.00 per clock hour.

(4) The charge made to recover the computer utilization cost is the actual time the computer takes to execute a particular program times the applicable rate. The CPU charge is not meant to apply to programming or printing time; rather it is solely to recover costs associated with the actual time required by the computer to execute a program. This time, called CPU time, can be read directly from the CPU clock, and most frequently will be a matter of seconds. If programming is required to comply with a particular request, the appropriate charge that may be recovered for programming time is set forth in

subsection (d) of this section. No charge should be made for computer print-out time. Example: If a mainframe computer is used, and the processing time is 20 seconds, the charges would be as follows: $10 / 3 = $3.33; or $10 / 60 x 20 = $3.33.

(5) A governmental body that does not have in-house computer capabilities shall comply with requests in accordance with the §552.231 of the Texas Government Code.

(i) Miscellaneous supplies. The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge for public information.

(j) Postal and shipping charges. Governmental bodies may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting party.

(k) Sales tax. Pursuant to Office of the Comptroller of Public Accounts' rules sales tax shall not be added on charges for public information (34 TAC, Part 1, Chapter 3, Subchapter O, §3.341 and §3.342).

(l) Miscellaneous charges: A governmental body that accepts payment by credit card for copies of public information and that is charged a "transaction fee" by the credit card company may recover that fee.

(m) These charges are subject to periodic reevaluation and update.

Source Note: The provisions of this §70.3 adopted to be effective September 18, 1996, 21 TexReg 8587; amended to be effective February 20, 1997, 22 TexReg 1625; amended to be effective December 3, 1997, 22 TexReg 11651; amended to be effective December 21, 1999, 24 TexReg 11255; amended to be effective January 16, 2003, 28 TexReg 439; amended to be effective February 11, 2004, 29 TexReg 1189; transferred effective September 1, 2005, as published in the Texas Register September 29, 2006, 31 TexReg 8251; amended to be effective February 22, 2007, 32 TexReg 614.

ATTACHMENT 6

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
STATUTORY NOTICE OF POSTING AND RECORDATION OF ASSOCIATION GOVERNING DOCUMENTS

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time (the "Covenant").

1. *Dedicatory Instruments*. As set forth in Texas Property Code Section 202.001, "dedicatory instrument" means each document governing the establishment, maintenance or operation of a residential subdivision, planned unit development, condominium or townhouse regime, or any similar planned development. The term includes the Covenant, the Development Area Declaration, or any similar instrument subjecting real property to: (a) restrictive covenants, bylaws, or similar instruments governing the administration or operation of a property owners' association; (b) properly adopted rules and regulations of the property owners' association; or (c) all lawful amendments to the covenants, bylaws, instruments, rules, or regulations. The term "dedicatory instrument" is referred to in this notice and the Covenant as the "Documents."

2. *Recordation of All Documents*. The Association shall file all of the Documents in the real property records of each county in which the property to which the Documents relate is located. Any dedicatory instrument comprising one of the Documents of the Association has no effect until the instrument is filed in accordance with this provision, as set forth in Texas Property Code Section 202.006.

3. *Online Posting of Documents*. The Association shall make all of the Recorded Documents relating to the Association or Development available on a website if the Association or a management company, on behalf of the Association, maintains a publicly accessible website.

ATTACHMENT 7

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
EMAIL REGISTRATION POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time.

1. *Purpose*. The purpose of this Email Registration Policy is to facilitate proper notice of annual and special meetings of members of the Association pursuant to Section 209.0051(e) of the Texas Property Code.

2. *Email Registration*. Should the owner wish to receive any and all email notifications of annual and special meetings of members of the Association, it is the owner's sole responsibility to register his/her email address with the Association and to continue to keep the registered email address updated and current with the Association. In order to register an email address, the owner must provide their name, address, phone number and email address through the method provided on the Association's website, if any, and/or to the official contact information provided by the Association for the community manager.

3. *Failure to Register*. An owner may not receive email notification or communication of annual or special meetings of members of the Association should the owner fail to register his/her email address with the Association and/or properly and timely maintain an accurate email address with the Association. Correspondence to the Association and/or Association manager from an email address or by any method other than the method described in Paragraph No. 2 above will not be considered sufficient to register such email address with the Association.

4. *Amendment*. The Association may, from time to time, modify, amend, or supplement this Policy or any other rules regarding email registration.

ATTACHMENT 8

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
GENERATOR POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time.

A. ARCHITECTURAL REVIEW APPROVAL REQUIRED

As part of the installation and maintenance of a generator on an Owner's Lot, an Owner may submit plans for and install a standby electric generator ("**Generator**") upon written approval by the architectural review authority under the Covenant (the "**Headwaters Reviewer**").

B. GENERATOR PROCEDURES AND REQUIREMENTS

1. Application. Approval by the Headwaters Reviewer is required prior to installing a Generator. To obtain the approval of the Headwaters Reviewer for a Generator, the Owner shall provide the Headwaters Reviewer with the following information: (i) the proposed site location of the Generator on the Owner's Lot; (ii) a description of the Generator, including a photograph or other accurate depiction; and (iii) the size of the Generator (the **"Generator Application"**). A Generator Application may only be submitted by a tenant if the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Generator Application. The Headwaters Reviewer is not responsible for: (i) errors or omissions in the Generator Application submitted to the Headwaters Reviewer for approval; (ii) supervising installation or construction to confirm compliance with an approved Generator Application or (iii) the compliance of an approved application with Applicable Law.

2. Approval Conditions. Each Generator Application and all Generators to be installed in accordance therewith must comply with the following:

(i) The Owner must install and maintain the Generator in accordance with the manufacturer's specifications and meet all applicable governmental health, safety, electrical, and building codes.

(ii) The Owner must use a licensed contractor(s) to install all electrical, plumbing, and fuel line connections and all electrical connections must be installed in accordance with all applicable governmental health, safety, electrical, and building codes.

(iii) The Owner must install all natural gas, diesel fuel, biodiesel fuel, and/or hydrogen fuel line connections in accordance with applicable governmental health, safety, electrical, and building codes.

(iv) The Owner must install all liquefied petroleum gas fuel line connections in accordance with the rules and standards promulgated and adopted by the Railroad Commission of Texas and other applicable governmental health, safety, electrical, and building codes.

(v) The Owner must install and maintain all non-integral standby Generator fuel tanks in compliance with applicable municipal zoning ordinances and governmental health, safety, electrical, and building codes.

(vi) The Owner must maintain in good condition the Generator and its electrical lines and fuel lines. The Owner is responsible to repair, replace, or remove any deteriorated or unsafe component of a Generator, including electrical and fuel lines.

(vii) The Owner must screen a Generator if it is visible from the street faced by the residence, located in an unfenced side or rear yard of a Lot, and is visible either from an adjoining residence or from adjoining property owned by the Association, and/or is located in a side or rear yard fenced by a wrought iron or residential aluminum fence and is visible through the fence either from an adjoining residence or from adjoining property owned by the Association.

(viii) The Owner may only perform periodic testing of the Generator consistent with the manufacturer's recommendations between the hours of 9 a.m. to 5 p.m., Monday through Friday.

(ix) No Owner shall use the Generator to generate all or substantially all of the electric power to the Owner's residence unless the utility-generated electrical power to the residence is not available or is intermittent due to causes other than nonpayment for utility service to the residence.

(x) No Owner shall locate the Generator (i) in the front yard of a residence; or (ii) in the side yard of a residence facing a street.

(xi) No Owner shall locate a Generator on property owned by the Association.

(xii) No Owner shall locate a Generator on any property owned in common by members of the Association.

3. Process. Any proposal to install a Generator on property owned by the Association or property owned in common by members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to the requirements set forth in this Generator Policy when considering any such request.

4. Approval. Each Owner is advised that if the Generator Application is approved by the Headwaters Reviewer, installation of the Generator must: (i) strictly comply with the Generator Application; (ii) commence within thirty (30) days of approval; and (iii) be diligently prosecuted to completion. If the Owner fails to cause the Generator to be installed in accordance with the approved Generator Application, the Headwaters Reviewer may require the Owner to: (a) modify the Generator Application to accurately reflect the Generator installed on the Property; or (b) remove the Generator and reinstall the Generator in accordance with the approved Generator Application. Failure to install the Generator in accordance with the approved Generator Application or an Owner's failure to comply with the post-approval requirements constitutes a violation of the Covenant and may subject the Owner to fines and penalties. Any requirement imposed by the Headwaters Reviewer to resubmit a Generator

Application or remove and relocate a Generator in accordance with the approved Generator Application shall be at the Owner's sole cost and expense.

ATTACHMENT 9

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
COMMERCIAL VEHICLE POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time.

Parking of commercial vehicles or equipment, recreational vehicles, boats and other watercraft, trailers, stored vehicles or inoperable vehicles in places other than: (i) in enclosed garages; and (ii) behind a fence so as to not be visible from any other portion of any Development Area is prohibited; provided, construction, service and delivery vehicles may be exempt from this provision for such period of time as is reasonably necessary to provide service or to make a delivery to a residence. The foregoing provisions shall not apply to passenger commercial vehicles owned by an Occupant which are (a) used in the Occupant's profession, and (b) do not exceed a maximum weight of 3/4 ton.

****Electronically Recorded Document****

Hays TX
Liz Q. Gonzalez
County Clerk
San Marcos, Texas 78666

Document Number: 2016-16015182
Recorded As: ELECTRONIC RECORDING

Recorded On:	May 12, 2016
Recorded At:	03:15:25 PM
Number of Pages:	4
Book-Vol/Pg:	
Recording Fee:	$34.00

Parties:

Direct- HEADWATERS AT BARTON CREEK
InDirect-

Receipt Number:	428814
Processed By:	R Robinson - Cashering #2

********** 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.

COUNTY COURT OF HAYS COUNTY, TEXAS

State of Texas |
County of Hays

I hereby certify that this instrument was filed for record in my office on the date and time stamped hereon and was recorded on the volume and page of the named records of Hays County, Texas

Liz Q. Gonzalez

Liz Q.Gonzalez, County CLerk

AFTER RECORDING RETURN TO:
ROBERT D. BURTON, ESQ.
WINSTEAD, PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

HEADWATERS AT BARTON CREEK
ADOPTION OF WORKING CAPITAL ASSESSMENT

Declarant: WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership

Cross reference to Headwaters at Barton Creek Master Covenant [Residential], recorded as Document No. 201616015124 in the Official Public Records of Hays County, Texas.

HEADWATERS AT BARTON CREEK
ADOPTION OF WORKING CAPITAL ASSESSMENT

The following Adoption of Working Capital Assessment is made pursuant to *Section 5.8* of that certain Headwaters at Barton Creek Master Covenant [Residential], recorded under Document No. 201616015124, Official Public Records of Hays County, Texas (the "**Master Covenant**"), by **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership (the "**Declarant**"), and is as follows:

1. **Working Capital Assessment**. In accordance with *Section 5.8* of the Master Covenant, the Declarant adopts a working capital assessment amount equal to two (2) months of Regular Assessments for the current fiscal year (the "**Working Capital Assessment**"). The Working Capital Assessment applies to all Lots subject to the Master Covenant unless otherwise exempt pursuant to *Section 5.8* of the Master Covenant.

2. **Subject to Change**. The amount of the Working Capital Assessment designated hereunder is subject to change from time to time by the Declarant, until the expiration or termination of the Development Period, and the Board thereafter.

3. **Capitalized Terms**. Capitalized terms used by not defined herein shall have the meanings ascribed to such terms in the Master Covenant.

EXECUTED TO BE EFFECTIVE on the 12 day of May, 2016.

[SIGNATURE PAGE FOLLOWS]

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: _____
Name: Jesse R. Baker
Title: Authorized Representative

THE STATE OF MASSACHUSETTS §
§
COUNTY OF Suffolk §

This instrument was acknowledged before me this 6th day of May, 2016 by Jesse R. Baker, Authorized Representative of WFC Headwaters Owner VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said company and partnership.

_____
Notary Public Signature

KIERSTEN P. JESTER
Notary Public
Commonwealth of Massachusetts
My Commission Expires
April 7, 2017

****** Electronically Filed Document ******

Hays County Texas
Liz Q. Gonzalez
County Clerk

Document Number: 2016-16015243
Recorded As : ELECTRONIC RECORDING

Recorded On:	**May 13, 2016**
Recorded At:	**09:32:17 am**
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Parties:

Direct- HEADWATERS RESIDENTIAL MASTER
Indirect-

Receipt Number:	**428862**
Processed By:	**Barbara Rodriguez**

************** 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.

COUNTY COURT OF HAYS COUNTY, TEXAS

I hereby certify that this instrument was filed for record in my office on the date and time stamped hereon and was recorded on the volume and page of the named records of Hays County, Texas

Liz Q Gonzalez

Liz Q. Gonzalez, County Clerk

After recording return to:
Robert D. Burton, Esq.
WINSTEAD PC
401 Congress Avenue, Suite 2100
Austin, Texas 78701
rburton@winstead.com

MANAGEMENT CERTIFICATE
OF
HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

The undersigned, being an officer of Headwaters Residential Master Community, Inc., and in accordance with Section 209.004 of the Texas Property Code, does hereby certify as follows:

1. The name of the subdivision: Headwaters at Barton Creek *[Residential]*.

2. The name of the association: Headwaters Residential Master Community, Inc., a Texas nonprofit corporation.

3. The recording data for the subdivision: All of that certain real property located in Hays County, Texas, described on Exhibit "A", attached hereto and incorporated herein by reference.

4. The recording data for the documents:

   (a) Headwaters at Barton Creek Master Covenant *[Residential]* recorded under Document No. 201616015124 , Official Public Records of Hays County, Texas.

   (b) Headwaters at Barton Creek Development Area Declaration *[Residential]* recorded under Document No. 201616015147 , Official Public Records of Hays County, Texas.

   (c) Headwaters at Barton Creek Community Enhancement Covenant *[Residential]* recorded under Document No. 201616015157 , Official Public Records of Hays County, Texas.

   (d) Headwaters at Barton Creek Notice of Applicability - Phase 1, recorded under Document No. 201616015183 , Official Public Records of Hays County, Texas.

5. The name and mailing address of the association: Headwaters Residential Master Community, Inc.; c/o CCMC, Attn.: Candace Sparks, 12600 Hill Country Blvd., Suite R275, Austin, Texas 78738.

6. The mailing address of the person managing the association: Todd Davidson, c/o CCMC, 7800 North Dallas Parkway, Suite 450, Plano, Texas 75074.

[SIGNATURE PAGE FOLLOWS]

This Certificate is effective as of the 9 day of MAY, 2016.

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.,
a Texas nonprofit corporation

By: _____
Name: Matt D. Matthews
Title: President

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on 9 day of MAY, 2016, by Matt D. Matthews, the President of Headwaters Residential Master Community, Inc., a Texas nonprofit corporation, on behalf of said nonprofit corporation.

[SEAL] Joanna L Lammerts
My Commission Expires
10/11/2016

_____
Notary Public Signature

4853-1236-2786v.7 57672-1

EXHIBIT "A"

PROPERTY DESCRIPTION

Legal Description
Hays County, Texas

D&A Job No. 1137-001

DESCRIPTION OF A TRACT OF LAND CONTAINING 1035.73 ACRES OUT OF THE FOLLOWING TWELVE SURVEYS: THE WILLIAM WALKER SURVEY NO. 180, ABSTRACT NO. 475, THE HERMAN BENSON SURVEY NO. 137, ABSTRACT NO. 40, THE F.A. JOLLY SURVEY NO. 473, ABSTRACT NO. 555, THE J.W. POWELL SURVEY, ABSTRACT NO. 560, THE JOHN PITTS SURVEY NO. 47, ABSTRACT NO. 768, THE LEVI LEWIS SURVEY NO. 154, ABSTRACT NO. 639, THE J.E. GILBERT SURVEY NO. 1717, ABSTRACT NO. 811, THE W.R. WOOD SURVEY, ABSTRACT NO. 567, THE EDWARD BROWN SURVEY NO. 136, ABSTRACT NO. 44, THE HEINRICH BRASHE SURVEY, ABSTRACT NO. 58, THE MARCUS RAPER SURVEY NO. 60, ABSTRACT NO. 383, AND THE MARCUS RAPER SURVEY NO. 37, ABSTRACT NO. 394, ALL IN HAYS COUNTY, TEXAS, AND BEING A PORTION OF THAT CALLED 1035.75 ACRE TRACT CONVEYED TO AUSTIN-HIGHWAY 290 LLC PER DEED RECORDED AS DOCUMENT NO. 2010-10021578 (VOLUME 3940, PAGE 430) OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS (O.P.R.H.C.T.), AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 60d nail found in a rock mound at an angle point in the easterly line of a 135.92 acre tract of land conveyed to John G. Bordie & Camilla B. Bordie per deed of record in Volume 1293, Page 842, O.P.R.H.C.T., for a southwest corner and POINT OF BEGINNING hereof;

THENCE along the easterly line of said 135.92 acre tract and then along the easterly line of a 291 & 1/3 acre tract of land conveyed to Cynosure Corporation per deed recorded in Volume 258, Page 123, O.P.R.H.C.T., North 30°12'34" West, a distance of 4495.43 feet to a 60d nail found in a fence post for an angle point in the easterly line of said 291 & 1/3 acre tract;

THENCE along the easterly line of the 291 & 1/3 acre tract the following two (2) courses and distances:

1. North 86°00'31" East a distance of 4.60 feet to a 60d nail found in a rock mound;
2. North 30°08'19" West, a distance of 411.66 feet to a calculated point;

THENCE along the northwesterly line of said Austin-Highway 290 LLC tract the following twenty (20) courses and distances:

1. North 59°51'42" East a distance of 1450.34 feet to a calculated point;
2. North 15°43'58" West a distance of 787.28 feet to a calculated point;
3. North 60°52'23" West a distance of 562.42 feet to a calculated point;
4. North 37°03'56" West a distance of 409.06 feet to a calculated point;
5. North 23°43'55" West a distance of 472.51 feet to a calculated point;

6. North 32°20'35" East a distance of 766.59 feet to a calculated point;

7. North 40°18'35" East a distance of 73.06 feet to a calculated point;

8. North 48°58'48" East a distance of 186.19 feet to a calculated point;

9. North 58°50'22" East a distance of 696.30 feet to a calculated point;

10. North 13°49'52" East a distance of 717.14 feet to a calculated point;

11. North 64°56'18" East a distance of 118.77 feet to a calculated point;

12. North 66°43'13" East a distance of 178.67 feet to a calculated point;

13. North 71°31'26" East a distance of 121.87 feet to a calculated point;

14. North 76°15'42" East a distance of 211.04 feet to a calculated point;

15. North 61°42'56" East a distance of 426.91 feet to a calculated point;

16. North 68°53'58" East a distance of 557.32 feet to a calculated point;

17. North 70°28'21" East a distance of 176.92 feet to a calculated point;

18. South 78°33'40" East a distance of 386.79 feet to a calculated point;

19. South 76°10'26" East a distance of 433.91 feet to a calculated point;

20. South 60°12'01" East a distance of 285.00 feet to a calculated point in the west line of the 324.554 acre tract of land conveyed to William B. Mitchell and Mary G. Mitchell per deed recorded in Volume 1514, Page 326, O.P.R.H.C.T., from which a 1/2" iron rebar found with plastic cap stamped "Garon" bears North 29°26'29" East, a distance of 376.64 feet;

THENCE along the west and south lines of said 324.554 acre tract the following three (3) courses and distances:

1. South 29°26'29" West, a distance of 214.86 feet to a found cotton spindle;

2. South 28°08'54" West, a distance of 572.27 feet to a ½-inchiron rebar set with plastic cap stamped "Garon" for the southwest corner of said 324.544 acre tract;

3. South 60°56'32" East, a distance of 790.02 feet to a ½-inch iron rebar found for the northwest corner of Lot 815, Sunset Canyon, Section V, a subdivision of record in Volume 3, Page 284 of the Plat Records of Hays County, Texas, and amended in Volume 4, Page 234 of the Plat Records of Hays County, Texas;

THENCE along the westerly and southerly lines of said Sunset Canyon Section V, the following twelve (12) courses and distances:

1. South 28°31'27" West, a distance of 3732.86 feet to a ½-inch iron rebar found for the southwest corner of Lot 899 of said Sunset Canyon, Section V;

2. South 65°17'39" East, a distance of 448.50 feet to a ½-inch iron rebar found in the south line of Lot 902 of said Sunset Canyon, Section V;

3. South 58°00'00" East, a distance of 580.16 feet to a ½-inchIron rebar found in the south line of Lot 905 of said Sunset Canyon, Section V;

4. South 61°04'32" East, a distance of 921.35 feet to a ½-inch iron rebar found for the southerly common corner of Lot 911 and Lot 912 of said Sunset Canyon, Section V;

5. South 81°52'54" East, a distance of 2491.14 feet to a ½-inch iron rebar stamped "Precl" found for the southeast corner of Lot 954, Sunset Canyon, Section V;

6. North 29°22'51" West, a distance of 517.26 feet to a ½-inch iron rebar stamped "Precl" found in the south line of Lot 958 of said Sunset Canyon, Section V;

7. North 62°49'45" East, a distance of 798.68 feet to a mag nail found for the common corner of Lot 962, Lot 964, and Lot 965 of said Sunset Canyon, Section V;

8. South 27°12'05" East, a distance of 561.62 feet to a ½-inch iron rebar found for the southwest corner of Lot 967 of said Sunset Canyon, Section V;

9. North 59°01'12" East, a distance of 764.91 feet to a ½-inch iron rebar found for the common corner of Lot 988, Lot 1002, and Lot 1003 of said Sunset Canyon, Section V;

10. South 26°49'47" East, a distance of 264.25 feet to a ½-inch iron rebar found in the west line of Lot 1004 of said Sunset Canyon, Section V;

11. South 17°49'58" East, a distance of 2302.10 feet to a ½-inch iron rebar found in the west line of Lot 1019, Sunset Canyon, Section V;

12. South 01°27'20" East, a distance of 1910.18 feet to a ½-inch iron rebar found for the southwest corner of Lot 1031of said Sunset Canyon, Section V, and being in the north line of a 127.09 acre portion of the remainder of a 1539.45 acre tract of land conveyed to Paul Pressler Family Generation Skipping Trust, et al per deed recorded in Volume 1911, Page 481, O.P.R.H.C.T.;

THENCE along the north line of said 127.09 acre portion of the remainder of said 1539.45 acre tract, the following seven (7) courses and distances:

1. South 83°56'19" West, a distance of 749.40 feet to a found ½-inch iron rebar stamped "Grogan";

2. South 83°53'44" West, a distance of 131.20 feet to a found ½-inch iron rebar stamped "Grogan";

3. South 83°57'56" West, a distance of 335.38 feet to a found ½-inch iron rebar stamped "Grogan";

4. North 55°46'10" West, a distance of 802.10 feet to a found ½-inch iron rebar stamped "Grogan";

5. South 89°31'56" West, a distance of 1111.39 feet to a found ½-inch iron rebar stamped "Grogan";

6. South 68°55'06" West, a distance of 1662.37 feet to a found ½-inch iron rebar stamped "Grogan";

7. North 63°17'55" West, a distance of 276.77 feet to a found ½-inch iron rebar with "Grogan" tag for the northwest corner of said 127.09 acre portion of the remainder of said 1339.45 acre tract;

THENCE along the west line of said 127.09 acre portion of the remainder of said 1339.45 acre tract the following eight (8) courses:

1. South 22°08'16" East a distance of 378.88 feet to a calculated point at the beginning of a tangent 225.00 foot radius curve concave northerly;

2. Along the arc of said 225.00 foot radius curve a distance of 486.08 feet, and a chord bearing South 84°01'39" East and distance of 396.92 feet, through a central angle of 123°46'46" to a calculated point;

3. Tangent to said 225.00 foot radius curve, North 34°04'58" East, a distance of 170.97 feet to a calculated point at the beginning of a tangent 400.00 foot radius curve concave southerly;

4. Along the arc of said 400.00 foot radius curve a distance of 836.47 feet through a central angle of 119°48'54", and a chord bearing South 86°00'35" East and distance of 692.17 feet, to a calculated point;

5. Tangent to said 400.00 foot radius curve, South 26°06'08" East, a distance of 98.37 feet to a calculated point at the beginning of a tangent 700.00 foot radius curve concave westerly;

6. Along the arc of said 700.00 foot radius curve a distance of 372.31 feet through a central angle of 30°28'28", and a chord bearing South 10°51'54" East and distance of 367.94 feet, to a calculated point;

7. Tangent to said 700.00 foot radius curve, South 04°22'20" West, a distance of 378.48 feet to a calculated point at the beginning of a tangent 15.00 foot radius curve concave northeasterly;

8. Along the arc of said 15.00 foot radius curve a distance of 23.56 feet through a central angle of 90°00'00", and a chord bearing South 40°37'24" East and distance of 21.21 feet, to a calculated point for the southwest corner of said 127.09 acre portion of the remainder of said 1539.45 acre tract, and being on the north right-of-way line of U.S. Highway 290 West (R.O.W. varies), from which a Type I concrete monument found for an angle point in the south line of said 127.09 acre portion of the remainder of a 1539.45 acre tract and the north right-of-way line of said U.S. Highway 290 West bears South 85°37'40" East, a distance of 345.73 feet;

THENCE along the north right-of-way line of U.S. Highway 290 West, North 85°37'40" West, a distance of 130.00 feet to a calculated point for the southeast corner of a 39.73 acre portion of the remainder of said 1539.45 acre tract of land conveyed to Paul Pressler Family Generation Skipping Trust, et. al by deed of record in Volume 1911, Page 481, O.P.R.H.C.T., from which a Type I concrete monument found for an angle point in the south line of said 39.73 acre portion of a remainder of said 1539.45 acre tract and the north right-of-way line of U.S. Highway 290 West bears North 85°37'40" West, a distance of 498.34 feet; last said calculated point being a point of cusp with a tangent 15.00 foot radius curve concave northwesterly;

THENCE along the east line of said 39.73 acre portion of the remainder of said 1539.45 acre tract the following eight (8) courses:

1. Along the arc of last said 15.00 foot radius curve a distance of 23.56 feet through a central angle of 90°00'00", and a chord bearing North 49°22'04" East and distance of 21.21 feet, to a calculated point;

2. Tangent to last said 15.00 foot radius curve, North 04°22'20" East, a distance of 211.26 feet to a calculated point at the beginning of a tangent 490.00 foot radius curve concave westerly;

3. Along the arc of said 490.00 foot radius curve a distance of 260.62 feet through a central angle of 30°28'28", and a chord bearing North 10°51'54" West and distance of 257.56 feet, to a calculated point;

4. Tangent to said 490.00 foot radius curve, North 26°06'08" West, a distance of 298.27 feet to a calculated point at the beginning of a tangent 200.00 foot radius curve concave southerly;

5. Along the arc of said 200.00 foot radius curve a distance of 418.23 feet through a central angle of 119°48'54", and a chord bearing North 86°00'35" West and distance of 346.09 feet, to a calculated point;

6. Tangent to said 200.00 foot radius curve, South 34°04'58" West, a distance of 144.26 feet to a calculated point at the beginning of a tangent 375.00 foot radius curve concave northerly;

7. Along the arc of said 375.00 foot radius curve a distance of 810.13 feet through a central angle of 123°46'46", and a chord bearing North 84°01'39" West and distance of 661.53 feet, to a calculated point;

8. Tangent to said 375.00 foot radius curve, North 22°08'16" West a distance of 519.72 feet to a calculated point for the northeast corner of said 39.73 acre portion of the remainder of said 1539.45 acre tract;

THENCE along the north line of said 39.73 acre portion of the remainder of said 1539.45 acre tract the following two (2) courses:

1. North 63°21'49" West, a distance of 125.05 feet to a found ½-inch iron rebar with "Grogan" cap;

2. North 63°22'32" West a distance of 762.41 feet to a 3/8-inch iron rebar with "4542" cap found for the northerly common corner of said 39.73 acre portion of the remainder of said 1539.45 acre tract and said John G. Bordie and Camilla B. Bordie tract;

THENCE along the easterly northerly of said John G. Bordie and Camilla B. Bordie tract, South 88°36'32" West, a distance of 952.40 feet to the POINT OF BEGINNING, and containing 1035.73 acres of land, more or less.

Bearing Basis: Texas State Plane Coordinate System, South Central Zone, NAD83 (CORS).

9/12/14

Sydney Smith Xinos, R.P.L.S. Date:
Texas Registration No. 5361
Doucet & Associates Inc.,
7401 B Hwy. 71 West, Suite 160
Austin, Texas 78735
Firm Registration No. 10105800

Instrument # 17025706 Number: 1 of 23 Filed and Recorded: 7/26/2017 11:49 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $114.00 Deputy Clerk: KHOBBS

AFTER RECORDING RETURN TO:

Robert D. Burton, Esq.
Winstead, PC
401 Congress Ave., Suite 2100
Austin, Texas 78701
Email: rburton@winstead.com

HEADWATERS AT BARTON CREEK

MODIFICATION DESIGN GUIDELINES

[RESIDENTIAL]

ADOPTED:

HEADWATERS REVIEWER:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: Jesse R Baker
Title: Authorized Signatory

THE STATE OF MASSACHUSETTS §
§
COUNTY OF SUFFOLK §

This instrument was acknowledged before me this 20th day of July, 2017 by Jesse R. Baker, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said companies and partnership.

Kiersten P. Jester
Notary Public Signature

(SEAL)

KIERSTEN P. JESTER NOTARY PUBLIC COMMONWEALTH OF MASSACHUSETTS MY COMMISSION EXPIRES 03-22-24

Cross reference to Headwaters at Barton Creek Master Covenant [*Residential*], recorded under Document No. 201616015124, Official Public Records of Hays County, Texas, as the same may be amended from time to time.

Instrument # 17025706 Number: 3 of 23 Filed and Recorded: 7/26/2017 11:49 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $114.00 Deputy Clerk: KHOBBS

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Liz Q. Gonzalez, Hays County Clerk, Texas Rec $114.00 Deputy Clerk: KHOBBS

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I. Introduction

A. Background

Headwaters at Barton Creek is a master planned community located in Hays County, Texas ("**Headwaters**"). The community consists of Development Areas which are subject to the terms and provisions of the Headwaters at Barton Creek Master Covenant [*Residential*], recorded in the Official Public Records of Hays County, Texas (the "**Covenant**"), and Headwaters at Barton Creek Development Area Declaration [*Residential*], recorded in the Official Public Records of Hays County, Texas (the "**Development Area Declaration**") and made subject to the Covenant through one or more Headwaters at Barton Creek Notices of Applicability [*Residential*], recorded in the Official Public Records of Hays County, Texas (the **"Notice(s) of Applicability"**). The identified Development Areas are subject to the terms and provisions of these Modification Design Guidelines. The Covenant and each Development Area Declaration includes provisions governing the construction of improvements and standards of maintenance, use and conduct for the preservation of the Headwaters community.

B. Headwaters Reviewer and Modification Review Authority

The Headwaters Reviewer is WFC Headwaters Owner VII, L.P., a Delaware limited partnership (the "**Declarant**") or its designee. Declarant has a substantial interest in ensuring that improvements within the Headwaters development maintain and enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market and sell all or any portion of the community, and as a consequence thereof, the Headwaters Reviewer acts solely in Declarant's interest and shall owe no duty to any other Owner or to the Headwaters Residential Master Community, Inc., a Texas nonprofit corporation (the "**Association**").

Article 6 of the Covenant includes procedures and criteria for the construction of improvements within the Headwaters community. *Section 6.4.2* of the Covenant provides that the Headwaters Reviewer may adopt Design Guidelines to govern the standards for design, construction of Improvements, landscaping, and the placement of exterior items within Headwaters which may consist of multiple written design guidelines applying to all or specific portions of the Development. These Modification Design Guidelines shall constitute "Design Guidelines" as such term is defined and used in the Covenant. *Section 3.01* of each Development Area Declaration provides that any and all improvements must be erected, placed, constructed, painted, altered, modified or remodeled in strict compliance with the requirements of the Design Guidelines, and *Section 6.4.1* of the Covenant and *Section 3.01* of the Development Area Declaration provides that no improvements may be constructed without the prior written approval of the Headwaters Reviewer.

These Modification Design Guidelines have been adopted by the Headwaters Reviewer and will apply only to Lots within the Development Area encumbered by the Development Area Declaration. Supplements to these Modification Design Guidelines may be adopted for specific Development Areas within the Development. Each supplement shall be in addition to the terms and provisions of the Modification Design Guidelines. In the event of a conflict between the terms and provisions of any supplement to these Modification Design Guidelines and these Modification Design Guidelines, the terms and provisions of the supplement will control.

II. Governmental Requirements

Governmental ordinances and regulations are applicable to all Lots within Headwaters, including, but not limited to federal, state, county and local requirements, AND universal building codes, if adopted. In addition, each Owner must comply with the requirements of the Development Agreement. It is the responsibility of each Owner to obtain all necessary permits and inspections. Compliance with these Modification Design Guidelines is not a substitute for compliance with the applicable ordinances and regulations. Please be advised that these Modification Design Guidelines do not list or describe each requirement that may be applicable to a Lot within Headwaters. Each Owner is advised to review all encumbrances affecting the use and improvement of their Lot prior to submitting plans to the Headwaters Reviewer for approval. Furthermore, approval by the Headwaters Reviewer should not be construed by the Owner that any Improvement complies with the terms and provisions of all encumbrances that may affect the Owner's Lot.

The Headwaters Reviewer shall bear no responsibility for ensuring plans submitted to the Headwaters Reviewer comply with any applicable building codes, zoning regulation and other government requirements, including but not limited to the Development Agreement. It is the responsibility of the Owner to secure any required governmental approvals prior to construction on such Owner's Lot.

III. Interpretation

In the event of any conflict between these Modification Design Guidelines and a Development Area Declaration, the Development Area Declaration shall control. Capitalized terms used in these Modification Design Guidelines and not otherwise defined in this document shall have the same meaning as set forth in the Covenant and/or a Development Area Declaration.

IV. Amendments

The Headwaters Reviewer may amend these Modification Design Guidelines. All amendments shall become effective upon recordation in the Official Public Records of Hays County, Texas. Amendments shall not apply retroactively so as to require modification or removal of work already approved and completed or approved and in progress. It is the responsibility of each Owner to ensure that they have the most current edition of the Modification Design Guidelines and every amendment thereto.

V. Architectural Review Overview

A. Objective

The objective of the review process is to promote aesthetic harmony in the community by providing for compatibility of specific designs with surrounding buildings, the environment and the topography to protect, maintain, and enhance values and a sense of place. The design concepts and implementation techniques set forth in these guidelines are not meant to discourage unique design solutions, rather they embody the intent of the design and standards for Headwaters. The review process strives to maintain objectivity and sensitivity to the individual aspects of design.

B. Responsibility for Compliance

An applicant is responsible for ensuring that all of the applicant's representatives, including the applicant's architect, engineer, contractors, subcontractors, and their agents and employees, are aware of these Modification Design Guidelines and all requirements imposed by the Headwaters Reviewer as a condition of approval.

C. Submittals, Approval and Review Fees

Requests for approval of proposed Improvements, landscaping, or exterior modifications must be made by submitting the information and materials outlined in the Plan Review Process, set forth herein. No Improvements may be commenced until the Owner has received a written "Approval" from the Headwaters Reviewer. The Headwaters Reviewer may adopt a schedule of fees for plan review.

D. Inspection

Upon completion of all approved work, the Owner must notify the Headwaters Reviewer. The Headwaters Reviewer may inspect the work at any time to verify conformance with the approved submittals.

VI. Architectural and Aesthetic Standards

A. Porches & Entries

- The incorporation of covered front porches into front elevations are encouraged.
- Front porches are encouraged to have a minimum depth of eight feet (8′), but ten feet (10′) is preferred. Wrap around porches shall be a minimum of five feet (5′).
- Front porches shall span a minimum of fifty percent (50%) of the non-garage elevation of the home.
- Porch floors shall be constructed of cast-in-place concrete and may be left with their natural finish, enhanced with salt finish, or clad in approved masonry material. Wood porch decks are also allowed and encouraged.
- Porch posts and railings should have simple detailing appropriate to the overall architectural style.
- Columns, posts, railings and trim details may be either wood or composite material. PVC is prohibited.
- Exposed rafters are encouraged at porches. Where exposed rafters are used, porch roof decking must be of 1x6 wood tongue and groove material with a painted or stained finish. Exposed O.S.B. or plywood are not permitted.

B. Windows

- Windows shall be double pane insulated glass in aluminum clad wood, wood with painted or stained finish, or vinyl. Aluminum windows are not allowed.
- Clear glass on front elevations is acceptable.
- Window lite patterns 2 over 2, 2 over 1, and clear glass are acceptable. Other window lite patterns may be permitted subject to review and approval of the Headwaters Reviewer.
- Arch-top windows and other openings are inappropriate for this architectural style.

C. Doors & Entries

- Entrance doors shall be compatible with the design and color scheme of the home, and made of either solid wood or composite material with a stained or painted finish. Metal doors are not permitted.
- Sidelites and transom windows are encouraged, but their finish must match that of the main door.
- Ornate glass inserts are not allowed.
- Glazing pattern shall be either a single lite, or a divided lite pattern.
- Arch-top doors and other openings are incompatible with the overall architectural character of the community and are not permitted.
- Height of entry doors shall be a minimum of eight feet (8′).
- Door glass, sidelites and/or transom windows are encouraged.
- Sliding patio doors are permitted on rear elevations only. Doors that open onto a side porch facing a corner or open space Lot must be traditional swinging doors.

D. Garages

- Garage doors shall be compatible with the overall design and color scheme of the home, and made of either solid wood, composite material, or painted metal. Garage doors must be finished to compliment the color scheme of the home.
- Glass inserts are encouraged.

E. Shutters

- Painted wood or fiberglass shutters of simple traditional design are permitted subject to review and approval of the Headwaters Reviewer.

- The width and height of the shutters must correspond to the dimensions of the window – i.e. single shutter equals the width of the window for narrow windows, and each panel in a pair of shutters is equal to one-half (½) the width of the window.

- Shutters are not required to be operable, but good quality hardware should be provided to create the impression of an operable shutter.

- Decorative iron or metal panels that attempt to mimic shutters are not permitted.

- Shutters with decorative cutouts or other unnecessary ornamentation are not permitted.

F. Roof & Miscellaneous Details

- Simple gable and shed roofs are defining elements of the overall architectural character of the community and are strongly encouraged. Gambrel, mansard, and flat roofs are prohibited. Front and side hip roofs are only allowed with approval of the Headwaters Reviewer on a case by case basis.

- Roof slopes should be consistent, with the preferred pitch for the primary roof elements being 8:12. Roof pitch can range from 6:12 to 12:12. Secondary roof elements such as porches and shed dormers shall be no lower than 3:12.

- Exposed rafter tails are encouraged, and where used, the decking above must be of James Hardie decking products, 1x6 T&G wood decking, or other finish material only if approved in advance and in writing by the Headwaters Reviewer. Exposed OSB or plywood is not permitted.

- Rain gutters shall be seamless aluminum finished to match the color scheme of the home. Half-round gutters of prefinished metal to match approved metal roofing colors, galvanized metal or copper are permitted as well.

- Vinyl gutters are not permitted.

- Acceptable roofing materials include architectural dimensional fiberglass or asphalt shingles, and standing seam metal roofing systems in approved finishes.

G. Screen Enclosures, Decks and Patio Covers

- Screened enclosures, decks and patio covers shall be permitted on the rear of a home, subject to review and approval by the Headwaters Reviewer.

- The roof of patio covers and enclosures must match the main structure in color and style.

- Pre-manufactured patio covers/enclosures are not allowed.

- Screened enclosures and patio covers must be permanent in nature – no temporary structures will be permitted.

- Elevated wood decks are permitted. If the deck is four feet (4′) or more above finished grade, approved skirt material shall be used.

- Approved skirting material for elevated decks include finish grade 1x or 2x lumber stained or painted to compliment the deck and/or the color scheme of the home.

- Pre-manufactured wood or vinyl lattice panels are prohibited.

H. Finish Materials

- Permitted masonry finishes include natural stone veneer, cultured stone, and painted brick. Permitted non-masonry finish materials include James Hardie vertical board and batten siding products or James Hardie horizontal lap siding products, and traditional three-coat stucco. All other masonry or non-masonry finish materials may be used only if approved in advance and in writing by the Headwaters Reviewer.

- Primary finish materials on any front elevation shall not exceed two (2) material types. More than two (2) material types may be permitted subject to review and approval of the Headwaters Reviewer.

- Full height masonry is acceptable.

- Vinyl siding is prohibited. Metal cladding shall be permitted in limited areas on facades as an architectural accent, and is subject to approval on a case-by-case basis.

- Composite porch posts/columns and trim details are permitted upon review and approval by the Headwaters Reviewer.

- More than two (2) finished materials on the body of any elevation will be reviewed by the Headwaters Reviewer on a case by case basis.

- Stone and painted brick are not permitted to be used together on the same home.

- Finish materials on the front elevation shall return along the side elevations to a building offset or to a minimum dimension of four feet (4′) where an offset is not present.

- Stucco shall be integral color and have a light sand finish. Heavy trowel textures are not permitted.

- Prohibited Elements:

  - Highly reflective finishes on exterior surfaces (other than non-mirrored glass or on surfaces of hardware fixtures).
  - Mirrored glass.
  - No vivid/bright colors.
  - Concrete block.
  - Exterior solar shades.

I. Accessory Structures

Accessory structures such as screened enclosures, cabanas, garden buildings, detached garages, storage buildings or guesthouses (which are in compliance with the Development Area Declaration) are permitted if approved in advance by the Headwaters Reviewer.

- Permitted Structures. Such accessory structures must be constructed with colors similar to the primary residence, neutral, or earth tone colors, including the roof (as determined by the Headwaters Reviewer).

- Variances. The Headwaters Reviewer may, at its sole discretion, approve variances on an individual basis.

J. Roofs and Chimneys

Vents or skylights facing the street are prohibited.

K. Driveways

The driveway approach (to the front property line) and pedestrian sidewalk located within the public Right of Way shall be broom finished concrete. Standard paving for driveways is broom finished concrete. Upgraded finishes such as pervious concrete, stone borders, concrete pavers and salt finish are encouraged subject to the review and approval of the Headwaters Reviewer. Asphalt driveways are not allowed.

L. Garages

Carports are prohibited.

M. Exterior Lighting

Headwaters is a dark sky compliant community. Exterior lighting must be approved in advance by the Headwaters Reviewer.

- Brightness. Exterior lights shall be night sky compliant hooded and downward-shielded. Exterior lights whose direct source is visible from a street or neighboring property or which produces excessive glare to pedestrian or vehicular traffic will not be allowed. Exterior mounted lamp housings must shield lamp [maximum seventy-five (75) watts] from view and the direct

light. Housing must be at least eight inches (8″) long, extend at least three inches (3″) beyond lamp and have a maximum angle from the wall of the structure of thirty degrees (30°). Decorative or lantern fixtures shall have a maximum of forty-five (45) watts per fixture.

- Number. The number of exterior light fixture for the home and the landscape may be limited in order to prevent excessive lighting. When the lighting is being installed on the site, a night time inspection and written approval by a representative of the Headwaters Reviewer may be required prior to final installation.

- Prohibited Elements:

  - Use of other than white or color corrected high intensity lamps and exterior lights (except holiday lighting that may not be installed more than twenty-one (21) days before a holiday and must be removed no more than fourteen (14) days after the holiday).
  - Exterior lights the color of which exceeds 3200k.
  - Sodium, mercury vapor, or bare HID yard lights.

N. Address Markers and Mailboxes

Address markers must be readily visible from the street. The painting of addresses on the curb is not allowed. Centralized mailbox units will be provided in the community for mail pick-up and delivery.

O. Solar Energy Devices

The requirements for the installation of Solar Energy Devices are set forth in the Development Area Declaration.

P. Satellite Dishes

The requirements for the installation of Satellite Dishes are set forth in the Development Area Declaration.

Q. Pool Equipment, and Noise-generating Equipment Screening

Compressors, pool equipment, and any noise-generating equipment shall be enclosed by a structural screening element constructed of materials approved by the Headwaters Reviewer.

R. Impervious Cover

As set forth in the Covenant, the maximum impervious cover percentage shall not exceed fifty percent (50%) of the Lot surface area. Surfaces considered pervious are outlined in the Development Agreement with the City of Dripping Springs.

S. Aesthetic Appeal

The Headwaters Reviewer may disapprove the construction or design of any Improvement on purely aesthetic grounds. Any prior decisions of the Headwaters Reviewer regarding matters of design or aesthetics shall not be deemed to have set a precedent if the Headwaters Reviewer feels that the repetition of such actions would have any adverse effect on the community.

VII. Landscape Guidelines

A. Landscape

Landscaping is a critical design element. Landscape design, from its inception, should be integrated into the design of the home. In order to align with the architectural style outlined in these guidelines, new planting compositions should employ simple plant massing and a limited palette of plant types in order to build unity and cohesiveness.

Because many homes in Headwaters back to natural open spaces, the preservation and restoration of the native landscape within the rear yard is strongly encouraged. The following guidelines and suggested plant materials are intended to provide for a community wide landscape that will foster preservation of the native landscape, conserve resources and create defined and aesthetically pleasing environment.

General landscaping guidelines for each Lot are set forth below. All landscape areas at the front of the home and side yards adjacent to or visible from a public street or open space access are to be fully planted as mulched landscape beds or sodded turf areas. All rear yards and non-visible side yards may be sodded turf, mulched plant beds, preserved native areas, or restored native areas. Notwithstanding the subsequent provisions, the installation of native or drought-resistant landscaping or water-conserving turf on a residential lot, which is a landscaping procedure known as xeriscaping ("**Xeriscaping**") will be allowed in certain instances in accordance with that certain Xeriscaping provision set forth in the Development Area Declaration. All landscapes and landscaping must be approved in writing by the Headwaters Reviewer prior to installation.

- Plans. Detailed landscape plans for each Lot must be submitted to the Headwaters Reviewer for consideration at least thirty (30) days before installation is planned. No significant (*i.e,* major changes in the plant list, plant and plant bed locations, plant count, hardscape design, materials) revisions may be made to approved plans without submission to, and further approval by the Headwaters Reviewer of the revised plans. Landscape plans must include vegetative screening for above ground utility connections visible from the street or adjacent properties. Hardscape elements in the landscaping must be in scale with the home and associated structures.

- Materials. All introduced vegetation shall be trees, shrubs, vines, ground covers, seasonal flowers or sodded grasses that are commonly used in Central Texas for landscaping purposes and that are approved by the Headwaters Reviewer. An emphasis should be placed on utilizing native plants that are drought tolerant as well as deer resistant. A minimum of over six inches (6″) of topsoil is required for all shrub and bed areas. Turf grass shall have a minimum of four inches (4″) of native topsoil or improved soil. Caliche is not considered soil. An Owner must plant grass within three (3) days after topsoil for planting grass has been delivered to the Lot.

- Street Trees. Street trees shall be a minimum trunk caliper of three inches (3″) [measured at four feet (4′) above the ground elevation] and other Lot Trees shall be a minimum caliper of two inches (2″). The species of tree shall conform to the original species planted.

- Installation and Maintenance. Modifications of existing landscaping must be completed within fourteen (14) days of commencement. Extensions to the time limit may be granted by the Headwaters Reviewer but may require an additional deposit. After installation, landscaping (including temporary landscaping) shall be properly maintained at all times.

- Gardens; Sculptures and Fountains. Any Owner who wishes to plant one or more gardens upon their Lot must obtain the approval of the Headwaters Reviewer. Sculptures and fountains are subject to approval by the Headwaters Reviewer.

- Reservation of Future Approvals. The Headwaters Reviewer reserves the right to require additional landscaping for pools, cabanas and other hardscape elements that may be constructed after completion of the residence and associated landscaping.

- Prohibited Elements.

  - Rock other than crushed granite as a ground cover (unless approved in advance by the Headwaters Reviewer).
  - St. Augustine Grass.

B. Tree Protection

Protection and preservation of trees is of significant importance to the aesthetics of the community and the environment of Headwaters.

- Protective Fencing. Whenever possible and economically feasible, all trees should be preserved and protected during construction with protective fencing.

- Tree Removal. As used herein, the "Building Envelope" shall be defined as the area of the Lot that is allowed for construction of improvements as defined by the setbacks of the Lot. A "Specimen Tree" is defined as a tree that is healthy and with a uniform canopy, excluding Junipers and Mesquite. In the area outside the Building Envelope, a Specimen Tree that is nine inches (9") or larger in diameter measured twenty-four (24") off the ground must be flagged and approved in writing by the Headwaters Reviewer prior to removal.

- Oak Wilt. Sound horticultural practices, as recommended by the Texas Forest Service, are required to prevent the establishment or spread of oak wilt. Specific requirements include:

  - Tree pruning tools and blades shall be sterilized prior to and between cutting any oak trees.
  - Oak tree pruning is not allowed from February 1st to June 15th.
  - Pruned trees and/or wounds shall be immediately protected with tree paint (approved example: Treekote Tree Compound).
  - All firewood shall be covered.

C. Irrigation

- Full Yard Requirements. Full yard programmable irrigation systems may be installed on all Lots and all irrigation systems must be installed and maintained pursuant to any state or local water requirements, including any applicable Texas Commission on Environmental Quality (**"TCEQ"**) regulations. Owners are encouraged to install a separate irrigation water meter so that such irrigation use is billed separately from other wastewater consumption.

- Backflow Prevention Device. Each Owner is advised that TCEQ regulations require the installation of a backflow prevention device at any connection to a public drinking water supply.

If a backflow prevention device is required, the Owner will be obligated to have performed a yearly inspection by a licensed TCEQ Backflow Prevention Assembly Tester.

- Drip Systems. The use of drip irrigation is encouraged. Irrigation sprinkler systems must use heads that emit large drops rather than a fine mist. All irrigation systems shall be zone based on plant watering requirements.

- Drought Management Plans. Drought management plans may be implemented, as necessary, by the Headwaters Reviewer.

D. Landscape Inspection

The Headwaters Reviewer may, upon the Owner's completion of the installation of landscaping, conduct an on-site inspection of the property to ensure compliance with the approved plan.

E. Drainage

There shall be no interference with the established drainage patterns except by Declarant, unless adequate provision is made for proper drainage and such provision has been certified by a professional engineer and approved in advance by the Headwaters Reviewer.

- Site Drainage. Responsibility for proper site drainage rests with the Owner. Each Owner is solely responsible for correcting any change in water flow or drainage caused by the construction of Improvements on such Owner's Lot.

- Area Drains. No area drains are allowed to extend through the curb, and any area drain opening must be behind the curb within the Lot and cannot extend to the street or right-of-way.

F. Fencing and Walls

The materials, height, location and construction of all fences must be approved in advance by the Headwaters Reviewer.

- Lot Fencing. Courtyard walls that are architectural walls and designed for individual house plans will be considered for approval by the Headwaters Reviewer.

- Retaining Walls. All retaining wall plans over four feet (4′) tall or within any right-of-way must be submitted to the Headwaters Reviewer for consideration and must be constructed in accordance with stamped engineered plans by a licensed engineer.

- Plans. Plans submitted for fences or walls must be drawn on an accurate copy of the site plan.

- View Fencing. All view fencing must utilize a Montage six feet (6′) high, three (3) rail, flush bottom, black ornamental iron fence, or equal following the topography of the run without columns along the rear property line.

- Standard Wood Fencing. All fencing between Lots must be Good Neighbor-style wood fencing. Good Neighbor fencing is defined as 1x6 – six foot (6′) wood fencing with "dog ears" that alternates the side the panel faces every eight feet (8′). Fences shall utilize 4″x 4″ metal, cedar or

treated pine posts and must have at least three (3) 2x4 horizontal rails of cedar or treated pine for attaching the pickets. All wood material to be #2 or better. Fencing to follow the topography of the run.

- Upgraded Wood Fencing. Fence returns between homes and side lot fencing on corner lots require an upgraded wood fence. This fence has 1x6 western cedar pickets that are six feet (6′) tall, with a 2x6 cedar cap with forty-five degree (45°) joints on 4x4 metal, cedar or treated pine posts with three (3) 2x4 cedar or treated pine rails. Fence to follow the topography of the run.

- Setbacks. The side yard fence at the point where it connects to the home (the "return") must be setback a minimum of four feet (4′) from the front corner of the home and a minimum of one-third (1/3) the depth of the side of the home and shall fence out utility meters and enclose the AC compressor (if applicable). All side yard return fences must be installed so that they are perpendicular to the home unless circumstances on site dictate otherwise. Return fences must be installed so that all pickets are facing toward the street and no fence rails are seen from the street.

- Obstruction of Site-Lines Prohibited. No fence, wall or hedge or shrub planting that obstructs sight lines at elevations between three feet (3′) and six feet (6′) above the roadway shall be allowed on any corner Lot within the triangular area formed by the street right-of-way lines and a line connecting them at points ten feet (10′) from the intersection of the street right-of-way lines, or in the case of a rounded property corner, from the intersection of the street right-of way lines, as extended. The same sight-line limitations apply to a Lot within ten feet (10′) from the intersection of a street right-of-way line with the edge of a private driveway or alley pavement. No tree shall be permitted to remain within such distance of such intersections unless the foliage line is maintained at a sufficient height to prevent obstruction of such sight-lines.

- Stain. All wood fences may only be stained using a stain that is approved in advance by the Headwaters Reviewer. Any part of the fence that is visible from any street shall be routinely re-stained [no less than every four (4) years] utilizing Cumberland Brown stain, manufactured by Wood Defender and the Headwaters Review and/or the Association shall have the right to re-stain such visible portion of the fence and charge the expense to the Owner pursuant to the terms and provisions of the Covenant.

- Prohibited Elements:

  - Shadowbox or "Pallet" type fencing.
  - Fencing of front yards.
  - Solid walls enclosing an entire site.

G. Pools, Spas and Hot Tubs

A Modification Design Review Application, as defined in *Article VIII* hereinbelow, must be submitted to the Headwaters Reviewer in conjunction with the review of any application for any proposed swimming pool, spa, or hot tub. The materials, location and construction of all pools, spas and hot tubs must be approved in advance by the Headwaters Reviewer.

- In Ground. Swimming pools and accompanying spas shall be in-ground, or a balanced cut and fill, and shall be designed to be compatible with the site and the dwelling. All exposed concrete

on "Infinity Edge" swimming pools must be properly screened through the use of landscaping and no more than three (3) feet of exposed concrete may be visible. Self-contained above-ground hot tubs require approval by the Headwaters Reviewer.

- Screening; Fencing. Screening, fencing, security and maintenance are required of all swimming pools, spas and hot tubs. Additional fencing, if any is proposed in addition to the yard fencing, and/or walls around the swimming pool, spa or hot tub must be approved in advance by the Headwaters Reviewer and integrated into the design of the dwelling and site. Fences must meet all governmental regulations and no pool, spa, hot tub or other similar water containing basin shall be filled with water until proper fencing is installed.

- Plans. The swimming pool, spa or hot tub plan must be drawn on a copy of an accurate site plan and shall include specific indications of distances from the water containing basin(s) and surrounding slab walks to the lot lines and building setbacks.

- Backwash. Unless otherwise expressly approved by the applicable governmental agency or utility service provider, backwash from a swimming pool, spa or hot tub drain with a backwash filtering system must be contained within the Lot on which the swimming pool, spa or hot tub has been constructed and is not permitted to be discharged into any street, adjoining Lot or drainage easement.

- Construction Deposit. A construction deposit is required for all swimming pool, spa or hot tub construction in an amount to be determined from time to time by the Headwaters Reviewer or the Board.

- Lot Access. No access across another Lot or greenbelt/open space area for the purpose of building or maintaining a swimming pool, spa or hot tub is permitted without the prior written approval of the other property owner or the Headwaters Reviewer in the case of greenbelts/open spaces.

H. Playscapes, Trampolines and Sport Courts

Playscapes, recreational or sport courts and trampolines must be approved in writing by the Headwaters Reviewer prior to the commencement of construction or placement. Portable basketball goals are permitted provided they are stored out of view when not in use. All portable basketball goals must be maintained in good condition and repair.

- Features. If allowed, these facilities must be properly sited and screened so as to minimize the visual and audio impact of the facility on adjacent properties. Special attention will be placed on color schemes and on the visibility of the equipment from the street and neighboring Lots.

- Plans. Plans for playscapes and sport courts must be drawn on an accurate copy of the site plan and must include proposed screening.

- Prohibited Elements.

  - Direct or indirect lighting of the playscape, trampoline or sport court.
  - Netting enclosures (except safety netting around a trampoline). Playscapes and sport courts may not be lighted or enclosed with netting.

VIII. Plan Review Process

The construction or installation of any improvements, changes to existing improvements, or the reconstruction of improvements, will require the submission of the "**Modification Design Review Application**" attached hereto as **Exhibit "A"** along with plans and specifications for approval of the Headwaters Reviewer before any such construction or installation activity is commenced. The Headwaters Reviewer may waive plan and specification requirements for certain modifications or improvements at its discretion.

The Headwaters Reviewer will attempt to review all Modification Design Review Applications and submittals within thirty (30) days after submission. Please plan construction activities to allow sufficient time for submittals and review as outlined above, and for obtaining Final Approval prior to commencement.

IX. General

A. Material and Equipment Storage

All construction materials and equipment shall be neatly stacked, properly covered and secured. Any storage of materials or equipment shall be the Owner's responsibility and at their risk. Owners may not disturb, damage or trespass on other Lots or adjacent property.

B. Insurance

The Headwaters Reviewer may require an Owner to procure adequate insurance during construction naming the Association, the Declarant and the Headwaters Reviewer as additional insureds in an amount to be determined, from time to time, by the Headwaters Reviewer.

C. Site Cleanliness

During the construction period, each construction site shall be kept neat and shall be properly policed to prevent it from becoming an eyesore.

- Fencing. Brightly colored construction fence must be installed before the start of construction on all side lot lines where a home is being constructed next to an existing occupied home.

- Trash Containers. Owners shall clean up all trash and debris on the construction site. Trash and debris shall be removed from each construction site on a timely basis. The Headwaters Reviewer will have the authority to require that one (1) dumpster be provided.

  Trash receptacles must be emptied periodically and will not be permitted to overflow. Chain link fencing is not an acceptable enclosure material for temporarily containing trash. Lightweight material, packaging and other items shall be covered or weighted down to prevent wind from blowing such materials off the construction site.

- No Dumping or Burning. **The dumping, burying or burning of trash is not permitted anywhere in Headwaters.**

- Heavy Equipment and Debris. When moving heaving equipment, precautions must be taken to prevent damage to pavement, curbs, and vegetation. Track loaders are not to be operated on paved or concrete surfaces. Mud, direct and other construction debris that is tracked off the construction site shall be cleaned on a daily basis. Skid steer loaders are not to be used to clean the streets by scraping them.

Instrument # 17025706 Number: 20 of 23 Filed and Recorded: 7/26/2017 11:49 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $114.00 Deputy Clerk: KHOBBS

EXHIBIT "A"

MODIFICATION DESIGN REVIEW APPLICATION

[Application Follows]

Instrument # 17025706 Number: 21 of 23 Filed and Recorded: 7/26/2017 11:49 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $114.00 Deputy Clerk: KHOBBS

HEADWATERS
DRIPPING SPRINGS, TX

Headwaters Reviewer
Modification Design Review Application

Date: _____

Owner's Name: _____

Address: _____ Phone: _____

Email Address: _____

Detailed description of alteration and materials to be used:

_____

_____

_____

(If additional space is needed, please attach to this form)

This Modification Design Review Application (this "**Application**"), for any Improvement, which occurs outside the exterior walls of the residence, **must** be accompanied by a copy of the Lot survey, a detailed rendering which includes the location, size, and type of Improvement(s), along with *(if applicable)* the contractor's contact information, and a site plan which outlines style, color, height, and any additional information pertinent to the approval of this Application.

Please refer to the Headwaters Modification Design Guidelines for details regarding applicable standards and restrictions. The Modification Design Guidelines are available at www.myheadwaters.com or may be viewed at the Hub at HW Central.

The Headwaters Reviewer shall have up to thirty (30) days to review and respond to any completed Application. An approval or denial letter shall be mailed to the Owner's address on file.

Note: Do not begin or contract for any work to be done prior to the receipt of the approval letter from the Headwaters Reviewer.

After approval of this Application, construction must be commenced within one hundred eighty (180) days and completed within twelve (12) months from the date of the approval. If the approved construction is not completed within twelve (12) months, another Application must be submitted and approved.

If approval is granted, it is not to be construed to cover the approval of any County or City code requirements. A building permit from the appropriate building department is needed on most property alterations and improvements. The Headwaters Reviewer shall have no liability or obligation to determine whether such improvement, alteration, addition, or otherwise complies with any and all Federal, State, County, or City applicable laws, rules, regulations, codes, or ordinances.

As a condition precedent to granting approval of any request for a change, improvement, alteration, or addition to an existing basic structure, the Owner, and its assigns, shall hereby assume sole responsibility for the repair, maintenance, or replacement of any such change, alteration, improvement, or addition.

It is understood and agreed that the Headwaters Reviewer is not required to take any action to repair, replace, or maintain any such approved change, alteration, improvement, or addition, of any structure or any other property. The Owner, and its assigns, assumes all responsibility and cost for any addition or change and its future upkeep and maintenance.

Owner Signature:_____ Date: _____

Please mail your completed Application along with the outlined application fee *(see schedule below)* to the Headwaters Reviewer or drop it off at the Manager's office as follows:

Headwaters Reviewer
12600 Hill Country Blvd., Suite R-275
Austin, TX 78738

Applications submitted by Owners will not be considered if: (i) there are outstanding restriction violations; (ii) delinquent amounts are due; (iii) the Application is not complete; and/or (iv) the application fee is not included.

Application fees must be paid by check or money order and made payable to the Headwaters Residential Master Community, Inc.

Application Fee Schedule

- **Major Modification $250.00 Processing Fee and $250 Deposit (payable to Headwaters)**
  Major modifications include, but are not limited to:

  ☐ Pool/spa
  ☐ Porch/patio
  ☐ Cabana, gazebo, storage building
  ☐ Outdoor kitchen
  ☐ Water feature
  ☐ Room addition
  ☐ Other: Subject to Review

Headwaters Reviewer
Office Use Only:

Date Submitted: _____

Check No.: _____

☐ APPROVED

☐ APPROVED WITH CONDITIONS: *(Explanation of Conditions)* _____

_____

_____

☐ DENIED: *(Explanation of Denial)* _____

_____

_____

Authorized Signature of Headwaters Reviewer: _____ Date: _____

4824-3082-7078v.9 ©57672-1 7/10/2017

Instrument # 17025706 Number: 23 of 23Filed and Recorded: 7/26/2017 11:49 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $114.00 Deputy Clerk: KHOBBS

Instrument # 17025707 Number: 1 of 26 Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

AFTER RECORDING RETURN TO:
Robert D. Burton, Esq.
Winstead, PC
401Congress Ave., Suite 2100
Austin, Texas 78701
Email: rburton@winstead.com

HEADWATERS AT BARTON CREEK

FIRST SUPPLEMENT TO COMMUNITY MANUAL

WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership, is the Declarant under that certain Headwaters at Barton Creek Master Covenant [Residential] recorded as Document No. 201616015124, Official Public Records of Hays County, Texas (the "**Master Covenant**"). The Declarant previously adopted and recorded that certain Headwaters at Barton Creek Community Manual as Document No. 201616015181, Official Public Records of Hays County, Texas (the "**Community Manual**"). Pursuant to *Article I* of the Master Covenant, Declarant reserved the right to amend the Community Manual during the Development Period (as defined in the Master Covenant). The Development Period has not yet expired.

IN WITNESS WHEREOF, the undersigned has executed this First Supplement to Community Manual 19th day of July, 2017.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: Jesse R Baker
Title: Authorized Signatory

Instrument # 17025707 Number: 2 of 26 Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

THE STATE OF MASSACHUSETTS §
§
COUNTY OF SUFFOLK §

This instrument was acknowledged before me this 19th day of July, 2017 by Jesse R. Baker, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said companies and partnership.

Kiersten P. Jester
Notary Public Signature

(SEAL)

KIERSTEN P. JESTER NOTARY PUBLIC COMMONWEALTH OF MASSACHUSETTS MY COMMISSION EXPIRES 03-22-24

Cross-reference to Headwaters at Barton Creek Master Covenant [Residential] recorded as Document No. 201616015124, Official Public Records of Hays County, Texas as the same may be amended from time to time; and that certain Headwaters at Barton Creek Community Manual recorded as Document No. 201616015181, Official Public Records of Hays County, Texas, as the same may be amended and supplemented from time to time.

Instrument # 17025707 Number: 3 of 26 Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

HEADWATERS AT BARTON CREEK

FIRST SUPPLEMENT TO COMMUNITY MANUAL

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Instrument # 17025707 Number: 4 of 26 Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

ATTACHMENT 10

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

COMMUNITY FACILITIES RULES

Terms used but not defined in these Rules will have the meaning subscribed to such terms in that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time.

ARTICLE 1
PURPOSE

The purpose of these rules is to define the policies, procedures and rules for use of facilities managed by the Headwaters Residential Master Community Association, Inc. (these "**Community Facilities Rules**"). These Community Facilities Rules are designed to ensure all Headwaters community facilities (the "**Community Facilities**"), are fun, safe, and sanitary areas for the enjoyment of Owners, Occupants and their guests, and Homebuilders. The Board is responsible for adopting all Rules related to the Community Facilities. The Board reserves the right to modify or amend these Community Facility Rules at any time. The Association, Management Staff and Board retain the right to enforce the Community Facilities Rules. Any questions as to the meaning of any part of these Community Facilities Rules, including any attached addendums and policies, shall be submitted to the management company, including its employees and agents (collectively, the "**Management Staff**").

ARTICLE 2
COMMUNITY FACILTIES ACCESS

2.1 **Owner Access Rights**. Only Owners in "**Good Standing**" with the Association will be granted access rights to the Community Facilities. As used herein, "Good Standing" shall be defined as meeting each of the following requirements:

(i) All Assessments, fees and/or fines posted to an Owner's account are current;

(ii) An Owner's Lot or Condominium Unit is in compliance and free of violations as determined by the Association, in its sole discretion; and

(iii) An Owner does not have current or pending litigation with the Association.

An Owner in Good Standing who leases their residence or Condominium Unit may assign their access rights to the Community Facilities to their designated tenant ("**Tenant**"). An Owner may not hold access rights to the Community Facilities during the same time period in which such access rights are assigned to a Tenant.

2.2 **Tenant Access Rights**. If the Owner of a leased residence or Condominium Unit is not currently in Good Standing, the Tenant's access rights to Community Facilities may be suspended or terminated as set forth in *Article 9* of these Community Facilities Rules. A Tenant, who acquires Resident Identification as defined in *Section 2.5* of these Community Facility Rules, shall be entitled to the same access rights to the Community Facilities as an Owner.

2.3. **Guests Access Rights**. All guests must be accompanied by an Owner or Tenant in order to use the Community Facilities. A guest who is an immediate family member of an Owner or Tenant, who does not live in the Headwaters community, does not need to be accompanied by an Owner or Tenant if written notification was provided to the Management Staff at least forty-eight (48) hours in advance noting the time period of the stay, that the family member resides outside of Hays County, and the full name and contact information for the family member. No more than five (5) guests per Owner or Tenant residence or Condominium Unit are allowed to use the Community Facilities at one time, unless otherwise approved by the Board. All Owners or Tenants utilizing nannies or babysitters shall notify the Management Staff prior to usage of the Community Facilities with a Resident Identification as defined in *Section 2.5* of these Community Facility Rules. Notwithstanding the foregoing, Declarant shall be permitted to provide guest access from time to time, in its sole and absolute discretion.

2.4. **Homebuilders Access Rights**. Homebuilders are entitled to receive access rights to the Community Facilities based on the number of Lots and/or Condominium Units owned within the Headwaters community as of January 1st of each calendar year.

2.5 **Resident Identifications and Daily Passes**.

2.5.1 Issuance.

(i) Electronic identification cards, fobs, or other forms of identification (the "**Resident Identifications**") shall be issued by the Association. Two (2) Resident Identifications will be issued to Owners and Tenants for each residence or Condominium Unit. Homebuilders may be issued five (5) Resident Identifications annually for each set of one hundred (100) Lots or Condominium Units owned within the Headwaters community. Additionally, Homebuilders may be issued one (1) daily pass for each set of four (4) Lots or Condominium Units owned within the Headwaters community. Homebuilders may transfer daily passes without further approval from the Management Staff.

(ii) Prior to receiving Resident Identifications, the following requirements shall apply:

(a) Owners and Tenants. Owners and any Tenants shall provide to the Management Staff proof of residency and submit a completed Community Facilities Registration Form and Usage Release Agreement attached hereto as **Addendum A**. Any Tenants shall also provide a copy of their current lease agreement and must have the Community Facilities Registration Form and Usage Release Agreement countersigned by the Owner of the Lot or Condominium Unit. Tenants must provide to the Management Staff a new Community Facilities Registration Form and Usage Release Agreement and current lease agreement at the end of each lease term.

(b) Homebuilders. Homebuilders shall provide to the Management Staff the names of the specific persons who will have access rights to the Community Facilities and submit a completed Community Facilities Registration Form and Usage Release Agreement.

2.5.2 Purchase of Additional Resident Identifications.

(i) A maximum of two (2) additional Resident Identifications can be purchased by Owners and Tenants for additional persons who provide proof of residency within the same residence or Condominium Unit. Acceptable forms of identification for proving residency will be determined by Management Staff and outlined on the Association's website. The fees for additional or replacement Resident Identifications will be outlined on the Association's website. Homebuilders may purchase additional daily passes as outlined on the Association's website.

(ii) Requests by Owners and Tenants to purchase more than four (4) Resident Identifications per residence or Condominium Unit must be delivered in writing, along with proof of residency for all persons, to the Management Staff for review. The Association, in its sole discretion, reserves the right to deny issuing more than four (4) Resident Identifications per residence or Condominium Unit.

2.5.3 Use. Declarant, Homebuilders, Owners, Tenants and their guests must have their assigned Resident Identification or daily pass upon entering and throughout use of the Community Facilities, and may be required by Management Staff to present their Resident Identification or daily pass. **Unauthorized use of a Resident Identification or daily pass can lead to the suspension of access rights to the Community Facilities**.

2.5.4 Lost or Stolen. All lost or stolen Resident Identifications or daily passes should be reported immediately to Management Staff. Otherwise, any activities associated with use of the Resident Identification or daily pass will remain the responsibility of the assigned Owner, Tenant or Homebuilder.

ARTICLE 3
GENERAL COMMUNITY FACILITIES RULES

3.1 **Conduct**. All Owners, Tenants, Homebuilders and guests using the Community Facilities are expected to conduct themselves in a responsible, courteous, and safe manner, and shall refrain from improper or disruptive conduct toward other Owners, Tenants and their guests, Homebuilders, Management Staff and the Board, in compliance with these Community Facilities Rules.

3.2 **Hours**. The Community Facilities are available for use during normal operating hours to be established and/or posted by the Association and/or Management Staff. Normal operating hours for all Community Facilities can be found on the Association's website at www.myheadwaters.com. The Association and/or Management Staff may modify normal operating hours as needed without notice. The Association and/or Management Staff shall have the ability to close any portion of the Community Facilities in its entirety, for any necessary health or safety precautions (i.e. Thunderstorms, Fecal Accidents, etc.).

3.3 **Children**. Children younger than the ages listed below must be accompanied by an adult eighteen (18) years of age or older while utilizing the Community Facilities, unless specifically stated elsewhere in these Community Facility Rules.

Age 8 – Playground, Green Spaces, Parks and Trail Systems
Age 13 – Fitness Center

3.4 **Pets.** Pets are not allowed in the playground, pool, splash pad and/or fitness center areas of the Community Facilities; provided, however, that leashed Service Animals are permitted in the playground and fitness center areas. Every effort will be made to accommodate those with special needs. Please see the Management Staff for assistance or questions. Leashed pets are allowed in green spaces, parks and trail systems.

3.5 **Vehicles**. Vehicles must be parked in designated areas. The use of off-road motorcycles, all-terrain vehicles, mini-bikes or other similar recreational off-road vehicles shall not be permitted within the Headwaters community unless such use complies with Applicable Law. Except for authorized maintenance vehicles, motorized vehicles of any kind are not allowed on any trail system or sidewalk within the Headwaters community.

3.6 **Service Areas**. Only Management Staff are allowed in the service areas of the Community Facilities.

3.7 **Trash and Debris**. Owners, Tenants, Homebuilders and their guests are responsible for cleaning up all trash and other debris occasioned by their use. Trash and debris must be deposited in appropriate trash receptacles.

3.8 **Fireworks**. Fireworks of any kind are strictly prohibited within the Headwaters community, unless approved for an event in advance by the Board. If approved in advance by the Board, Owners or Tenants will be solely responsible for completing all necessary permitting and safety inspection requirements as dictated by Applicable Law.

3.9 **Firearms**. Pursuant to Section 30.06 and 30.07, Texas Penal Code, firearms are not permitted at any Community Facility where posted.

3.10 **Smoking**. Smoking of any kind is prohibited at all Community Facilities and Common Areas, whether indoors or outdoors, including but not limited to recreation facilities, amenity buildings, swimming pools, parks, trail systems, walking paths, bike paths, gardens, landscaped areas, plazas and decks. This includes, but is not limited to, the use of cigarettes, cigars, hookah, pipes and vapor or electronic cigarettes, otherwise known as "e-cigarettes."

3.11 **Public Intoxication**. Public intoxication is strictly prohibited at all Community Facilities. The Association and/or Management Staff shall have the authority in their sole discretion to deny use of the Community Facilities to any person they deem to be intoxicated or conducts themselves in an unruly manner.

3.12 **Loitering and Trespassing**. Loitering is not permitted at or near any Community Facility at any time including, but not limited to, loitering or attempting to gain access to any Community Facility outside of normal operating hours. All trespassers will be reported to the local authorities.

3.13 **Signs**. No signs of any kind may be displayed on the Community Facilities or Common Area without prior written approval from the Headwaters Reviewer. For more information on Rules regarding signs within the Headwaters community, see *Section 2.11* of the Headwaters Development Area Declaration.

3.14 **Emergencies**. **FOR SERIOUS INJURY OR LIFE THREATENING EMERGENCY ASSISTANCE, CALL 911**. After contacting 911, if required, all emergencies and injuries must be reported to the office of the Management Staff located at the HW Central Hub – 708 Headwaters Blvd., Dripping Springs, TX 78620.

3.15 **Violation**. Owners, Tenants, Homebuilders and their guests shall abide by and comply with Applicable Law and these Community Facility Rules while present at or utilizing the Community Facilities and shall ensure that any minor or guest for whom they are responsible also complies with the same. Violation of these Community Facility Rules and/or misuse or destruction of Community Facilities property, improvements or equipment may result in the suspension or termination of access rights to Community Facilities as determined by the Association, in its sole discretion. The Association may pursue further legal action and restitution in regards to destruction of Community Facilities property, improvements or equipment.

3.16 **Amendment**. The Board, in its sole discretion, reserves the right to amend, modify, or remove, in part or in its entirety, these Community Facility Rules.

ARTICLE 4
RENTAL OF COMMUNITY FACILITIES

4.1 **Community Programming**. The Association reserves the right to provide community programming, in its sole discretion. The Association has the authority to reserve any Community Facility that may or may not be generally available for private rental.

4.2 **Private Rental**. Community Facilities shall be used on a first come, first serve basis. Certain Community Facilities may be rented for private use by Owners and Tenants. Private rental of Community Facilities shall only be during normal operating hours and when Management Staff is present, unless previously approved in writing by Management Staff. Please contact Management Staff to obtain a copy of the current Community Facilities Rental Agreement. Additional guidelines and information on rental of Community Facilities are set forth in the Community Facilities Rental Agreement and the Policies attached hereto as **Attachments 10A, 10B, 10C and 10D**.

ARTICLE 5
GRILLS

5.1 **Headwaters Community Grills**. Owners, Tenants and Homebuilders shall check-in with Management Staff prior to using the Headwaters community grills. The Management Staff will check to see if the community grill area is privately rented, and if not, will turn on a community grill and answer any questions regarding the operation of a community grill. Only adults eighteen (18) years of age or

older are permitted to use a community grill. Owners, Tenants and Homebuilders shall comply with the following when operating a community grill:

(i) Community grills shall not be left unattended at any time while in use;

(ii) Be courteous and share the community grill area if other Owners, Tenants or Homebuilders are waiting to use the community grill area;

(iii) When finished grilling, be cognizant of other Owners, Tenants and Homebuilders that may be waiting to use the community grill area;

(iv) Clean up all trash and other debris occasioned by the use of the community grill area, deposit all trash and debris in appropriate trash receptacles, and clean the grill(s), counter space(s) and picnic table(s). Grill and counter cleaners are located in the cabinets underneath the community grills; and

(v) Fees may be incurred for failure to return any items loaned by the Association within twenty-four (24) hours following rental or failure to clean grill or counter space after use.

5.2 **Private Grills**. Private grills of any kind are not permitted within the Community Facilities or Common Areas unless for an Association event.

ARTICLE 6
PONDS

The ponds in the Headwaters community are part of a storm water management system designed to treat runoff from Lots and streets and control flooding. Fishing, swimming, and unapproved watercraft of any kind in the ponds are strictly prohibited. Only authorized personnel are allowed to stock the ponds. Parking along the right of way or on any grassed area near the ponds is prohibited. Continued violation of this *Article 6* will result in the immediate reporting to local law enforcement authorities.

ARTICLE 7
LOSS OR DESTRUCTION OF PROPERTY OR INSTANCES OF PERSONAL INJURY

Owners, Tenants and Homebuilders, as a condition of invitation to the premises of the Community Facilities, shall assume the sole responsibility for their personal property.

The Association and its contractors shall not be responsible for the loss or damage to any private property used or stored on the premises of the Community Facilities, whether in lockers or elsewhere.

No Owner, Tenant or Homebuilder shall remove from the Community Facilities, any property or furniture belonging to the Association or its contractors without proper authorization.

Owners, Tenants, and Homebuilders shall be liable for any property damage and/or personal injury at the Community Facilities, or at any activity or function operated, organized, arranged or sponsored by the Association or its contractors, caused by the Owner, Tenant, Homebuilder, his/her family member, or his/her guests.

The Association reserves the right to pursue any and all legal actions and equitable measures necessary to remedy any losses due to property damage or personal injury.

ANY OWNER, TENANT AND THEIR GUESTS, HOMEBUILDER, OR OTHER PERSON WHO, IN ANY MANNER, MAKES USE OF, ACCESSES, ENTERS, OR ACCEPTS THE USE OF ANY APPARATUS, APPLIANCE, FACILITY, PRIVILEGE OR SERVICE WHATSOEVER OWNED, LEASED OR OPERATED BY THE ASSOCIATION OR ITS CONTRACTORS, OR WHO ENGAGES IN ANY CONTEST, GAME, FUNCTION, EXERCISE, COMPETITION OR OTHER ACTIVITY OPERATED, ORGANIZED, ARRANGED OR SPONSORED BY THE ASSOCIATION, EITHER ON OR OFF THE COMMUNITY FACILITIES' PREMISES, SHALL DO SO AT HIS OR HER OWN RISK, AND SHALL HOLD THE ASSOCIATION, THE BOARD, THE MANAGEMENT STAFF, AND THEIR RESPECTIVE EMPLOYEES, REPRESENTATIVES, AGENTS, HARMLESS FOR ANY AND ALL LOSS, COST, CLAIM, INJURY DAMAGE OR LIABILITY SUSTAINED OR INCURRED BY HIM OR HER, RESULTING THERE FROM AND/OR FROM ANY ACT OF OMISSION OF THE ASSOCIATION, THE BOARD, THE MANAGEMENT STAFF, AND THEIR RESPECTIVE EMPLOYEES, REPRESENTATIVES, AGENTS.

Any Owner, Tenant or Homebuilder shall have, owe, and perform the same obligation to the Association, the Board, the Management Staff, and their respective employees, representatives hereunder in respect to any loss, cost, claim, injury, damage or liability sustained or incurred by any guest or family member of such Owner, Tenant or Homebuilder.

Should any party bound by these Community Facilities Rules bring suit against the Association, the Board or the Management Staff, agents or employees of the Association, any Community Facilities operator or its officers, employees, representatives, contractors or agents in connection with any event operated, organized, arranged or sponsored by the Association or any other claim or matter in connection with any event operated, organized, arranged or sponsored by the Association, and fail to obtain judgment therein against the Association or the Community Facilities operator, officers, employee, representative, contractor or agent, said party shall be liable to the Association for all costs and expenses incurred by it in the defense of such suit (including court costs and attorney's fees through all appellate proceedings).

ARTICLE 8
INDEMNIFICATION

Should any party bound by these Community Facilities Rules file a lawsuit or arbitration action against the Declarant, the Association, the Board or the Management Staff, agents or employees of the Association, any Community Facilities operator or its officers, employees, representatives, contractors or agents (in such case, the "Defending Parties") in connection with: (1) any event operated, organized, arranged or sponsored by the Association; (2) any claim or matter in connection with any event operated, organized, arranged or sponsored by the Association; or (3) any claim arising out the use of any Community Facilities, and such party fails to obtain judgment therein against the Defending Parties, such party shall be liable to the Defending Parties for all costs of court and attorney's fees incurred by it in the defense of such suit (including court costs and attorney's fees through all appellate proceedings, if so permitted). This unilateral fee provision does not create or establish a right to recover costs of court and attorney's fees against any Defending Party.

ARTICLE 9
SUSPENSION AND TERMINATION OF PRIVILEGES.

9.1 **Adult Privileges**.

(i) Privileges at the Community Facilities shall be subject to suspension or termination if an adult Owner, Tenant or their guest, or Homebuilder:

(a) Submits false information on the Community Facilities Registration Form and Usage Release Agreement or written notification regarding guests;

(b) Permits unauthorized use of a Resident Identification or guest pass;

(c) Exhibits unsatisfactory behavior, as determined by the Association and/or Management Staff, in its sole discretion;

(d) Fails to abide by these Community Facilities Rules; or

(e) Treats the personnel or employees of the Association and/or Management Staff in an unreasonable or abusive manner, and/or engages in conduct that is improper or likely to endanger the welfare, safety, or reputation of the Association and/or Management Staff. Examples include, but are not limited to the use of profanity, verbal and physical assault, or the threat of verbal or physical assault.

(ii) The Association and/or Management Staff may at any time restrict or suspend any access rights to any or all the Community Facilities when such action is necessary to: (a) protect the health, safety, and welfare of other Owners, Tenants and their guests, and Homebuilders; (b) to prevent unauthorized use of the Community's Facilities; or (c) to protect the Community's Facilities from damage.

(iii) The Association shall follow the process below in regards to suspension or termination of an adult Owner, Tenant or their guest, or Homebuilder access rights to Community Facilities:

(a) First Offense. Unless such violation is egregious, as determined in the sole and absolute discretion of the Board, a first offense violation will result in written notice and explanation of the violation being given to the adult Owner, Tenant or their guest, or Homebuilder with a copy of such notice being filed in the Management Staff's office.

(b) Second Offense. Unless such violation is egregious, as determined in the sole and absolute discretion of the Board, a second offense violation will result in an automatic suspension of all access rights to the Community Facilities for thirty (30) days. Written notice and explanation will be given to the adult Owner, Tenant or their guest, or Homebuilder and a copy of such notice will be filed in the Management Staff's office.

(c) Third Offense. Unless such violation is egregious, as determined in the sole and absolute discretion of the Board, a third offense violation will result in a suspension of all of the adult Owner, Tenant or their guest, or Homebuilder access rights to the Community Facilities until the next Board meeting. At the Board meeting, a record

of all previous offenses will be presented to the Board for recommendation of termination of Community Facilities access rights for one (1) calendar year (or shorter amount of time at the Board's discretion). Written notice will be given to the adult Owner, Tenant or their guest, or Homebuilder as to the Board's decision.

9.2. **Minor Privileges**.

(i) At the discretion of the Association and/or Management Staff, minors *(children under the age of 18)*, who violate these Community Facility Rules may be expelled from the Community Facilities for up to one (1) month. Upon such expulsion, a written report shall be prepared detailing the name of the minor, the prohibited act committed, and the date in which the act took place. The written report will be mailed to the minor's parental guardian at the address on file and will be kept on file at the Management Staff's office.

(ii) Any minor who is expelled from the Community Facilities three (3) times in a one (1) year period, shall be expelled from the Community Facilities for one (1) calendar year from the date of the third offense.

9.3. **Immediate Suspension and Removal**.

(i) The Association and/or Management Staff have the exclusive right, authority, and discretion to immediately suspend and remove any Owner, Tenant or their guest, or Homebuilder for a period of no less than seven (7) days for the use of but not limited to:

(a) Profanity;

(b) Harm or threat of harm to the Association and/or Management Staff, Community Facilities, Owners, Tenants or their guests, and Homebuilders; or

(c) Failure to follow direction by the Association and/or Management Staff on the Community Facilities or Common Area.

An incident report will be generated and a copy of such incident report will be filed in the Management Staff's office. Upon issuance of an immediate suspension and removal, should the Owner, Tenant or their guest, or a Homebuilder continue to act or perform in an inappropriate manner or behavior, said Owner, Tenant or their guest, or Homebuilder shall forfeit all access rights to the Community Facilities until the next Board meeting. Furthermore, the Association and/or Management Staff may recommend termination of the Owner, Tenant or their guest, or Homebuilder access rights to the Community Facilities for a period of six (6) months or greater.

(ii) Notwithstanding the foregoing, if at any time an Owner, Tenant or their guest, or Homebuilder is arrested for an act committed, or allegedly committed, while on Community Facilities or Common Area, that Owner, Tenant or their guest, or Homebuilder shall have all access rights to Community Facilities suspended until the next Board meeting. At the Board meeting, the Board will be presented with the information surrounding the arrest and a recommendation of termination of access rights to Community Facilities for up to one (1) calendar year (or shorter amount of time at the Board's discretion). Written notice will be given to the Owner, Tenant or their guest, or Homebuilder, as well as mailed to the address on file, as

to the Board's decision.

(iii) Utilizing the Community Facilities during the suspension period, whether as an Owner, Tenant, guest or Homebuilder, may result in a trespassing citation that may be issued by the Hays County Sheriff's Office.

(iv) Attempts made to gain access to the Community Facilities using false Resident Identification or daily pass, will result in the suspension of that Resident Identification or daily pass holder's access rights to the Community Facilities for a period of fifteen (15) days.

(v) Suspension Effective Date:

(a) The effective date for suspension of access rights to the Community Facilities will be from the date of the written notice of suspension.

(b) Weekdays (Monday – Friday) and Weekends (Saturday – Sunday) will be calculated toward the total number of suspension days.

9.4. **Appeal Process**.

(i) An Owner, Tenant or their guest, or Homebuilder has the right to dispute and request an appeal to suspension of their access rights to the Community Facilities. The party subject to suspension may file a notice of appeal of such suspension, in writing, to the Management Staff's office at 708 Headwaters Blvd., Dripping Springs, TX 78620, within five (5) business days from the receipt of the date of the written notice.

(ii) Appellant and parental guardian (*if appellant is a minor),* must be physically present or represented by counsel at the meeting in which the appeal will be heard by the Board.

(iii) Upon Board action on an appeal, no subsequent appeal will be given or heard for the same offense.

Instrument # 17025707 Number: 14 of 26 Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

ADDENDUM A

COMMUNITY FACILITIES REGISTRATION FORM AND USAGE RELEASE AGREEMENT

[*See Attached.*]

Instrument # 17025707 Number: 15 of 26 Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
Community Facilities Registration Form and Usage Release Agreement

Name: _____ Cell Phone: _____
Spouse's Name: _____ Cell Phone: _____
Street Address: _____
Phone: _____ Email 1: _____ Email 2: _____
Resident ___ Tenant ___ Corporate Owner of Property ___

Request for Access Cards for Children

Name	Relation	Name	Relation
Name	Relation	Name	Relation

I. Authorization, Waiver, and Indemnification by Parent(s) or Legal Guardian(s) (Minor Child(ren) Under 18)
I, for myself, my heirs, and for any minor children listed below (each, a "User"), HOLD HARMLESS AND RELEASE Headwaters Residential Master Community, Inc. (the "Community"), and the Community's managers, agents, employees, affiliates, officers, and directors (the "Released Parties"), from any and all claims, causes of action, demands, losses, damages, expenses, and costs, including, but not limited to, any claim for personal injury or property damage, including death, arising out of or relating in any way to use of the Community's facilities or property (the "Property"), including any such claims arising out of or caused by any act or omission by the Released Parties, INCLUDING ANY NEGLIGENT ACTS BY THE RELEASED PARTIES, and **AGREE TO INDEMNIFY AND HOLD HARMLESS THE RELEASED PARTIES FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES, COSTS, AND LIABILITIES ARISING OUT OF OR CONNECTED WITH SUCH USER'S USE OF THE PROPERTY,** ***INCLUDING ANY NEGLIGENT ACTS BY THE RELEASED PARTIES.***

II. Authorization of Medical Treatment
In the event that I cannot be reached, I authorize and direct any employee or agent representing the Community to make emergency medical decisions for the child(ren), and release the Community from liability for the cost of such medical treatment.

III. Applicable Rules
I acknowledge and agree that I shall be bound at all times by the terms and conditions of the policies, rules and regulations of the Community, as currently in effect and as may be amended from time to time.

IV. Photo Release
By selecting YES, I acknowledge and agree that images of me and my family may be used in promotional materials for the Headwaters community which may be published in print, video, or digital format. ☐ YES ☐ NO

V. Constant Contact
Would you like to be added to our email distribution list: ☐ YES ☐ NO

I have read and understand the terms of these Authorization and Waivers and have willing signed below as my own free act, being both of lawful age and legally competent to do so.

Print Name: _____	Print Name: _____
Signature: _____	Signature: _____
Date: _____	Date: _____

Key Fob Number	Key Fob Number	Remote Clicker Number	Remote Clicker Number
Key Fob Number	Key Fob Number	Remote Clicker Number	Remote Clicker Number

Instrument # 17025707 Number: 16 of 26 Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

ATTACHMENT 10A

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

POOL AND SPLASH PAD POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time.

1. **Use**.

   a. The pool and splash pad area of the Community Facilities (the "**Pool Area**") is available only to Owners, Tenants and Homebuilders and their guests, who shall use their assigned Resident Identification or daily pass upon entering the Pool Area.
   b. Children should not use the pool without adult supervision.
   c. Adults should not swim alone.
   d. All guests must be accompanied by an Owner, Tenant or Homebuilder unless otherwise approved in advance by the Management Staff.
   e. Guests and daily pass holders may be required to register at the time of admission to the Pool Area.
   f. No more than five (5) guests for each Owner or Tenant residence or Condominium Unit are permitted at any one time in the Pool Area.
   g. **Users of the pool or splash pad must shower before entering the pool or utilizing the splash pad**.
   h. The Association and Management Staff reserve the right to deny use of the Pool Area to anyone at any time.
   i. Maximum pool load limit is 90 occupants. Maximum splash pad limit is 35 occupants. Maximum pool deck limit is 175 occupants. Total maximum limit within Pool Area is 300 occupants.
   j. **At the sole discretion of the Association or Management Staff, access and use of the Pool Area or any portion thereof may be limited from time to time due to occupancy limits, weather, seasons of the year, the condition of the Pool Area, maintenance or specialized activities. The Pool Area or any portion thereof is officially closed when a "CLOSED" sign is posted**.
   k. During thunder and lightning or an emergency incident, all persons must clear the Pool Area.

2. **Pool Gates**. The pool gates shall be kept closed and locked at all times. Owners, Tenants and their guests, and Homebuilders may not attempt to prop open the pool gates for any reason.

3. **Hours of Operation**. Use of the Pool Area is only permitted during designated hours, as posted in a location in the Pool Area and on the Association's website. **The scheduled days and hours of operation will be determined by the Association and are subject to change without notice. The Management Staff and/or the Association may modify hours of operation as needed without notice**.

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Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

4. **Maintenance**. The Pool Area and/or surrounding area may be closed for various periods of time to facilitate maintenance, winterize and to maintain standards set forth by Applicable Law.

5. **No Private Rental**. The pool and splash pad are not available for exclusive private rental. However, the pool and splash pad may be available for non-exclusive group reservations. Please contact the Management Staff for further information.

6. **Pets Not Allowed**. Pets are not allowed in the Pool Area except leashed Service Animals. Service Animals are prohibited from entering the water. Every effort will be made to accommodate those with special needs. Please see the Management Staff for assistance or questions.

7. **Pool Area Toys**. Toys, beach balls and approved floating devices may be allowed in the Pool Area at the discretion of Management Staff.

8. **ADA Chair Lift Rules**. An ADA chair lift is available for use by disabled Owners, Tenants and their guests, and Homebuilders. The ADA chair lift is designed for self-use. Management Staff is not authorized to assist Owners, Tenants and their guests, and Homebuilders with use beyond initial review of operating instructions. Use of the ADA chair lift by non-disabled Owners, Tenants and their guests, and Homebuilders may result in immediate suspension and removal from the Pool Area by the Management Staff.

9. **Pool Area Equipment**. Pool furniture and equipment may not be removed from the Pool Area. All persons using the Pool Area are required to cover the pool furniture with a towel when using suntan oils and lotions.

10. **Attire, Swim Diapers and Personal Flotation Devices**.

    a. Appropriate swim attire must be worn in the Pool Area. No denim or cotton shorts are permitted in the pool or splash pad. Use of aquatic socks or water sandals with non-marking soles is suggested.
    b. Children under (3) years of age, and those who are not reliably toilet trained, must wear rubber lined swim diapers or disposable swim diapers, as well as a swimsuit over the swim diaper. The changing of diapers or clothes is not allowed in the Pool Area. Changing rooms are available in both the men's and women's pool restrooms.
    c. **Any child that is unable to swim must wear a U.S. Coast Guard-approved personal flotation device and must be within arm's reach of a parent or guardian at all times.**

11. **Prohibitions**. The following are **NOT permitted** in the Pool Area:

    a. Diving, somersaults, cannon balls, or similar type entries from the edge of the pool;
    b. Running, roughhousing or disorderly conduct;
    c. Remote controlled water crafts;
    d. Wave riding boards;
    e. Snorkel gear;
    f. Hard objects such as, but not limited to, tennis balls or hard plastic Frisbees;

g. Installing unauthorized chemicals or soaps within the Pool Area and failure to comply could result in the Owner, Tenant or Homebuilder being liable for any costs incurred in treating and reopening the pool;
h. Excessive screaming;
i. Language that is loud, abusive, vulgar, cussing or harassing in nature;
j. Loud or inappropriate music. Personal audio or visual devices may only be used with headphones;
k. Glass containers of any kind and other breakable items;
l. Food in the pool. Soft drinks and food items must be consumed in designated areas only and away from the pool or splash pad;
m. Loitering during non-posted hours of operation;
n. Tobacco products, smoking and/or vaping;
o. Use of controlled substances;
p. Public intoxication;
q. Any person having an apparent infectious disease (including but not limited to conjunctivitis, signs of infection from a runny nose, diarrhea, etc.), plaster cast, open cuts or bandage; and
r. Storage, placement or maintaining of any item or object, except by the Association or Management Staff. Items of personal property found are deemed abandoned and may be disposed of by the Association or Management Staff.

12. **Trash and Debris**. Owners, Tenants and their guests, and Homebuilders are responsible for cleaning up all trash and other debris occasioned by their use. Trash and debris must be deposited in appropriate trash receptacles.

13. **USE OF THE POOL AREA IS AT YOUR OWN RISK**.

a. The Association is not responsible for accidents, injuries or loss of personal property.
b. The Association is not responsible for any effects the chemicals within the pool may cause. Do not swallow pool water.
c. The Pool Area is unattended.
d. **THE ASSOCIATION DOES NOT EMPLOY LIFEGUARDS OR STAFF MEMBERS WITH LIFEGUARD TRAINING TO MONITOR THE POOL AREA**.
e. Owners, Tenants and their guests, and Homebuilders use the Pool Area at their own risk and are solely responsible for the safety and wellbeing of themselves, their guests, any minors under their supervision and that of any designated childcare providers.

13. **Emergencies**. **FOR SERIOUS INJURY OR LIFE THREATENING EMERGENCY ASSISTANCE, CALL 911**. After contacting 911, if required, all emergencies and injuries must be reported to the office of the Management Staff located at the HW Central Hub – 708 Headwaters Blvd., Dripping Springs, TX 78620.

14. **Violation**. Owners, Tenants and Homebuilders shall abide by and comply with Applicable Law, this Pool and Splash Pad Policy, and the Community Facilities Rules while present at or utilizing the Pool Area and shall ensure that any minor or guest for whom they are responsible also complies with the same. Violation of this Pool and Splash Pad Policy, the Community Facilities Rules and/or misuse or destruction of Community Facilities property, improvements or equipment may result in the suspension or termination of access rights to Community Facilities

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Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

as determined by the Association, in its sole discretion. The Association may pursue further legal action and restitution in regards to destruction of Community Facilities property, improvements or equipment.

15. **Additional Restrictions**. The Board reserves the right to amend these restrictions or impose additional restrictions on use as warranted.

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Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

ATTACHMENT 10B

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

FITNESS CENTER POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time.

1. **Use**. The fitness center area of the Community Facilities (the "**Fitness Center**") is available only to Owners, Tenants and their guests, and Homebuilders. All users should be properly trained on how to use the equipment in the Fitness Center. No children under the age of thirteen (13) are permitted to use the Fitness Center. All guests must be accompanied by an Owner, Tenant or Homebuilder unless otherwise approved in advance by the Management Staff.

2. **Hours of Operation**. Use of the Fitness Center is only permitted during designated hours, as posted in a location in the Fitness Center area and on the Association's website. The scheduled days and hours of operation will be determined by the Association and are subject to change without notice. The Management Staff and/or the Association may modify hours of operation as needed without notice.

3. **Maintenance**. The Fitness Center and/or surrounding area may be closed for various periods of time to facilitate maintenance and to maintain standards set forth by Applicable Law.

4. **No Private Rental**. The Fitness Center is not available for private rental.

5. **Pets Not Allowed**. Pets are not allowed in the Fitness Center except leashed Service Animals. Every effort will be made to accommodate those with special needs. Please see the Management Staff for assistance or questions.

6. **Physician Consultation**. Owners, Tenants and their guests, and Homebuilders interested in using the Fitness Center are encouraged to consult with a physician prior to commencing a fitness program.

7. **Personal Trainers and Fitness Programs**. Use of personal trainers is prohibited in the Fitness Center unless approved in advance by the Management Staff. Any fitness program operated, organized, established, and/or run by the Management Staff shall have priority over all other users of the Fitness Center. The Management Staff and Management Staff are not present to provide personal training, exercise consultation or athletic instruction.

8. **Fitness Center Equipment**. Weights or other fitness equipment may not be removed from the Fitness Center. Free weights are not to be dropped and should be placed only on the floor or on equipment made specifically for storage of the free weights. Free weights shall be replaced to their proper locations after use. Throwing objects or equipment against any wall is prohibited. Owners, Tenants and their guests, and Homebuilders are responsible for wiping off fitness

equipment after each use. Sanitary wipes are provided and can be found throughout the Fitness Center.

9. **Attire and Footwear**. Appropriate attire and athletic footwear (covering the entire foot) must be worn at all times within the Fitness Center. Appropriate attire includes t-shirts, tank tops, athletic shorts (no jeans or cut-off jeans), and/or sweat suits. Swimsuits are not permitted.

10. **Prohibitions**. The following are **NOT permitted** in the Fitness Center:

    a. Rough play;
    b. Excessive screaming;
    c. Language that is loud, abusive, vulgar, cussing or harassing in nature;
    d. Loud or inappropriate music. Personal audio or visual devices may only be used with headphones;
    e. Glass containers of any kind and other breakable items. Water is permitted if contained in non-breakable containers with screw top or sealed lids;
    f. Food;
    g. Hand chalk;
    h. Loitering during non-posted hours of operation;
    i. Tobacco products, smoking and/or vaping;
    j. Use of controlled substances and/or alcoholic beverages; and
    k. Public intoxication.

11. **Trash and Debris**. Owners, Tenants and their guests, and Homebuilders are responsible for cleaning up all trash and other debris occasioned by their use. Trash and debris must be deposited in appropriate trash receptacles.

12. **USE OF THE FITNESS CENTER IS AT YOUR OWN RISK.** The Association is not responsible for accidents, injuries or loss of personal property. The Fitness Center is unattended. Owners, Tenants and their guests, and Homebuilders use the Fitness Center at their own risk and are solely responsible for the safety and wellbeing of themselves, their guests, any minors under their supervision and that of any designated childcare providers.

13. **Emergencies**. **FOR INJURY OR LIFE THREATENING EMERGENCY ASSISTANCE, CALL 911**. After contacting 911, if required, all emergencies and injuries must be reported to the office of the Management Staff located at the HW Central Hub – 708 Headwaters Blvd., Dripping Springs, TX 78620.

14. **Violation**. Owners, Tenants and Homebuilders shall abide by and comply with Applicable Law, this Fitness Center Policy and the Community Facilities Rules while present at or utilizing the Fitness Center and shall ensure that any minor or guest for whom they are responsible also complies with the same. Violation of this Fitness Center Policy, the Community Facilities Rules and/or misuse or destruction of Community Facilities property, improvements or equipment may result in the suspension or termination of access rights to Community Facilities as determined by the Association, in its sole discretion. The Association may pursue further legal action and restitution in regards to destruction of Community Facilities property, improvements or equipment.

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Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

15. **Additional Restrictions**. The Board reserves the right to amend these restrictions or impose additional restrictions on use as warranted.

Instrument # 17025707 Number: 23 of 26 Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

ATTACHMENT 10C

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
PLAYGROUND POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time.

1. **Use**. The playground area of the Community Facilities (the "**Tot Lot**") is available only to Owners, Tenants and their guests, and Homebuilders. An Owner, Tenant or Homebuilder over the age of eighteen (18) years must accompany at all times: (i) guests; and (ii) children under the age of eight (8) years. No more than five (5) guests for each residence or Condominium Unit are permitted at any one time in the Tot Lot area.

2. **Hours of Operation**. Use of the Tot Lot is only permitted during designated hours, as posted in a location in the Tot Lot area and on the Association's website. The scheduled days and hours of operation will be determined by the Association and are subject to change without notice. The Management Staff and/or the Association may modify hours of operation as needed without notice. If the designated hours are NOT posted, the hours of operation of the Tot Lot are from dawn until dusk.

3. **Maintenance**. The Tot Lot and/or surrounding area may be closed for various periods of time to facilitate maintenance and to maintain standards set forth by Applicable Law.

4. **No Private Rental**. The Tot Lot is not available for exclusive private rental. However, the Tot Lot may be available for non-exclusive group reservations. Please contact the Management Staff for further information.

5. **Pets Not Allowed**. Pets are not allowed in the Tot Lot area except leashed Service Animals. Every effort will be made to accommodate those with special needs. Please see the Management Staff for assistance or questions.

6. **Prohibitions**. The following are **NOT permitted** in the Tot Lot area:

   a. Rough play;
   b. Excessive screaming;
   c. Language that is loud, abusive, vulgar, cussing or harassing in nature;
   d. Loud or inappropriate music;
   e. Glass containers of any kind and other breakable items;
   f. Loitering during non-posted hours of operation;
   g. Use of tobacco products, smoking, vaping and/or the use of controlled substances; and
   h. Public intoxication.

9. **Trash and Debris**. Owners, Tenants and their guests, and Homebuilders are responsible for cleaning up all trash and other debris occasioned by their use. Trash and debris must be deposited in appropriate trash receptacles.

Instrument # 17025707 Number: 24 of 26 Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

10. **USE OF THE TOT LOT IS AT YOUR OWN RISK**. The Association is not responsible for accidents, injuries or loss of personal property. The Tot Lot is unattended. Owners, Tenants and their guests, and Homebuilders use the Tot Lot at their own risk and are solely responsible for the safety and wellbeing of themselves, their guests, any minors under their supervision and that of any designated childcare providers.

11. **Emergencies**. **FOR SERIOUS INJURY OR LIFE THREATENING EMERGENCY ASSISTANCE, CALL 911**. After contacting 911, if required, all emergencies and injuries must be reported to the office of the Management Staff located at the HW Central Hub – 708 Headwaters Blvd., Dripping Springs, TX 78620.

12. **Additional Restrictions**. The Board reserves the right to amend these restrictions or impose additional restrictions on use as warranted.

Instrument # 17025707 Number: 25 of 26 Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

ATTACHMENT 10D

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
GREEN SPACES, PARKS AND TRIAL SYSTEMS POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Headwaters at Barton Creek Master Covenant [Residential] recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time.

1. **Use**. The green space, park, trail system areas of the Community Facilities are available only to Owners, Tenants and their guests, and Homebuilders. An Owner, Tenant or Homebuilder over the age of eighteen (18) years must accompany at all times children under the age of eight (8) years. Owners, Tenants and their guests, and Homebuilders may only use trail systems designated by the Association, in its sole discretion.

2. **Hours of Operation**. Use of the green spaces, parks and trail systems is only permitted during designated hours, as posted in a conspicuous location and on the Association's website. The scheduled days and hours of operation will be determined by the Association and are subject to change without notice. The Management Staff and/or the Association may modify hours of operation as needed without notice. If the designated hours are NOT posted, the hours of operation of the green spaces, parks and trail systems are from dawn until dusk.

3. **Maintenance**. The green spaces, parks, trail systems and/or surrounding areas may be closed for various periods of time to facilitate maintenance, grounds keeping and to maintain standards set forth by Applicable Law.

4. **Private Rental**. Rules regarding private rentals are unique to each green space and park within the Headwaters community. See Addendum B for details regarding rental policies for each green space and park. The trail systems are not available for private rental.

5. **Pets**. All pets must be leased at all times.

6. **Wheeled Transportation**. Bikes, skateboards, scooters and roller-skates are only allowed on the designated trail systems provided they are used in a careful and prudent manner and at a rate of speed no greater than what is reasonable and proper under the conditions existing at the point of operation, taking into account the amount and character of pedestrian traffic, grade, and width of the trail system, condition of surface, and observation of all traffic-control devices. Every person using wheeled transportation upon a trail system shall yield the right-of-way to any pedestrian.

7. **Prohibitions**. The following are **NOT permitted** in the green spaces, park areas and trail systems:

   a. Rough play;
   b. Excessive screaming;
   c. Language that is loud, abusive, vulgar, cussing or harassing in nature;
   d. Loud or inappropriate music;
   e. Glass containers of any kind and other breakable items;

f. Loitering during non-posted hours of operation;
g. Tobacco products, smoking and/or vaping;
h. Use of controlled substances;
i. Public intoxication;
j. Installation or use of temporary structures or equipment such as tents, bounce houses or other inflatable items unless approved in advance by Management Staff;
k. Hunting or discharging of a firearm;
l. Cars, trucks, and similar vehicles are prohibited in green spaces, parks and on trail systems, unless the vehicle is an approved maintenance or Association approved vehicle;
m. Disturbance of natural landscape or ecosystems;
n. Feeding wildlife;
o. Horses unless approved in advance by Management Staff;
p. Camping unless approved in advance by Management Staff;
q. Cooking unless approved in advance by Management Staff; and
r. Fires unless approved in advance by Management Staff.

8. **Trash and Debris**. Owners, Tenants and their guests, and Homebuilders are responsible for cleaning up all trash and other debris occasioned by their use. Trash and debris must be deposited in appropriate trash receptacles.

9. **USE OF THE GREEN SPACES, PARKS AND TRAIL SYSTEMS IS AT YOUR OWN RISK**. The Association is not responsible for accidents, injuries or loss of personal property. The green spaces, parks and trail systems are unattended. Owners, Tenants and their guests, and Homebuilders use the green spaces, parks and trail systems at their own risk and are solely responsible for the safety and wellbeing of themselves, their guests, any minors under their supervision and that of any designated childcare providers.

10. **Emergencies**. **FOR SERIOUS INJURY OR LIFE THREATENING EMERGENCY ASSISTANCE, CALL 911**. After contacting 911, if required, all emergencies and injuries must be reported to the office of the Management Staff located at the HW Central Hub – 708 Headwaters Blvd., Dripping Springs, TX 78620.

11. **Additional Restrictions**. The Board reserves the right to amend these restrictions or impose additional restrictions on use as warranted.

Instrument # 17025707 Number: 26 of 26Filed and Recorded: 7/26/2017 11:50 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $126.00 Deputy Clerk: KHOBBS

Instrument # 17027934 Number: 1 of 3 Filed and Recorded: 8/10/2017 10:23 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $34.00 Deputy Clerk: MCASTRO

RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

DECLARANT REMOVAL AND APPOINTMENT OF DIRECTOR

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

Hays County, Texas

DECLARANT: WFC HEADWATERS OWNER VII, L.P., a Delaware limited liability company

Cross-reference to Headwaters at Barton Creek Master Covenant [Residential] recorded as Document No. 201616015124, Official Public Records of Hays County, Texas as the same may be amended from time to time.

Instrument # 17027934 Number: 2 of 3 Filed and Recorded: 8/10/2017 10:23 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $34.00 Deputy Clerk: MCASTRO

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
DECLARANT REMOVAL AND APPOINTMENT OF DIRECTOR

WFC HEADWATERS OWNER VII, L.P., a Delaware limited liability company (the "**Declarant**"), has caused to be recorded that certain Headwaters at Barton Creek Master Covenant [Residential] recorded as Document No. 201616015124, Official Public Records of Hays County, Texas (the "**Covenant**").

Declarant has the right to appoint and remove all Board members in accordance with the Covenant and Bylaws of the Headwaters Residential Master Community, Inc., a Texas non-profit corporation, the association established pursuant to the Declaration (the "**Association**").

Declarant hereby removes Thomas C. Tischer, Jr. from the Board of Directors of the Association and appoints Suzanne Maddalon to serve on the Board of Directors of the Association.

EXECUTED TO BE EFFECTIVE as of the 7th day of August, 2017.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: Jesse R Baker
Title: Authorized Signatory

THE STATE OF ~~TEXAS~~ Massachusetts §
§
COUNTY OF Suffolk §

This instrument was acknowledged before me this 7th day of August, 2017 by Jesse R. Baker, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said companies and partnership.

Kiersten P. Jester
Notary Public Signature

(SEAL)

KIERSTEN P. JESTER
NOTARY PUBLIC
MY COMMISSION EXPIRES
03-22-24
COMMONWEALTH OF MASSACHUSETTS

Instrument # 17027934 Number: 3 of 3Filed and Recorded: 8/10/2017 10:23 AM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $34.00 Deputy Clerk: MCASTRO

Instrument # 17030189 Number: 1 of 3 Filed and Recorded: 8/28/2017 1:48 PM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $34.00 Deputy Clerk: KHOBBS

AFTER RECORDING RETURN TO:

Robert D. Burton, Esq.
Winstead PC
401 Congress Ave., Suite 2100
Austin, Texas 78701
Email: rburton@winstead.com

HEADWATERS AT BARTON CREEK

NOTICE OF DESIGNATION OF COMMON AREA

Declarant: **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership

Cross-reference to Headwaters at Barton Creek Master Covenant [Residential] recorded as Document No. 201616015124, Official Public Records of Hays County, Texas as the same may be amended from time to time.

Instrument # 17030189 Number: 2 of 3 Filed and Recorded: 8/28/2017 1:48 PM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $34.00 Deputy Clerk: KHOBBS

HEADWATERS AT BARTON CREEK
NOTICE OF DESIGNATION OF COMMON AREA

This Notice of Designation of Common Area is made and executed by **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership ("**Declarant**").

1. Designation of Common Area. Pursuant to that certain Headwaters at Barton Creek Master Covenant [Residential] recorded as Document No. 201616015124, Official Public Records of Hays County, Texas (the "**Master Covenant**"), Declarant may from time to time, designate Common Area. Declarant hereby designates Lot 1, Block A, located within Headwaters at Barton Creek, Phase 1, a subdivision located in Hays County, Texas, according to the map or plat recorded under Book 19, Pages 161 through 168, in the Plat Records of Hays County, Texas, together with all improvements, betterments, alterations, structures, hardscape, landscape, furniture, fixtures, equipment, merchandise and all other items of personal property in, on, at, or about Lot 1, Block A (the "**Amenity Lot**"), as Common Area for the benefit of the Association and its members.

Pursuant to *Section 3.9* of the Master Covenant, Declarant reserves the right to dedicate or otherwise convey Common Area to the Association from time to time and at any time, subject to conditions and/or requirements determined by Declarant. The Association shall at all times maintain property and general liability insurance on the Amenity Lot in reasonable and customary amounts determined, from time to time, by the Board. As to the property insurance required to be maintained by the Association hereunder, until fee simple title to the Amenity Lot has been conveyed by the Declarant to the Association, the Declarant, and any third-party lender of Declarant with a lien on the Amenity Lot, shall be added as loss payee and mortgage holder and loss payee, respectively, on such policy. As to the general liability insurance required to be maintained by the Association hereunder, the Declarant shall be added as an additional insured until expiration or termination of the Development Period and, if requested by Declarant, any third-party lender with a lien on the Amenity Lot shall be added as an additional insured for the term of the applicable loan.

2. Miscellaneous. This Notice of Designation of Common Area constitutes a notice of designation of Common Area under the Master Covenant. Any capitalized terms used and not otherwise defined in this notice shall have the meanings set forth in the Master Covenant.

[*Signature Page Follows.*]

Dated to be effective as of the _20th___ day of __August___, 2017.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company,
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company, its Sole Member

By: WFC Headwaters Investors VII, L.L.C.,
a Delaware limited liability company,
its Managing Member

By: Walton Acquisition REOC Holdings VII, L.L.C.,
a Delaware limited liability company, its Sole Member

By: Walton Street Real Estate Fund VII-Q, L.P.,
a Delaware limited partnership, its Managing Member

By: Walton Street Managers VII, L.P.,
a Delaware limited partnership, its General Partner

By: WSC Managers VII, Inc.,
a Delaware corporation, its General Partner

By: _____
Name: Douglas J. Welker
Title: VP

THE STATE OF ILLINOIS §
§
COUNTY OF COOK §

This instrument was acknowledged before me on the 25 day of August, 2017, by Douglas J Welker, the Vice President of WSC Managers VII, Inc., a Delaware corporation, the sole General Partner of Walton Street Managers VII, L.P., a Delaware limited partnership, the sole General Partner of Walton Street Real Estate Fund VII-Q, L.P., a Delaware limited partnership, the Managing Member of Walton Acquisition REOC Holdings VII, L.L.C., a Delaware limited liability company, the sole Member of WFC Headwaters Investors VII, L.L.C., a Delaware limited liability company, the Managing Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, the Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, the General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said entities.

OFFICIAL SEAL
MICHELLE KOPENY
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:09/24/19

Michelle Kopeny
Notary Public in and for

the State of Illinois

4841-7269-8958 57672-1

Instrument # 17030189 Number: 3 of 3Filed and Recorded: 8/28/2017 1:48 PM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $34.00 Deputy Clerk: KHOBBS

Instrument # 18005875 Number: 1 of 3 Filed and Recorded: 2/16/2018 3:29 PM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $34.00 Deputy Clerk: KHOBBS

AFTER RECORDING RETURN TO:
Robert D. Burton, Esq.
Winstead PC
401 Congress Ave., Suite 2100
Austin, Texas 78701
Email: rburton@winstead.com

HEADWATERS AT BARTON CREEK

FIRST AMENDMENT TO MASTER COVENANT [RESIDENTIAL]

Hays County, Texas

Declarant: WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership

Cross reference to Headwaters at Barton Creek Master Covenant [Residential], recorded as Document No. 201616015124 in the Official Public Records of Hays County, Texas.

HEADWATERS AT BARTON CREEK
FIRST AMENDMENT TO MASTER COVENANT
[RESIDENTIAL]

This First Amendment to Headwaters at Barton Creek Master Covenant [Residential] (the "**Amendment**") is made by **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership ("**Declarant**"), and is as follows:

RECITALS:

A. Declarant previously executed and recorded that certain Headwaters at Barton Creek Master Covenant [Residential], recorded as Document No. 201616015124 in the Official Records of Hays County, Texas (the "**Covenant**").

B. Pursuant to *Section 10.3* of the Covenant, the Covenant may be amended by the Declarant acting alone.

C. Declarant desires to amend the Covenant as set forth hereinbelow.

NOW THEREFORE, the Covenant is hereby amended, modified and supplemented as follows:

1. **Indemnification.** The following paragraph is hereby added to the end of *Section 3.10* of the Covenant to read as follows:

> **THE ASSOCIATION AGREES TO HOLD HARMLESS, DEFEND, AND INDEMNIFY DECLARANT, WFC HEADWATERS GP VII, L.L.C., A DELAWARE LIMITED LIABILITY COMPANY, DECLARANT'S LENDER(S), AND THEIR AND DECLARANT'S RESPECTIVE AFFILIATES (DIRECT AND INDIRECT), PARENTS, JOINT VENTURERS, PARTNERS, MEMBERS, MANAGERS, AGENTS, CONTRACTORS, REPRESENTATIVES, OFFICERS, DIRECTORS, EMPLOYEES, AND STAFF (COLLECTIVELY, THE "RELEASED PARTIES"), FROM ANY CLAIMS, CAUSES OF ACTION, DEMANDS, LOSSES, DAMAGES, EXPENSES, COSTS, AND CLAIMS FOR PERSONAL INJURY, ILLNESS OR PROPERTY DAMAGE, INCLUDING DEATH (THE "CLAIMS"), ARISING OUT OF OR RELATING IN ANY WAY TO ANY ASSOCIATION ACTIVITIES, FUNCTIONS, COMPLETED PRODUCTS OR OPERATIONS, INCLUDING, BUT NOT LIMITED TO, THE OPERATION, MAINTENANCE OR REPAIR OF ANY COMMON AREA, SPECIAL COMMON AREA, SERVICE AREA OR ANY OTHER PORTION OF THE PROPERTY WHICH THE ASSOCIATION OWNS OR IS OTHERWISE HELD BY OR FOR THE BENEFIT OF THE ASSOCIATION, INCLUDING WITHOUT LIMITATION PORTIONS HELD PURSUANT TO SECTION 3.9 OF THE MASTER**

COVENANT OR UNDER ANY LEASE, LICENSE OR EASEMENT IN FAVOR OF THE ASSOCIATION, OR THE EXERCISE OF ANY RIGHTS CONFERRED UPON THE ASSOCIATION IN THE DOCUMENTS.

2. **Miscellaneous.** Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Covenant. Unless expressly amended by this Amendment, all other terms and provisions of the Covenant remain in full force and effect as written, and are hereby ratified and confirmed.

EXECUTED to be effective on the date this instrument is Recorded.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership
By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner
By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member
By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: Jesse R. Baker
Title: Authorized Signatory

THE STATE OF MASSACHUSETTS §
COUNTY OF SUFFOLK §

This instrument was acknowledged before me this 15th day of February, 2018 by Jesse R. Baker, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said companies and partnership.

(SEAL)

Kiersten P. Jester
Notary Public Signature

Instrument # 18005875 Number: 3 of 3Filed and Recorded: 2/16/2018 3:29 PM
Liz Q. Gonzalez, Hays County Clerk, Texas Rec $34.00 Deputy Clerk: KHOBBS

Instrument # 18040781 Number: 1 of 11 Filed and Recorded: 11/19/2018 1:59 PM
Liz Q. Gonzalez, Hays County Clerk, Texas Deputy Clerk: JKOTZUR

HEADWATERS SUBDIVISION AGREEMENT
AMENDED AND RESTATED

This Amended and Restated Subdivision Agreement for the Headwaters Subdivision (this "Agreement"), is made and entered into effective as of the 24 day of April ,2018 (the "Effective Date") by and between the Hays County, Texas (the "County") and WFC Headwaters Owner VII, L.P., a Delaware limited partnership (the "Subdivision Declarant" or "Declarant"). The County and Declarant are sometimes referred to herein as the "Parties". The original Subdivision Agreement was executed between the Parties on or about the 24th day of September, 2014. The Parties now agree as follows:

Purposes, Term and Consideration

1.01. Declarant has acquired 1035.74 acres of land out of the following twelve surveys: the William Walker Survey No. 130, Abstract No. 475; the Herman Benson Survey No. 137, Abstract No. 40; the F.A. Jolly Survey No. 473, Abstract No. 555; the J.W. Powell Survey, Abstract No. 560; the John Pitts Survey No. 47, Abstract No. 768; the Levi Lewis Survey No. 154, Abstract No. 639; the J.E. Gilbert Survey No. 1717, Abstract No. 811; the W.R. Wood Survey, Abstract No. 567; the Edward Brown Survey No. 136, Abstract No. 44; the Heinrich Brashe Survey, Abstract No. 58; the Marcus Raper Survey No. 60, Abstract No. 383; and the Marcus Raper Survey No. 37, Abstract No. 394; all in Hays County Texas and being called a portion of the 1035.75 Acre Tract conveyed to Austin-Highway 290 LLC per a deed recorded as Document No. 2010-10021578 (Volume 3940, Page 430) of the Official Public Records of Hays County Texas, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. The above-described property, whether one or more parcels, is hereinafter referred to as the "Property".

1.02. Declarant is authorized to enter into this Subdivision Agreement with County. The County is authorized to enter into this Subdivision Agreement with Declarant by authority of Chapter 232 of the Texas Local Government Code, Subchapter E, and Chapter 771 of the Hays County Development Regulations.

1.03. Declarant desires to subdivide the Property as a single family residential subdivision in accordance with the Master Plan as more particularly described in the Map depicted in Exhibit "C" attached hereto and incorporated herein by reference.

1.04. The benefit to the Parties set forth in this Agreement which exceed the minimum requirements of State law and Hays County Subdivision and Development Regulations are good and valuable consideration for this Agreement, the sufficiency of which is hereby acknowledged by both Parties.

1.05 The Hays County Commissioners Court authorized the original agreement between Hays County, Texas and WFC Headwaters Owner VII, L.P., a Delaware limited partnership on September 24, 2014. This amended and reinstated agreement shall replace the aforementioned agreement in its entirety.

The Project

2.01. The Project, as that term is described in Chapter 245, Texas Local Government Code, is the master planning and subdivision platting of the Property into 1,000 single family residential home sites; the laying out of streets, parks, open space, drainage facilities and other improvements; the installation of electric, telephone, cable communication facilities; and the construction of water lines, sewer lines, the construction of water production, treatment and storage facilities and the construction of wastewater treatment and disposal facilities. The project is subject to the Hays County Subdivision and Development Regulations as they existed in July 2013 except as modified by this Agreement.

2.02. Declarant and County agree that before Hays County will accept for recording any final subdivision plat of all or any portion of the Property:

A. Declarant shall construct all streets and drainage facilities dedicated by said final plat in accordance with County street and drainage standards or provide fiscal surety for 100% of the estimated cost of street and drainage improvements.

B. Declarant shall demonstrate to the County's reasonable satisfaction that it has developed or secured contract commitments from a State approved public water supply in sufficient capacity to serve the final plat portion of the Property.

C. Declarant shall demonstrate to the County's reasonable satisfaction that it has secured a public wastewater system disposal or non-discharge permit from the TCEQ in accordance with Chapter 26 of the Texas Water Code with sufficient capacity to serve each final plat portion of the Property. Declarant will not seek a permit to discharge into creeks or waterways.

D. Declarant shall construct all water, wastewater, electric and communication facilities necessary to serve the platted portion of the Property in accordance with all applicable County and/or State standards and regulations.

2.03 Declarant agrees to file an overall Preliminary Plan for the entire tract. The Project will be designed, developed, installed and constructed in proposed multiple phases which may vary plus or minus ten percent (10%) from the proposed phasing plan, which is attached hereto as Exhibit B and incorporated herein for all purposes, as necessary to improve the overall design of the Project. The proposed number of home sites in each phase may vary from the proposed phasing and may differ from the Preliminary Plan, but the total number of home sites in the Project may not exceed 1,000 and 20% impervious cover of the total land area. Declarant agrees to submit $320 per lot review fee at the time of submission of each final plat application. The $320 per lot review fee is based on the number of lots in each final plat submitted. No other fee shall be required.

2.04 The Parties agree that, if Declarant fails to submit a final plat application by the end of the year reflected in the dates provided for any of the proposed phases described in Exhibit B, that the approval of the then existing plan for the Headwater Subdivision shall expire, that the submittal of a new preliminary plan for the Headwaters Subdivision shall be required, and that, for the purposes of Chapter 245 of the Texas Local Government Code, Declarant's new "project" shall run from the date a new preliminary plan is submitted to the County.

The County Street and Drainage Standards

3.01 Declarant and County agree that all internal streets and driveways within the Property shall be built

in accordance with Hays County Street and Drainage Construction Standards cited in Chapters 721 and 725 of the Hays County Development Regulations, as those Regulations existed in July 2013 except as modified by this Agreement.

3.02 All internal street improvements shall be initially built at Declarant's sole and exclusive costs and expense. Declarant may, but shall not be required, to seek formation of a Fresh Water Supply District, Water Control Improvement District or other statutory district to finance and develop the streets, drainage and utility infrastructure necessary to serve the Property.

3.03 The County agrees to timely process one or more preliminary subdivision plans and final plats of the Property submitted by Declarant's licensed engineer in accordance with the Hays County Subdivision and Development Regulations, as those standards existed in July 2013 except as modified by this Agreement, and in accordance with the Preliminary Master Plan attached hereto as Exhibit "C", which shall be approved on the Effective Date of this Agreement.

3.04 Declarant shall dedicate to the County with each final plat of a portion of the Property all ***rights of way containing roads and related drainage improvements*** within said final plat and dedicate to the appropriate utility service provider all electric, water, sewer and communication utility easements as necessary to serve the final plat.

3.05 Declarant agrees to dedicate ***ownership and maintenance of all storm water treatment and detention ponds*** within each final plat section of the Property to a Fresh Water Supply District, Water Control Improvement District, other statutory district or a homeowner association. The drainage and detention facilities shall be built in accordance with County standards, as those standards existed in July 2013 except as modified by this Agreement, and shall be designed to serve the Property assuming fully developed conditions, but shall not be required to assume developed conditions of any off-site properties. The Project shall adopt the FEMA approved 24-hour duration storm model, assuming fully developed storm conditions. FEMA permitting will follow applicable NFIP regulations.

Assignment of Commitments and Obligations

4.01 Declarant's right and obligation under this Agreement may be assigned by Declarant to one or more purchasers of all or any portion of the Property.

4.02 Upon approval of the Preliminary Plan, this Agreement and the associated Preliminary Plan shall be binding upon the Parties, their successors and assigns and shall be effective for a term of ten (10) years from the date of this Agreement unless renewed and extended by mutual Agreement of the Parties.

Default

5.01 Notwithstanding anything herein to the contrary, no Party shall be deemed to be in default hereunder until the passage of thirty (30) business days after receipt by such party of notice of default from the other party. Upon the passage of thirty (30) business days without cure of the default, such party shall be deemed to have defaulted for purposes of

this Agreement.

Notices

6.01 Any notice to be given hereunder by any party shall be in writing and may be effected by personal delivery or by sending said notice by registered or certified mail, return receipt requested, to the addresses set forth below. Notice shall be deemed given when deposited with the United States Postal Service with sufficient postage affixed.

Any notice mailed to Hays County shall be addressed to:

Hays County Development Services
Attn: Roxie McInnis
2171 Yarrington Rd, Ste. 100
Kyle, TX 78640
(512)393-2167

Any notice mailed to Declarant shall be addressed to:
WFC Headwaters Owner VII, L.P.
Attn: Jesse R. Baker and Thomas C. Tischer
500 Boylston Street, Ste. 2010
Boston, MA 02116

Any Party may change the address for notice to it by giving notice of such change in accordance with the provisions of this section.

Entire Agreement

7.01 This Agreement, together with any exhibits attached hereto, constitutes the entire Agreement between Parties hereto, and may not be amended except in writing signed by all Parties and dated subsequent to the date hereof.

(SIGNATURES FOLLOW ON THE NEXT PAGE)

The above-stated Subdivision Agreement for the Headwaters Subdivision is hereby EXECUTED in multiple originals to be effective as of the 24 day of April ,2018.

HAYS COUNTY TEXAS

By: Debbie Ingalsbe
Name: Debbie Ingalsbe
Title: Hays Co Commissioner

Date:_____

Attest: Liz Q. Gonzalez
Liz Q. Gonzalez
Hays County Clerk

(SIGNATURES CONTINUE ON THE NEXT PAGE)

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company,
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: Jesse R. Baker
Title: Authorized Signatory

STATE OF MASSACHUSETTS

KNOW ALL MEN BY THESE PRESENTS

COUNTY OF SUFFOLK

Before me, the undersigned authority, on this day personally appeared Jesse R. Baker known

to me to be the Authorized Signatory of FCA Austin, LLC, Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., Sole Member of WFC Headwaters GP VII, L.L.C., General Partners of WFC Headwaters Owner VII, L.P. on behalf of said limited partnership and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL of office this 31st day of October, 2018.

Sarah Mahan

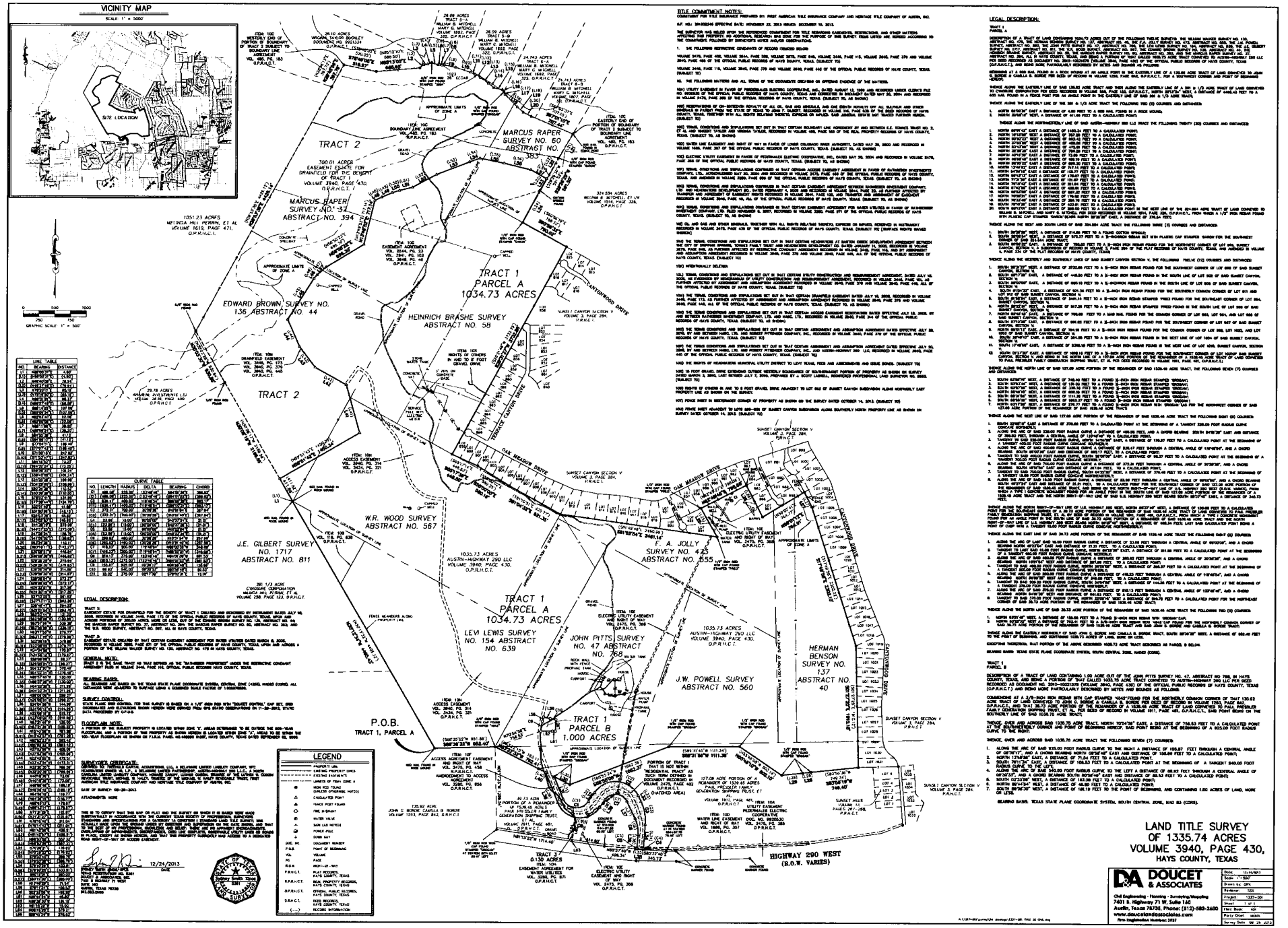
Notary Public in and for the State of Massachusetts

My Commission expires on: 10/25/2024

SARAH MAHAN
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires On
October 25, 2024

EXHIBIT A

Metes and Bounds Description of the Property



TITLE COMMITMENT NOTES:

LEGAL DESCRIPTION:

LEGAL DESCRIPTION:

LAND TITLE SURVEY OF 1335.74 ACRES VOLUME 3940, PAGE 430, HAYS COUNTY, TEXAS

DA DOUCET & ASSOCIATES
Civil Engineering · Planning · Surveying/Mapping
7401 B. Highway 71 W, Suite 160
Austin, Texas 78735, Phone: (512)-583-2600
www.doucetandassociates.com
Firm Registration Number: 3937

Date:	12/11/2013
Scale:	1" = 500'
Drawn by:	DPI
Reviewer:	SDS
Project:	1337-001
Sheet:	1 of 1
Field Book:	401
Party Chief:	MARK
Survey Date:	NR 29 2013

EXHIBIT B

HEADWATERS PROJECT BY PROJECT PHASE

Phase*	1	2	4	5	3
Approx. No. of Lots**	209	208	157	233	193
Est. Date of Final Plat Submittal	Oct-2014	Oct-2017	Dec-2021	Dec-2023	Dec-2024

***Phase location can be found in Exhibit C.**

****Lot counts shown in Exhibit B supersede those shown in Exhibit C.**

EXHIBIT C

CONCEPTUAL PHASING PLAN

HEADWATERS

Dripping Springs, Texas

SCALE: 1" = 400'

DATE: 04-04-2018

5' Contour Interval

NORTH

FREEHOLD COMMUNITIES

Instrument # 18040781 Number: 11 of 11Filed and Recorded: 11/19/2018 1:59 PM
Liz Q. Gonzalez, Hays County Clerk, Texas Deputy Clerk: JKOTZUR

19027219 DECLARATION Total Pages: 12
Filed and Recorded: 08/07/2019 11:44:17 AM

AFTER RECORDING RETURN TO:
Robert D. Burton, Esq.
Winstead, PC
401 Congress Ave., Suite 2100
Austin, Texas 78701
Email: rburton@winstead.com

HEADWATERS AT BARTON CREEK

NOTICE OF APPLICABILITY OF MASTER COVENANT AND DEVELOPMENT AREA DECLARATION [*RESIDENTIAL*]

[PHASE 2 AND PHASE 4, SECTION 1]

DECLARANT: **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership

Cross reference to Headwaters at Barton Creek Master Covenant [Residential], recorded as Document No. 201616015124 in the Official Public Records of Hays County, Texas, as amended; and the Headwaters at Barton Creek Development Area Declaration [*Residential*], recorded as Document No. 201616015147 in the Official Public Records of Hays County, Texas.

HEADWATERS AT BARTON CREEK

NOTICE OF APPLICABILITY OF MASTER COVENANT AND DEVELOPMENT AREA DECLARATION

[RESIDENTIAL]

[PHASE 2 AND PHASE 4, SECTION 1]

This Notice of Applicability of Headwaters at Barton Creek Master Covenant [*Residential*] and Headwaters at Barton Creek Development Area Declaration [*Residential*] (this "**Notice**"), is made and executed by **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership ("**Declarant**"), and is as follows:

1. **Applicability of Master Covenant**. This Notice of Applicability is filed with respect to the following:

(i) Lots 78 through 98, and Lots 126 through 135, Block C; Lots 8 through 20, Lots 22 through 59, and Lots 61 through 83, Block D; Lots 6 through 49, Block E; Lots 7 through 10, Lots 12 through 48, Block F; and Lots 1 through 18, Block G, located within Headwaters at Barton Creek, Phase 2, a subdivision located in Hays County, Texas, according to the map or plat recorded under Document No. 19021686 in the Official Public Records of Hays County, Texas; and

(ii) Lots 100 through 124, Block C, located within Headwaters at Barton Creek, Phase 4, Section 1, a subdivision located in Hays County, Texas, according to the map or plat recorded under Document No. 19021691 in the Official Public Records of Hays County, Texas;

(collectively, the "**Development Area**"). The Development Area shall constitute one of the Development Areas which is permitted, contemplated and defined under the Covenant and the Development Area is hereby included within and made a part of the Development.

Pursuant to that certain Headwaters at Barton Creek Master Covenant [*Residential*], recorded as Document No. 201616015124 in the Official Public Records of Hays County, Texas, as amended (the "**Master Covenant**"), Declarant served notice that portions of the Property, upon the filing of appropriate Notices of Applicability from time to time, may be made a part of the Development and thereby fully subjected to the terms, covenants, conditions, restrictions, reservations, easements, servitudes, liens and charges of the Master Covenant. Pursuant to this Notice of Applicability, the Development Area is subject to the terms, covenants, conditions, restrictions, reservations, easements, servitudes, liens and charges of the Master Covenant.

2. **Applicability of Development Area Declaration.** Pursuant to the Master Covenant and the Headwaters at Barton Creek Development Area Declaration [*Residential*] recorded as Document No. 201616015147 in the Official Public Records of Hays County, Texas (the "**Development Area Declaration**"), Declarant served notice that portions of the Property described on Exhibit "A" to the Master Covenant, upon the filing of appropriate Notices of Applicability from time to time, may be subjected to the terms, covenants, conditions, restrictions, reservations, easements, servitudes, liens and charges of the Development Area Declaration. Pursuant to this Notice of Applicability, the Development Area is subject to the terms, covenants, conditions, restrictions, reservations, easements, servitudes, liens and charges of the Development Area Declaration.

3. **Initial Impervious Cover Allocation.** Declarant hereby allocates to each Lot listed on Exhibit "A" attached hereto, the square footage of Impervious Cover listed next to each such Lot (the "**Initial Impervious Cover Allocation**").

4. **Impervious Cover Allocation**. The actual amount of Impervious Cover allocated to a Lot will equal: (i) the amount of Impervious Cover shown on plans and specifications for Improvements proposed to be constructed on a Lot and approved by the Headwaters Reviewer; PLUS (iii) three hundred (300) square feet (the sum of (i) and (ii) being referred to herein as the "**Final Impervious Cover Allocation**"). The plans and specifications for Improvements submitted to the Headwaters Review for review and approval will include a calculation of the Impervious Cover for the Improvements reflected thereon. Upon completion of the Improvements reflected on the plans and specifications approved by the Headwaters Reviewer, the Owner of the Lot will be required to submit to the Headwaters Reviewer, a certification (the "**Certification**") from a professional engineer or a licensed architect of the actual square feet of Impervious Cover constructed or incorporated on the Lot. The Certification will be provided to the Headwaters Reviewer no later than ten (10) days after completion of the Improvements, but in any event at least ten (10) days prior to the Owner's conveyance of a Lot with the Improvements constructed thereon to a third party. The Headwaters Review may cause the Certification to be Recorded. Unless otherwise approved in advance and in writing by the Headwater Reviewer or the Declarant (during the Development Period), no Owner may exceed the Final Impervious Cover Allocation. Exceeding the Final Impervious Cover Allocation WITHOUT the advance written approval of the Headwaters Reviewer or the Declarant will constitute a violation of the terms and provisions of the Master Covenant and, may result in the requirement that impervious cover be removed from the Lot (which would include demolition of an existing Improvement of any portion thereof) and may result in a fine levied against the Owner of the Lot in addition to any other remedy for violation of the Master Covenant.

5. **Retained Impervious Cover**. If the Initial Impervious Cover Allocation exceeds the Final Impervious Cover Allocation, the excess Impervious Cover shall be retained by

Declarant and may be allocated by Declarant to other land or Property, and the Owner of the applicable Lot shall have no right, title or interest in such excess.

6. **Miscellaneous**. This Notice constitutes a Notice of Applicability under *Section 9.5* of the Master Covenant. Any capitalized terms used and not otherwise defined in this notice shall have the meanings set forth in the Master Covenant.

EXECUTED to be effective as of the 31st day of July, 2019.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

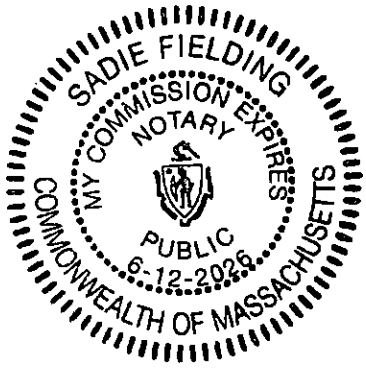
By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: JESSE R. BAKER
Title: Authorized Signatory

THE STATE OF MASSACHUSETTS §
COUNTY OF SUFFOLK §

This instrument was acknowledged before me this 31st day of July, 2019 by Jesse R. Baker, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said companies and partnership.

(SEAL)



Notary Public Signature

EXHIBIT "A"

INITIAL IMPERVIOUS COVER ALLOCATION BY LOT

[See Attached.]

MALONE ★ WHEELER

HEADWATERS
PHASE 2 - 50 FT WIDE LOTS

UNIT	LOT #	BLOCK	ADDRESS	STREET	TOTAL AREA (SF)	MAX. ALLOWBALE IMPERVIOUS COVERAGE (SF)	"AS BUILT" IMPERVIOUS COVER (SF)
	8	D		HAZY HILLS LOOP	6250	3125.0	
	9	D		HAZY HILLS LOOP	6578	3289.0	
	10	D		HAZY HILLS LOOP	6658	3329.0	
	11	D		HAZY HILLS LOOP	6658	3329.0	
	12	D		HAZY HILLS LOOP	6658	3329.0	
	13	D		HAZY HILLS LOOP	6658	3329.0	
	14	D		HAZY HILLS LOOP	6658	3329.0	
	15	D		HAZY HILLS LOOP	6658	3329.0	
	16	D		HAZY HILLS LOOP	6658	3329.0	
	17	D		HAZY HILLS LOOP	6658	3329.0	
	18	D		HAZY HILLS LOOP	6658	3329.0	
	19	D		HAZY HILLS LOOP	6658	3329.0	
	20	D		HAZY HILLS LOOP	6575	3287.5	
	22	D		HAZY HILLS LOOP	6250	3125.0	
	23	D		HAZY HILLS LOOP	6250	3125.0	
	24	D		HAZY HILLS LOOP	6250	3125.0	
	25	D		HAZY HILLS LOOP	6250	3125.0	
	26	D		HAZY HILLS LOOP	6250	3125.0	
	27	D		HAZY HILLS LOOP	6250	3125.0	
	28	D		HAZY HILLS LOOP	6250	3125.0	
	29	D		HAZY HILLS LOOP	6250	3125.0	
	30	D		HAZY HILLS LOOP	6308	3154.0	
	31	D		HAZY HILLS LOOP	7490	3745.0	
	32	D		HAZY HILLS LOOP	7490	3745.0	
	33	D		HAZY HILLS LOOP	7490	3745.0	
	34	D		HAZY HILLS LOOP	7490	3745.0	
	35	D		HAZY HILLS LOOP	7490	3745.0	
	36	D		HAZY HILLS LOOP	7490	3745.0	
	37	D		HAZY HILLS LOOP	7490	3745.0	
	38	D		HAZY HILLS LOOP	7490	3745.0	
	39	D		HAZY HILLS LOOP	6707	3353.5	
	40	D		HAZY HILLS LOOP	6250	3125.0	
	41	D		HAZY HILLS LOOP	6250	3125.0	
	42	D		HAZY HILLS LOOP	6250	3125.0	
	6	E		HAZY HILLS LOOP	7093	3546.5	
	7	E		HAZY HILLS LOOP	6367	3183.5	
	8	E		HAZY HILLS LOOP	6250	3125.0	
	9	E		HAZY HILLS LOOP	6468	3234.0	
	10	E		HAZY HILLS LOOP	6547	3273.5	
	11	E		HAZY HILLS LOOP	6547	3273.5	
	12	E		HAZY HILLS LOOP	6547	3273.5	
	13	E		HAZY HILLS LOOP	6547	3273.5	
	14	E		HAZY HILLS LOOP	6547	3273.5	
	15	E		HAZY HILLS LOOP	6547	3273.5	
	16	E		HAZY HILLS LOOP	6547	3273.5	
	17	E		HAZY HILLS LOOP	6547	3273.5	
	18	E		HAZY HILLS LOOP	6547	3273.5	
	19	E		HAZY HILLS LOOP	6263	3131.5	
	20	E		HAZY HILLS LOOP	6250	3125.0	
	21	E		HAZY HILLS LOOP	6250	3125.0	
	22	E		HAZY HILLS LOOP	6250	3125.0	
	23	E		HAZY HILLS LOOP	6250	3125.0	
	24	E		HAZY HILLS LOOP	6250	3125.0	
	25	E		HAZY HILLS LOOP	6250	3125.0	
	26	E		HAZY HILLS LOOP	6250	3125.0	
	27	E		HAZY HILLS LOOP	6579	3289.5	
	28	E		HAZY HILLS LOOP	7659	3829.5	
	29	E		HAZY HILLS LOOP	7659	3829.5	
	30	E		HAZY HILLS LOOP	7659	3829.5	
	31	E		HAZY HILLS LOOP	7659	3829.5	
	32	E		HAZY HILLS LOOP	7335	3667.5	
	33	E		HAZY HILLS LOOP	6250	3125.0	
	34	E		HAZY HILLS LOOP	6250	3125.0	
	35	E		HAZY HILLS LOOP	7414	3707.0	

MALONE ★ WHEELER
SINCE INC, 1966

CIVIL ENGINEERING • DEVELOPMENT CONSULTING • PROJECT MANAGEMENT

HEADWATERS
PHASE 2 - 60 FT WIDE LOTS

UNIT	LOT#	BLOCK	ADDRESS	STREET	TOTAL AREA (SF)	MAX. ALLOWBALE IMPERVIOUS COVERAGE (SF)	"AS BUILT" IMPVERVIOUS COVER (SF)
	85	C		HAZY HILLS LOOP	10538	5319.0	
	86	C		HAZY HILLS LOOP	10589	5344.5	
	87	C		HAZY HILLS LOOP	13291	6645.5	
	88	C		HAZY HILLS LOOP	15728	7864.0	
	89	C		HAZY HILLS LOOP	7500	3750.0	
	90	C		HAZY HILLS LOOP	7500	3750.0	
	91	C		HAZY HILLS LOOP	7500	3750.0	
	92	C		HAZY HILLS LOOP	7500	3750.0	
	93	C		HAZY HILLS LOOP	7500	3750.0	
	94	C		HAZY HILLS LOOP	7500	3750.0	
	95	C		HAZY HILLS LOOP	7500	3750.0	
	96	C		HAZY HILLS LOOP	7673	3836.5	
	97	C		HAZY HILLS LOOP	8118	4059.0	
	98	C		HAZY HILLS LOOP	10601	5300.5	
	126	C		HAZY HILLS LOOP	7816	3908.0	
	127	C		HAZY HILLS LOOP	7500	3750.0	
	128	C		HAZY HILLS LOOP	7500	3750.0	
	129	C		HAZY HILLS LOOP	7500	3750.0	
	130	C		HAZY HILLS LOOP	7500	3750.0	
	131	C		HAZY HILLS LOOP	7500	3750.0	
	132	C		HAZY HILLS LOOP	7500	3750.0	
	133	C		HAZY HILLS LOOP	7852	3926.0	
	134	C		HAZY HILLS LOOP	7783	3891.5	
	135	C		HAZY HILLS LOOP	7514	3757.0	
	61	D		HAZY HILLS LOOP	7500	3750.0	
	62	D		HAZY HILLS LOOP	7500	3750.0	
	63	D		HAZY HILLS LOOP	7500	3750.0	
	64	D		HAZY HILLS LOOP	7500	3750.0	
	65	D		HAZY HILLS LOOP	7500	3750.0	
	66	D		HAZY HILLS LOOP	7500	3750.0	
	67	D		CRIMSON SKY COURT	10762	5381.0	
	68	D		CRIMSON SKY COURT	8411	4205.5	
	69	D		CRIMSON SKY COURT	8411	4205.5	
	70	D		CRIMSON SKY COURT	7500	3750.0	
	71	D		CRIMSON SKY COURT	7500	3750.0	
	72	D		CRIMSON SKY COURT	7500	3750.0	
	73	D		CRIMSON SKY COURT	8215	4107.5	
	74	D		CRIMSON SKY COURT	8899	4449.5	
	75	D		CRIMSON SKY COURT	8899	4449.5	
	76	D		CRIMSON SKY COURT	8899	4449.5	
	77	D		CRIMSON SKY COURT	8899	4449.5	
	78	D		CRIMSON SKY COURT	8753	4376.5	
	79	D		CRIMSON SKY COURT	7500	3750.0	
	80	D		CRIMSON SKY COURT	7500	3750.0	
	81	D		CRIMSON SKY COURT	8107	4053.5	
	82	D		CRIMSON SKY COURT	8559	4279.5	
	83	D		CRIMSON SKY COURT	8859	4429.5	
	1	G		CRIMSON SKY COURT	14546	7273.0	
	2	G		CRIMSON SKY COURT	10245	5122.5	
	3	G		CRIMSON SKY COURT	9209	4104.5	
	4	G		CRIMSON SKY COURT	7702	3851.0	
	5	G		CRIMSON SKY COURT	7603	3801.5	
	6	G		CRIMSON SKY COURT	8773	4386.5	
	7	G		CRIMSON SKY COURT	12322	6161.0	
	8	G		CRIMSON SKY COURT	10243	5121.5	
	9	G		CRIMSON SKY COURT	7579	3789.5	
	10	G		CRIMSON SKY COURT	7500	3750.0	
	11	G		CRIMSON SKY COURT	9647	4823.5	
	12	G		CRIMSON SKY COURT	9924	4962.0	
	13	G		CRIMSON SKY COURT	10299	5149.5	
	14	G		HAZY HILLS LOOP	11909	5954.5	
	15	G		HAZY HILLS LOOP	12220	6110.0	
	16	G		HAZY HILLS LOOP	12660	6330.0	
	17	G		HAZY HILLS LOOP	12046	6023.0	
	18	G		HAZY HILLS LOOP	15511	7755.5	

MALONE ★ WHEELER
SINCE INC, 1958

CIVIL ENGINEERING ★ DEVELOPMENT CONSULTING ★ PROJECT MANAGEMENT

HEADWATERS
PHASE 2 - 70 FT WIDE LOTS

UNIT	LOT #	BLOCK	ADDRESS	STREET	TOTAL AREA (SF)	MAX. ALLOWBALE IMPERVIOUS COVERAGE (SF)	"AS BUILT" IMPERVIOUS COVER (SF)
	78	C		TIERRA TRAIL	12636	6328.0	
	79	C		TIERRA TRAIL	10481	5240.5	
	80	C		TIERRA TRAIL	10424	5212.0	
	81	C		TIERRA TRAIL	9506	4753.0	
	82	C		TIERRA TRAIL	8753	4376.5	
	83	C		TIERRA TRAIL	11679	5839.5	
	84	C		TIERRA TRAIL	9900	4950.0	
	43	D		HAZY HILLS LOOP	8750	4375.0	
	44	D		HAZY HILLS LOOP	8750	4375.0	
	45	D		HAZY HILLS LOOP	8750	4375.0	
	46	D		HAZY HILLS LOOP	9099	4549.5	
	47	D		HAZY HILLS LOOP	9476	4738.0	
	48	D		HAZY HILLS LOOP	9476	4738.0	
	49	D		HAZY HILLS LOOP	9476	4738.0	
	50	D		HAZY HILLS LOOP	9476	4738.0	
	51	D		HAZY HILLS LOOP	9323	4661.5	
	52	D		HAZY HILLS LOOP	8750	4375.0	
	53	D		HAZY HILLS LOOP	8750	4375.0	
	54	D		HAZY HILLS LOOP	9552	4776.0	
	55	D		HAZY HILLS LOOP	9552	4776.0	
	56	D		HAZY HILLS LOOP	8936	4468.0	
	57	D		HAZY HILLS LOOP	8750	4375.0	
	58	D		HAZY HILLS LOOP	8750	4375.0	
	59	D		HAZY HILLS LOOP	9802	4901.0	
	32	F		HAZY HILLS LOOP	9914	4957.0	
	33	F		HAZY HILLS LOOP	8750	4375.0	
	34	F		HAZY HILLS LOOP	8772	4386.0	
	35	F		HAZY HILLS LOOP	9706	4853.0	
	36	F		HAZY HILLS LOOP	9706	4853.0	
	37	F		HAZY HILLS LOOP	9706	4853.0	
	38	F		HAZY HILLS LOOP	9358	4679.0	
	39	F		HAZY HILLS LOOP	8750	4375.0	
	40	F		HAZY HILLS LOOP	9854	4927.0	
	41	F		HAZY HILLS LOOP	9139	4569.5	
	42	F		HAZY HILLS LOOP	8750	4375.0	
	43	F		HAZY HILLS LOOP	8750	4375.0	
	44	F		HAZY HILLS LOOP	8750	4375.0	
	45	F		HAZY HILLS LOOP	8750	4375.0	
	46	F		HAZY HILLS LOOP	11119	5559.5	
	47	F		TIERRA TRAIL	9419	4709.5	
	48	F		TIERRA TRAIL	13811	6905.5	

MALONE ★ WHEELER
SINCE INC. 1946

CIVIL ENGINEERING • DEVELOPMENT CONSULTING • PROJECT MANAGEMENT

HEADWATERS
PHASE 2 - 80 FT WIDE LOTS

UNIT	LOT #	BLOCK	ADDRESS	STREET	TOTAL AREA (SF)	MAX. ALLOWBALE IMPERVIOUS COVERAGE (SF)	"AS BUILT" IMPVERVIOUS COVER (SF)
	36	E		STARFIRE DRIVE	10539	5269.5	
	37	E		STARFIRE DRIVE	10217	5108.5	
	38	E		STARFIRE DRIVE	10000	5000.0	
	39	E		STARFIRE DRIVE	10000	5000.0	
	40	E		STARFIRE DRIVE	10000	5000.0	
	41	E		STARFIRE DRIVE	10000	5000.0	
	42	E		STARFIRE DRIVE	10200	5100.0	
	43	E		STARFIRE DRIVE	11073	5535.5	
	44	E		STARFIRE DRIVE	11326	5663.0	
	45	E		STARFIRE DRIVE	11326	5663.0	
	46	E		STARFIRE DRIVE	11326	5663.0	
	47	E		STARFIRE DRIVE	10410	5205.0	
	48	E		STARFIRE DRIVE	10000	5000.0	
	49	E		STARFIRE DRIVE	10000	5000.0	
	7	F		STARFIRE DRIVE	10000	5000.0	
	8	F		STARFIRE DRIVE	10000	5000.0	
	9	F		STARFIRE DRIVE	10000	5000.0	
	10	F		STARFIRE DRIVE	10868	5434.0	
	12	F		SMOKE TREE CIRCLE	15346	7673.0	
	13	F		SMOKE TREE CIRCLE	14111	7055.5	
	14	F		SMOKE TREE CIRCLE	12758	6379.0	
	15	F		SMOKE TREE CIRCLE	13004	6502.0	
	16	F		SMOKE TREE CIRCLE	10150	5075.0	
	17	F		SMOKE TREE CIRCLE	15346	7673.0	
	18	F		SMOKE TREE CIRCLE	15346	7673.0	
	19	F		SMOKE TREE CIRCLE	15362	7681.0	
	20	F		SMOKE TREE CIRCLE	14100	7050.0	
	21	F		SMOKE TREE CIRCLE	17300	8650.0	
	22	F		SMOKE TREE CIRCLE	13101	6550.5	
	23	F		SMOKE TREE CIRCLE	15346	7673.0	
	24	F		STARFIRE DRIVE	10778	5389.5	
	25	F		STARFIRE DRIVE	10000	5000.0	
	26	F		STARFIRE DRIVE	10000	5000.0	
	27	F		STARFIRE DRIVE	10000	5000.0	
	28	F		STARFIRE DRIVE	10000	5000.0	
	29	F		STARFIRE DRIVE	10000	5000.0	
	30	F		STARFIRE DRIVE	10241	5120.5	
	31	F		STARFIRE DRIVE	10434	5217.0	

MALONE ★ WHEELER
SINCE INC, 1998

CIVIL ENGINEERING • DEVELOPMENT CONSULTING • PROJECT MANAGEMENT

HEADWATERS
PHASE 4 SECTION 1 - 50 FT WIDE LOTS

UNIT	LOT #	BLOCK	ADDRESS	STREET	TOTAL AREA (SF)	MAX. ALLOWABLE IMPERVIOUS COVERAGE (SF)	"AS BUILT" IMPERVIOUS COVER (SF)
	100	C		CRIMSON SKY COURT	8600	4300.0	
	101	C		CRIMSON SKY COURT	8442	4221.0	
	102	C		CRIMSON SKY COURT	6250	3125.0	
	103	C		CRIMSON SKY COURT	7087	3543.5	
	104	C		CRIMSON SKY COURT	10077	5038.5	
	105	C		CRIMSON SKY COURT	6250	3125.0	
	106	C		CRIMSON SKY COURT	6250	3125.0	
	107	C		CRIMSON SKY COURT	6250	3125.0	
	108	C		CRIMSON SKY COURT	6337	3168.5	
	109	C		CRIMSON SKY COURT	7475	3737.5	
	110	C		CRIMSON SKY COURT	10115	5057.5	
	111	C		CRIMSON SKY COURT	10115	5057.5	
	112	C		CRIMSON SKY COURT	10115	5057.5	
	113	C		CRIMSON SKY COURT	10115	5057.5	
	114	C		CRIMSON SKY COURT	10115	5057.5	
	115	C		CRIMSON SKY COURT	10115	5057.5	
	116	C		CRIMSON SKY COURT	9369	4684.5	
	117	C		CRIMSON SKY COURT	6250	3125.0	
	118	C		CRIMSON SKY COURT	6391	3195.5	
	119	C		CRIMSON SKY COURT	8600	4300.0	
	120	C		CRIMSON SKY COURT	8600	4300.0	
	121	C		CRIMSON SKY COURT	8430	4215.0	
	122	C		CRIMSON SKY COURT	6250	3125.0	
	123	C		CRIMSON SKY COURT	7784	3892.0	
	124	C		CRIMSON SKY COURT	7595	3797.5	

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

19027219 DECLARATION
08/07/2019 11:44:17 AM Total Fees: $66.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

20000919 AMENDMENT Total Pages: 5
Filed and Recorded: 01/09/2020 09:30:00 AM

AFTER RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

HEADWATERS AT BARTON CREEK

FIRST AMENDMENT TO MODIFICATION DESIGN GUIDELINES [RESIDENTIAL]

Hays County, Texas

Declarant: **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership

Cross Reference to: (i) that certain Headwaters at Barton Creek Master Covenant [Residential], recorded as Document No. 16015124, in the Official Public Records of Hays County, Texas, as amended; and (ii) that certain Headwaters at Barton Creek Modification Design Guidelines [Residential], recorded as Document No. 17025706, in the Official Public Records of Hays County, Texas.

HEADWATERS AT BARTON CREEK
FIRST AMENDMENT TO MODIFICATION DESIGN GUIDELINES
[RESIDENTIAL]

This First Amendment to Modification Design Guidelines for Headwaters at Barton Creek ("**Amendment**") is made by **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership, (the "**Declarant**") and is as follows:

RECITALS:

A. The Declarant, pursuant to *Section 6.4.2* of that certain Headwaters at Barton Creek Master Covenant [Residential], recorded as Document No. 16015124, in the Official Public Records of Hays County, Texas, as amended (the "**Master Covenant**"), previously adopted that certain Headwaters at Barton Creek Modification Design Guidelines [Residential], recorded as Document No. 17025706, in the Official Public Records of Hays County, Texas (the "**Modification Design Guidelines**").

B. Pursuant to *Section 6.4.2* of the Master Covenant and *Article IV* of the Modification Design Guidelines, the Headwaters Reviewer has the power, from time to time, to amend and modify the Modification Design Guidelines.

C. During the Development Period, the Declarant or its designee is the Headwaters Reviewer.

D. The Development Period has not expired and the Declarant desires to amend and modify the Modification Design Guidelines as set forth herein.

NOW THEREFORE, the Declarant hereby amends and modifies the Modification Design Guidelines as follows:

1. **Fencing and Walls.** The sections titled "View Fencing" and "Standard Wood Fencing" within *Article VII, Section F, Fencing and Walls* of the Modification Design Guidelines are hereby deleted in their entirety and replaced with the following:

- View Fencing. All view fencing must utilize a Montage six feet (6') high, three (3) rail, flush bottom, black ornamental iron fence, or equal following the topography of the run without columns along the rear property line and fifteen feet (15') along each side property line starting at the rear property line, except in the instance of corner lots, in which case

the 15′ view fencing requirement applies only to the interior side property line.

- Standard Wood Fencing. All fencing between Lots must adhere to the view fencing requirements set forth above. All remaining fencing between Lots (that is, the fencing starting at the return and ending 15′ from the rear property line) must be Good Neighbor-style wood fencing. Good Neighbor fencing is defined as 1x6 – six foot (6′) wood fencing with "dog ears" that alternates the side the panel faces every eight feet (8′). Fences shall utilize 4″x 4″ metal, cedar or treated pine posts and must have at least three (3) 2x4 horizontal rails of cedar or treated pine for attaching the pickets. All wood material to be #2 or better. Fencing to follow the topography of the run.

2. **Miscellaneous.** Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Master Covenant or the Modification Design Guidelines. Unless expressly modified by this Amendment, all other terms and provisions of the Modification Design Guidelines remain in full force and effect as written, and are hereby ratified and confirmed.

[Signature page follows.]

EXECUTED TO BE EFFECTIVE on this 24th day of January, 2019.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company,
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: Jesse R. Baker
Title: Authorized Signatory

THE STATE OF Massachusetts §
§
COUNTY OF Suffolk §

This instrument was acknowledged before me this 24th day of January 2019 by Jesse R. Baker, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said companies and partnership.

(seal)

SARAH MAHAN
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires On
October 26, 2024

_____
Notary Public Signature

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

20000919 AMENDMENT
01/09/2020 09:30:00 AM Total Fees: $38.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

Clerk's Note: At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility, carbon of photocopy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed.

20021129 AGREEMENT Total Pages: 66
Filed and Recorded: 06/01/2020 04:31:58 PM

Restated
The Headwaters at Barton Creek
Development Agreement

between

City of Dripping Springs

and

Oryx Development, LLC

and

WFC Headwaters Owner VII, L.P.

and

Rathgeber Investment Company, LTD.

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DEVELOPMENT AGREEMENT

STATE OF TEXAS §
§
COUNTY OF HAYS §

This Restated Development Agreement ("Agreement") is between the City of Dripping Springs, (the "City"), and Oryx Development, LLC, successors-in-interest to the Townes Family Trust ("Commercial Owner"), and WFC Headwaters Owner VII, L.P. ("WFC"), successor-in-interest to Headwaters Development Co. and Rathgeber Investment Company, Ltd. ("Rathgeber"), successor-in-interest to Headwaters Development Co. WFC and Rathgeber may be collectively referred to herein as the "Residential Owner." The Commercial Owner and the Residential Owner may be collectively referred to herein as the "Owners". In this Agreement, the City and Owners are sometimes individually referred to as a "Party" and collectively referred to as the "Parties".

RECITALS:

WHEREAS, Owners own the balance of the undeveloped balance of land included in the approximately 1,509.68 acres of land (the "Land") located within the city limits of the City and the extraterritorial jurisdiction (ETJ) of the City and in Hays County, Texas (the "County"), which is more fully described on the attached *Exhibit A*; and

WHEREAS, the City, Headwaters Development Co., and The Townes Family Trust entered into that certain The Headwaters at Barton Creek Development Agreement (the "**Agreement**") on or about April 13, 2005, recorded at Volume 2675, Page 675, Official Public Records of Hays County, Texas; and

WHEREAS, the Agreement was amended by the First Amendment to The Headwaters at Barton Creek Development Agreement on or about June 10, 2008 ("**First Amendment**"); and

WHEREAS, the Agreement was further amended by the Second Amendment to The Headwaters at Barton Creek Development Agreement on or about August 12, 2014 ("**Second Amendment**"); and

WHEREAS, the Agreement was further amended by the Third Amendment to The Headwaters at Barton Creek Development Agreement on or about February 10, 2015 ("**Third Amendment**"); and

WHEREAS, the Parties desire to replace and supersede the Agreement as amended with this Restated Headwaters at Barton Creek Development Agreement; and

WHEREAS, Owners intend to develop or are in the process of developing the Land as a master-planned, mixed-use community that will include commercial and residential uses, together with open space and environmental preservation areas to benefit the residents and property owners of the community, as well as other residents of the City, the City's ETJ, and the County; and

WHEREAS, the development may also include facilities that will attract and serve tourists and visitors to the area. In this Agreement, the Land, as it will be developed, is sometimes referred to as the "Project;" and

WHEREAS, the City is located in a rapidly growing area of the County and new construction and land development will impact the future character of the City; and

WHEREAS, the City has adopted a Comprehensive Plan to guide the City in planning for future growth and development and the City Council finds that this Development Agreement is consistent with the Comprehensive Plan; and

WHEREAS, the City has determined that development agreements with developers of master-planned communities such as the Project will benefit the City by establishing land use controls; providing for the construction of appropriate and necessary utility, roadway and drainage infrastructure; encouraging economic development; protecting the environment; preserving native habitat and endangered species; and promoting the welfare of the citizens of the City and its ETJ; and

WHEREAS, the City and Owners are striving to achieve balance between the pressures of urbanization and the shared desires to protect the public safety, and conserve the hill country scenery and native habitat; and

WHEREAS, this Agreement grants the Owners a measure of predictability in terms of applicable municipal regulations and development fees; and

WHEREAS, this Agreement grants the City the public benefits related to conservation (i.e., "cluster") developments, and the application of certain municipal regulations in the ETJ, including building codes, zoning, lighting, landscaping regulations and exterior design standards for non-residential structures; and

WHEREAS, Owners and the City wish to enter into this Agreement to provide an alternative to the City's typical regulatory process for development; encourage innovative and comprehensive master-planning of the Land; provide a level of certainty of regulatory requirements throughout the term of this Agreement; and provide assurances of a high-quality development that will benefit the present and future residents of the City, the City's ETJ and the County; and

WHEREAS, the City is statutorily authorized to enter into such agreements with owners of property located in the City's ETJ pursuant to Texas Local Government Code Section 212.172; and

WHEREAS, the City has conducted numerous public hearings and received broad public input regarding the proposal contained within this Agreement; and

THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, including the agreements set forth below, the City and Owners agree as follows:

ARTICLE 1. DEFINITIONS

1.1 **Agreement**: This contract between the City of Dripping Springs, Texas and Owners, including all Exhibits, which are incorporated herein for all intents and purposes.

1.2 **Applicable Fees**: The fees and charges to be paid by Owners to the City with respect to the development of the Land.

1.3 **Applicable Rules**: The City Rules that, as modified by the Project Approvals and variances, exist at the Effective Date of this Agreement and will be applicable to the development of the Land. This term does not include Zoning (except as provided in 3.2.4), Building Codes, Landscaping, Lighting, Sign, or Exterior Design standards, as those regulations may apply or hereafter be applied to ***non-residential*** properties. This term does not include regulations mandated by state law, or that are necessary to prevent imminent harm to human safety or property.

1.4 **Association:** A community group that is organized with respect to the Land in which individual owners of lots share common interests and responsibilities for costs and upkeep of common space or facilities. The group may take the form of a Property Owners Association or Home Owners Association.

1.5 **City**: The City of Dripping Springs, an incorporated Type A, general-law municipality located in Hays County, Texas.

1.6 **City Administrator**: The chief administrative officer of the City of Dripping Springs, Texas. The term also includes the Deputy City Administrator.

1.7 **City Council**: The governing body of the City of Dripping Springs, Texas.

1.8 **City Engineer**: The person or firm designated by the City Council as the engineer for the City of Dripping Springs, Texas.

1.9 **City Rules**: The entirety of the City's ordinances, regulations and official policies, except as modified by this Agreement.

1.10 **Commercial Owner**: The Townes Family Trust, or subsequent owners of the tract designated as commercial on *Exhibit B*.

1.11 **Conceptual Plan**: The conceptual plan of the Project attached as *Exhibit B*, as it may be amended from time to time in accordance with this Agreement.

1.12 **County**: Hays County, Texas.

1.13 **District(s)**: Any conservation and reclamation districts authorized pursuant to Texas Constitution Article III, Section 52, or Article XVI, Section 59, by way of example, Municipal Utility Districts or Water Control and Improvement Districts, etc., that may in the future be created and include the Land or portions thereof, and any subsequent district that may be created by division of such district or districts.

1.14 **Effective Date**: April 14, 2005.

1.15 **Impervious Cover Percentage:** The percentage calculated by dividing the total acres of impervious cover on the Land (but excluding from such total any impervious cover developed on the School Tract) by the total number of acres included in the Land. Whether or not outdoor decks are included in the calculation of impervious cover shall be determined by the City Engineer based on the deck design and materials. In the calculation of impervious cover, the following shall be characterized as ***pervious*** for all purposes: open space, greenbelt, mitigation land, park, irrigation field, flood plain, water quality and/or drainage facility and/or area, detention facility, swale, irrigation area, playground, athletic fields, granite or pea gravel trail.

1.15 **Land**: Approximately 1509.68 acres of land, in Hays County, Texas, more fully described on the attached *Exhibit A*.

1.16 **Master Plan**: The master plan of the City, originally presented in 1984, as may be amended, modified or supplemented by the City, in conjunction with the Comprehensive Plan.

1.17 **Mitigation Land:** A tract of real property designated by Owners to alleviate or lessen any adverse impacts of the Project. Mitigation land shall be preserved in perpetuity through conservation easements and/or deed restrictions.

1.18 **Open Space:** A tract or tracts of real property not occupied by any structures or impervious surfaces. A tract or tracts of real property designated by a public or private entity as accessible by the public for active or passive recreation shall qualify as Open Space. Property included within the confines of individual residential lots shall ***not*** qualify as Open Space under this Agreement.

1.19 **Owners**: Townes Family Trust, Headwaters Development Co., and any subsequent owner. The term is cumulative of the terms Commercial Owner and Residential Owner.

1.20 **P&Z**: The Planning and Zoning Commission, a volunteer citizen advisory board of the City of Dripping Springs that has been granted specific land use and development regulatory authority pursuant to City ordinances and state statutes.

1.21 **Project**: The Land, as it will be developed under this Agreement pursuant to the Concept Plan, attached as *Exhibit B*. The City may consider and approve modified Concept Plans that become necessary for Owners to obtain governmental permits, licenses and other approvals. The Project may include multiple phases for platting purposes. The Owners may change lot lines and interior streets upon receipt of written administrative approval from the City Engineer.

1.22 **Project Approvals**: The approvals, variances, waivers and exceptions to the Applicable Rules approved by the City with respect to the development of the Land, as set forth on the attached *Exhibit C*.

1.23 **Recreation**: Leisure time activities. Active Recreation involves active or energetic activities that are often performed with others, involves the use of equipment, and takes place at prescribed places, sites or fields (e.g., playground activities, swimming, tennis, and track). Passive Recreation involves activities that are relatively inactive or less energetic (e.g., board games, picnicking, and walking).

1.24 **Residential Owner**: Headwaters Development Co., or subsequent owners of the tract designated as residential on *Exhibit B*.

1.25 **School Tract**: The 64.52 acre tract of land described in *Exhibit A-1*.

1.26 **TCEQ**: Texas Commission on Environmental Quality, or its successor agencies.

1.27 **TxDOT**: Texas Department of Transportation, or its successor agencies.

ARTICLE 2. PUBLIC BENEFITS, INFRASTRUCTURE AND AMENITIES

2.1 **Orderly Growth:** The City desires that development within its ETJ occur in an orderly manner in order to protect the health, safety and welfare of the City's present and future citizens; preserve the environment; enhance property values; and provide for expansion of the City's tax base. This Agreement will benefit the City by facilitating the development of a master-planned community within an appropriate area of the City's ETJ, which will allow for thoughtful and high-quality planning, the development of necessary roadways and utility facilities, the provision of required fire protection services, and the development of a balanced community that includes commercial, residential, civic and recreational uses. Through this Agreement, the City is furthering its land planning objectives by imposing in the ETJ components of the City's rules for

Zoning, Lighting, Building, Exterior Design (for Commercial tracts), Signs and Landscaping.

2.2 **Economic Development:** The development of the Project as a master-planned, mixed-use community will benefit the City by providing new employers and an expanded job market for the residents of the City and its ETJ; furthering the development of an expanded commercial tax base; and increasing the services that will be available to residents of the City and its ETJ.

2.3 **Provision of Housing:** The development of the Land under this Agreement is intended to provide a range of housing prices for the City's present and future citizens and, as contemplated by the City's Comprehensive Plan, to allow the development of housing that will minimize negative environmental impacts and promote the aesthetic enhancement of the City and its ETJ. Further, the development of housing in accordance with this Agreement will promote safe and attractive housing conditions and a self-sustaining community.

2.4 **Water and Wastewater Infrastructure:**

2.4.1. **Cooperation**: The City, in its Comprehensive Plan, has recognized the need for additional water supplies and centralized wastewater service for the health and safety of the current and future residents of the City and its ETJ and to serve future growth. In recognition of these City goals, Owners will cooperate with the City and County in their efforts to obtain a permanent surface water supply and centralized wastewater collection and disposal service for the project.

2.4.2. **Design**: Water and Wastewater infrastructure shall be designed and constructed in accordance with all applicable rules and regulations, including but not limited to those of the TCEQ. Water and Wastewater infrastructure shall be designed and constructed in a manner that will allow expansion and connection to the City's Water and Wastewater infrastructure, when operable. Any portions of the Open Space suitable for wastewater drip irrigation and not needed by the Owners for the Project or expansion of the Project will be available to the City for the City's wastewater use, subject to TCEQ rules and permits. This Agreement is not a basis for any obligation of Owners for the future costs of expansion of the irrigation site or wastewater plant, nor are Owners required to furnish additional land in addition to the Open Space for such expansion.

2.4.3. **Adoption by District**: Owner shall cause this Agreement regarding water and wastewater expansion to be adopted by the District(s).

2.4.4. **Wholesale & Retail Utility Service:** The Parties acknowledge that the City has applied with the TCEQ for a Certificate of Convenience and Necessity (CCN) granting the City the exclusive right to provide water services to the area that includes the Project. Owner and City agree that City shall be the retail water provider for the District(s). The City will contract with the Districts to be created by

Owners' petition to permit the Districts to be the retail water service contract operator for the City, pursuant to an Interlocal agreement between the City and the Districts through which the Districts agree to undertake all obligations, including construction of infrastructure, connection to the users, billing and collection of water revenues, operation and maintenance, and accounting for payment of wholesale water rates, necessary to facilitate the City's retail water service to the Project, and subject to the City's agreement(s) with its wholesale water provider. Districts may build the system(s) to be reimbursed with bond proceeds. Any future expansion of the system beyond the Project shall not be at Owners' expense. Owner agrees that the City shall have the right to provide wastewater utility services to the Project in the event the Districts do not provide such wastewater services or cease to provide such wastewater services at any time in the future.

2.5 **Recreation & Tourism:** The City has, in its Comprehensive Plan, established goals of increasing the availability of park and recreational facilities to serve the residents of the area, and enhancing the attractiveness of the City as a tourist destination. The development of the Project, as contemplated by this Agreement, will further these City goals in the following ways:

2.5.1 **Open Space:** The Project will include approximately 1,000 acres of community parkland, playgrounds, and open space, including greenbelts, irrigation, mitigation and conservation easements, which at the discretion of Owners will be dedicated to Districts, for operation and maintenance as open space areas. This approximately 1000 acres of Open Space may be developed in one or more tracts and may include a separate tract of approximately three hundred (300) acres to be separately dedicated for public use as community parkland, playground and open space. The Conceptual Plan attached as *Exhibit B* describes the open space usage.

2.5.2 **Operation and Maintenance:** The operation and maintenance of the dedicated open space shall be funded by a District, or other non-city sources approved by the City, until such time as the City annexes the District.

2.5.3 **Public Access:** Owners agree that the area designated on the Concept Plan, *Exhibit B*, as-Open Space shall be open to the public. Open Space shall include hike and bike trails. The Owners and the City may at a later date agree to designate certain portions of Open Space as closed to the public for environmental or safety purposes.

2.5.4 **Master Parks & Open Space Plan; Parkland Dedication** Owners agree to comply with the City's Parkland Dedication Ordinance. Owners agree to prepare a Master Parks & Open Space Plan ("Master Open Space Plan"), subject to the City's approval, governing all parkland and open space within the Project. Owners shall submit to the City a Master Open Space Plan within one (1) year of the Effective Date of the Second Amendment. Under this Agreement, it is not sufficient to meet parkland requirements on an individual plat basis; instead, all parkland requirements shall be tracked collectively through a matrix within the

Master Open Space Plan. Elements of the Master Open Space Plan shall include a schedule and budget for proposed improvements and location of parkland. The Master Open Space Plan shall delineate the extent of public use of the Open Space and address any limitations on public access. Owners agree to provide public access to Barton Creek and Little Barton Creek, as will be specified in the Master Open Space Plan, which may contain reasonable restrictions on use, such as posted hours, and limitations on camping and swimming. Owners shall provide a minimum of three (3) pedestrian access points to Parcel A as shown on the Conceptual Plan attached as *Exhibit B*. The pedestrian access points to Parcel A shall generally be located at "T" intersections and/or the location of the wastewater treatment plant. As part of the Master Parks & Open Space Plan opportunities for potential pedestrian connections to adjoining properties shall be identified.

Prior to Master Open Space Plan approval, concurrent with platting of each phase of the Project, Owners will designate specific parcels as parkland for the lots being platted at that time in compliance with the Parkland Dedication Ordinance. Following Master Open Space Plan approval, each plat submission will comply with the approved Master Open Space Plan. Owners and the City acknowledge that the Master Open Space Plan was submitted by the Owners in accordance with the provisions of this Section 2.5.4 and approved by the City on November 18, 2016"

2.6 Fees and Revenues: In consideration of the City's covenants and concessions contained within this Agreement, and in order to assure that the City does not incur uncompensated expenses in connection with this Agreement and the development of the Land under this Agreement, Owners agree to pay to City certain development fees (as herein defined) in lieu of certain other fees and expenses payable to the City as follows:

2.6.1 Administrative & Professional Fee: Owners agree that any administrative & Professional fees be based on the current fee structure of the city and invoices from any and all consultants performing work for the city. Owners have established a deposit of the Administrative & Professional Fee of sixty thousand dollars ($60,000.00) with the City, which is intended to cover all City legal fees and engineering fees, administrative expenses associated with this Agreement. The Residential Owner shall deposit thirty thousand dollars ($30,000.00) of this Fee and the Commercial Owners shall deposit thirty thousand dollars ($30,000.00) of this Fee. The final sum shall be reduced by the amount of progress payments provided to the City by Owners at the time of execution of this Agreement. Excess funds in escrow will be credited toward Platting Fees owed by Owners to City.

2.6.2 Facilities Expansion Fee: In addition to all other fees herein described, as consideration for this Agreement, Owners agree to pay the City a Facilities Expansion Fee to provide for expansion of public facilities of up to one million

dollars ($1,000,000.00). The Facilities Expansion Fee will be calculated at the rate of five percent (5%) of each bond reimbursement received by Owners for costs advanced by Owners for the construction of water, wastewater, and drainage utility facilities within the Project and will be paid by the Owners to the City out of the Owners' reimbursement for such expansion that the Owners receive from the proceeds of the issuance of bonds by any District created for the Project. Each installment of the Facilities Expansion Fee will be payable solely out of the sums reimbursed to Owner by the Districts from the District's bond proceeds, and will be paid by Owners to the City within ten (10) days of Owners' receipt of the reimbursement upon which the fee is calculated.

2.6.25 Additional Facilities Expansion Fee: For all bond reimbursements received by any Owner for costs advanced by Owners for the construction of road facilities, water, wastewater and drainage utility facilities, and other eligible costs and expenses related to the Project in excess of Forty Million Dollars ($40,000,000), but not exceeding One Hundred Nineteen Million Two Hundred Forty Five Thousand Dollars ($119,245,000), five percent (5%) of each bond reimbursement shall be paid by the Owners to the City out of the Owners reimbursement as an Additional Facilities Expansion Fee. Each installment of this Additional Facilities Expansion Fee shall be payable solely out of the sums reimbursed to the Owners to the District form the District's bond proceeds, and will be paid by Owners to the City within ten (10) days of Owners' receipt of the reimbursement upon which the fee is calculated.

2.6.3 Fees: All fees under this Agreement shall be imposed in accordance to the City fee schedule applicable at the time of application for the specific authorization sought.

2.6.4 Subdivision Variances: Fees shall be imposed in accordance to the City fee schedule applicable at the time of application for the specific authorization sought.

2.7 Environmental Protection: Owners will implement compliance with the following natural resource laws and regulations, to the extent applicable:

2.7.1 Aquifer Protection: The Land lies within the contributing zone to the Edwards Aquifer. Accordingly, Owners will comply with all applicable TCEQ regulations, including but not limited to Edwards Aquifer Rules, 30 TAC 213, as may be amended. Owners shall also take reasonable measures to protect the Trinity Aquifer, including at a minimum adherence to the above-cited Edwards Aquifer Rules.

2.7.2 Land Application Restrictions: If treated sewage effluent is disposed of through irrigation of appropriate open areas within the Project, Owners will obtain and comply with the required TCEQ permit, which shall contain effluent treatment requirements and limitations at least as stringent as those in any TCEQ permit issued to the City for sewage effluent disposal through irrigation. The City reserves the right to comment on any permit application submitted by the Owners.

2.7.3 **Waterway Protection:** Owner shall obtain and comply with any authorizations from the US Army Corps of Engineers that may be required for road and utility crossings of creeks and construction of water quality protection infrastructure, including but not limited to Clean Water Act Section 404 Permitting. Ownership and responsibility for such infrastructure shall be transferred to the District(s) subject to oversight provided by an Association.

2.7.4 **Stormwater Controls:** Owners will prepare and implement a stormwater pollution prevention plan in compliance with the TCEQ's Texas Pollution Discharge Elimination System stormwater general permit for construction related stormwater discharges.

2.7.5 **Endangered Species:** Owners will seek to ensure that the Project will not adversely affect listed endangered species or their critical habitat in accordance with the federal Endangered Species Act. Owners must provide City with current letters regarding the Project's compliance with the US Fish & Wildlife Service (USFWS) and Lower Colorado River Authority (LCRA) Memorandum of Understanding (MOU), as it exists on the Effective Date of this Agreement, or subsequent agreements that supersede the MOU.

2.7.6 **Voluntary Measures:** Owners will implement numerous voluntary environmental protection measures for the benefit of the Project, including:

(a) **Mitigation Land:** Through District funding, Owners may dedicate to the public or place mitigation easements upon mitigation land in appropriate amounts to further the mitigation, preservation and re-population of endangered species and other environmental purposes. All mitigation land must be located on-site, adjoining the Project, or in the region. All mitigation land is subject to City Council approval in the form of a variance. In order to grant a variance authorizing the use of mitigation land, the City Council must make an affirmative finding in writing that use of the proposed site as mitigation land will be beneficial to the City and/or the Project. An affirmative vote of at least three of five (3 of 5) members of the City Council following a public hearing is required to approve a variance.

(b) **Owner Education:** Owners will implement an education program to further the protection of the environmental resources in the Project. The program shall include, but shall not be limited to, the dissemination of pamphlets and newsletters to educate residents and property owners within the Project about the natural resources of the area and methods of environmental resource protection. Specifically, the educational program will address watershed protection; water conservation; native landscaping; species preservation; rain water harvesting; the dangers of using pesticides, fertilizers, and herbicides in the Barton Creek watershed; the promotion of organic fertilizers and herbicides; and the proper disposal of wastes.

(c) **Buffering:** In order to protect water quality, Owners will provide buffering of sensitive drainage areas within the Project. All buffer zones (including but not limited to those mandated by the USFWS shall be identified on *Exhibit D*. Buffer zones shall be left undisturbed along tributaries, except as authorized by TCEQ and/or USFWS. All buffer zones shall be vegetated. Owners agree to re-establish native prairie grasses in the buffers to the extent reasonably possible.

(d) **Landscaping:** Owners agree that the use of native species of plant materials will be utilized throughout the Project. Turf grasses on any lot within the Project shall be limited to Zoysia, Buffalo or Bermuda grasses. Other grasses may be approved by the City Administrator for lots utilizing drip irrigation systems. In no instance shall St. Augustine grass comprise more than ten percent (10%) of any lot.

2.7.7 **Wells:** Owner agrees that no water wells will be drilled or used to provide potable water to the Project. Owner agrees that all restrictive covenants for the Project shall reinforce this prohibition. Existing wells shall be capped. Notwithstanding the foregoing, existing wells may only continue to be utilized for wet pond make-up water except during times of drought, as determined by the Hays Trinity Groundwater Conservation District.

2.7.8 **Water Conservation Plan:** Owners shall comply with the City's plan, which has been approved by the Lower Colorado River Authority (LCRA) and is attached to this Agreement as *Exhibit E,* and is incorporated herein for all purposes. City further agrees that the LCRA water plan approved by the LCRA in connection with the provision of water service to the District may be used in place of the City's plan attached to this agreement as *Exhibit E.*

2.7.9 **Conservation Easements:** All conservation easements proposed under this Agreement or hereafter designated by the Owners shall be submitted to the City for review and approval prior to becoming effective or being recorded in the real property records. Areas designated in the Conceptual Plan as Open Space or Parkland shall be protected by Conservation Easements or other such enforceable instruments. Approximately 1,000 acres of public open space, which is required by Section 2.5.1 of this Agreement to be set aside, shall be protected by such instruments and preserved in perpetuity by them.

2.7.10. **Public Access:** Owners shall grant the public an easement to approximately 1,000 acres of Open Space, including trails and approximately 1,500 feet of frontage on Barton Creek. The scope of public access and parkland shall be addressed in the Master Open Space Plan. The Owners and the City may at a later date agree to designate certain portions of Open Space as closed to the public for environmental or safety purposes.

2.8 **Deed Restrictions:** Owners agree that all restrictive covenants for the Project shall reinforce the provisions of this section and be applied to all builders and subsequent buyers.

2.9 **Water Quality Plan:** Owners agree to implement and comply with the Water Quality Plan included in this Agreement as *Exhibit F.*

2.10 **Hilltop Preservation:** The Owners shall not construct any buildings within the one (1) acre area surrounding each of the hilltops ("Hilltop Preservation Areas") as depicted by GPS coordinates on the Conceptual Plan and the Owners agree that the Hilltop Preservation Areas shall be further specified and defined on the preliminary plat and final plat filed for the Project which shall be filed with the City at a later date. Further, the Owners shall limit disturbance of the Hilltop Preservation Areas to minor clearing of underbrush and removal of dead or diseased trees, branches, or vegetation, for the purpose of fire protection and public safety. Within 300 feet of the outer boundary of any Hilltop Preservation Area (such area being referred to herein as the "Building Height Limitation Zone"), buildings shall not exceed a height that is forty (40) feet above the topographical elevation at the boundary of the Hilltop Preservation Areas. For example, if the topographical elevation at the boundary of a Hilltop Preservation Area is 1,500 feet above sea level, a building located at the boundary of the Hilltop Preservation Area may not exceed 1,540 feet above sea level, regardless of the overall height of the building and a building located 250 feet away from the boundary of the Hilltop Preservation Area may not exceed 1,540 feet above sea level, regardless of the overall height of the building. Building height in these Building Height Limitation Zones shall be calculated according to the definition of "height of building" as set forth in Section 28.05.004 of the City of Dripping Springs Code of Ordinances ("**Code of Ordinances**"), which defines "height of building" as "the vertical distance measured from the average elevation of the existing grade of the building to the highest point of a flat or multi-level roof or, for gable or hip roofs, to the mean height between the eaves and the ridge. Chimneys, spires, towers, mechanical penthouses, tanks, and similar projections not intended for human occupancy shall be excluded." For informational purposes, the forty (40) foot height limitation within the Hilltop Preservation Area, as set forth in this Section 2.10, is derived from the Austin Green Grow Guide which lists the median height of a typical live oak tree ranges from thirty (30) to fifty (50) feet."

ARTICLE 3. PROPERTY DEVELOPMENT

3.1 **Governing Regulations**: For purposes of any vesting analysis, the Parties agree that the Effective Date shall be construed as the date upon which Owners filed the first application with the City for development of the Project, in accordance with Texas Local Government Code Chapter 245, as may be amended. The Applicable Rules shall govern the Project, unless otherwise expressly provided in this Agreement. For the term of this Agreement, the development and use of the Land will be controlled by the terms of this Agreement, the Project Approvals and the Applicable Rules. If there is any conflict

between the Applicable Rules and the terms of this Agreement, the terms of this Agreement will control.

3.2 Project Approvals and Entitlements:

3.2.1 Project Approvals & Variances: The Project Approvals set forth in *Exhibit C* (the "Project Approvals") and the variances in *Exhibits C-1 and C-2* have been approved by all required City boards and commissions and the City Council and are granted by the City with respect to the development of the Land. This Agreement shall serve as guidance for the review and approval of any additional variances or other municipal authorizations not specifically included in this Agreement.

3.2.2 Conceptual Plan: The City confirms that the Conceptual Plan attached as *Exhibit B* complies with the City's Master Plan and Comprehensive Plan, and that the Conceptual Plan has been approved by all requisite City departments, boards and commissions and by the City Council. The City approves the land uses, densities, reservations of land for public purposes, exceptions, utility and roadway alignments and sizing and other matters shown on the Conceptual Plan. The City's execution of this Agreement shall be deemed to be the approval of the Conceptual Plan, *Exhibit B* on which the Preliminary Plats for development of the Land will be based.

3.2.3 Density of Development: With respect to the density of the Project, Owners will have the right to develop the Land at a density not to exceed 1,000 single-family residential units within the residential areas noted on the Concept Plan, and up to 5 residential lots on the southeastern portion of the Property across from existing Sunset Canyon homes, plus the right to develop approximately 175 acres of commercial, multifamily, office or other uses. For purposes of this Agreement, each duplex constructed in the Project shall constitute two living unit equivalents (LUEs).

3.2.4 Land Use:

(a) For purposes of this Agreement the following shall be allowed within areas noted as residential areas: single family residences and related structures; duplex residential units; schools, parks, sports and playground facilities; community centers; churches; fire/police/medical protection facilities; water and wastewater facilities; amenities centers; drainage, detention and water quality facilities; and roads, trails and other access facilities. All uses not identified in the preceding sentence as residential uses shall be deemed commercial uses for the purposes of this Agreement. Commercial Owner shall be entitled to the uses allowed in the Planned Development District #6 Zoning District, as it may be amended. Commercial uses must conform to the City's Master Plan and the Interim Comprehensive Plan. Conditional Use Permits shall be required for City approval of townhomes and multifamily

projects on the Commercial tract(s). Any use that would be allowed in a residential use area, will be allowed in nonresidential use areas, except for single family residence and duplexes.

(b) School Tract Land Uses: Land uses for the school tract shall be government facilities, government buildings, fire stations, day care, library, or school(s) and related school facilities and uses.

(c) School Tract Development Standards: The School Tract, identified on the concept plan, shall be developed under the development standards found in Chapter 30 Zoning, Sec. 3.14 Government/Utility/Institutional (GUI), of the City's Code of Ordinances. No variances found in *Exhibits C-1* and *C-2* shall be applicable to this tract unless specifically noted. Roadways in this area may be constructed with the variances to road construction standards listed in *Exhibits C-1* and *C-2*.

3.2.5 Impervious Cover: Owners may develop the Project with an Impervious Cover Percentage that does not exceed fifteen percent (15%) over the entire Project. Notwithstanding the forgoing and as noted in Section 1.15, the impervious cover developed on the School Tract shall not be included in determining the Impervious Cover Percentage for the Land. Owners shall have the right to apportion impervious cover limits on a lot by lot or use by use basis, not to exceed fifty percent (50%) on each residential lot in the Residential portion of the Project. With regard to the Commercial portion of the Project, as permitted by the City, Owners shall have the right to impervious cover limits not to exceed fifty percent (50%) of the entire Commercial portion. Owners may apportion such limits as it deems desirable so long as the overall limitation herein specified is not exceeded. Owners may count in density and impervious cover calculations land designated as greenbelt, open space, mitigation land or similar areas.

Notwithstanding the provisions of the preceding sentence, the following shall apply to the development of the Residential Tract. To the maximum extent practical, construction within the Residential Tract shall be limited to those areas with pre-development natural grades of less than fifteen percent (15%). The Residential Tract has bands of existing slopes that exceed fifteen percent (15%). Development of the Residential Tract will necessitate some construction in these areas in order to develop the Project. Construction may occur on slopes that exceed 15% within the Residential Tract if the following criteria and design standards are met:

i) Designs shall be based on commonly accepted Geotechnical, Structural, Drainage and Water Quality Engineering practices, including local design criteria.

ii) Designs and aesthetic treatments shall be consistent throughout the Project. Aesthetic treatments of exposed graded slopes, retaining walls and foundations shall be designed and graded in accordance with generally accepted

engineering practices. To the extent reasonably practical, Owners will require builders to shield exposed retaining walls and foundations with vegetation and/or fencing or other methods. The methods will be included by the Owners in the Deed Restrictions / CCRs."

3.2.6 Phasing of Development: The calculation of impervious cover, parkland requirements, lot averaging and similar requirements shall be determined and calculated on a whole project basis. Each plat filed with the City shall contain a chart indicating the amount of impervious cover, LUE use, and parkland required for the entire Land, the amount associated with prior platted areas and the amount associated with the area subject to such plat. The chart shall also show the average lot size computation for the Land as a whole and resulting from the plat and prior platted areas. Any portion of the Property may be replatted to change the use or designation of that previously platted portion so long as the entire platted portion of the Property meets the requirements of this Agreement, including impervious cover, parkland requirements, lot averaging and similar requirements herein. So long as this Agreement remains in effect, such replatting shall be deemed controlled by this Agreement as if the same were an original platting of such replatted portions. The impervious cover developed on the School Tract shall not be included when determining the Impervious Cover Percentage for the Land.

3.2.7 Flag Lots: Flag lots are permitted, but shall comply with the following standards:

(a) The Fire Department Chief shall review and either disapprove or approve the preliminary plat for each flag lot based on the following criteria (b) through (l)
(b) No flag driveway shall be longer than four hundred (400) feet;
(c) Flag driveways shall be at least twenty (20) feet in width;
(d) Flag driveways shall have a vertical clearance at least thirteen (13) feet and six (6) inches;
(e) No flag driveway shall exceed a slope of ten (10) percent;
(f) Flag driveways must be constructed of an all-weather surface;
(g) Flag driveway turnarounds must be in accordance with the Dead-End Fire Apparatus Access Road Turnaround requirements of the International Fire Code;
(h) No more than five (5) consecutive, single flag lot lots are permitted;
(i) The total number of flag lots shall not exceed forty (40);
(j) The front yard setback for each flag lot shall be measured from the flag portion of the lot rather than the pole portion of the lot;
(k) The area occupied by the entire pole portion of the lot shall not be counted toward the required minimum lot area; and
(l) A fire hydrant shall be installed within twenty-five (25) feet of the intersection of the flag driveway and roadway.

An access, maintenance and landscape easement shall be identified on the final plat and the neighborhood covenants and restrictions for the Subdivision shall provide for common use and maintenance of this common area by all flag lots and shall restrict vehicle shared access to the single common drive. Such use restrictions and shared

maintenance obligations shall be set forth in future neighborhood covenants and restrictions."

A conceptual flag lot plan is attached hereto as *Exhibit G* as the Flag Lot Plan Detail Sheet included in the Conceptual Plan, which depicts a flag lot layout that could be typical for the Project. The Flag Lot Detail Sheet is included in the Conceptual Plan for illustrative purposes only and does not substitute or override the criteria for which flag lots will be based as set forth in items (a) through (k) above.

3.2.8 Agreement to Negotiate with School District for Purchase of Land: WFC and the City have identified a tract of land (the "**School Tract**") for potential sale to the Dripping Springs Independent School District ("**School District**") based on the terms and conditions set forth in this Section 3.2.8. The School Tract is located within the Residential Tract and is depicted on the School Tract Detail Sheet included in the Conceptual Plan. During the School Tract Term (as defined below), WFC agrees to negotiate with the School District in good faith for the sale of the School Tract to the School District and to enter a contract with the School District for such sale (the "**Contract**") if such negotiations are successful. WFC's duties as set forth in this Section 3.28 shall apply only during the School Tract Term and only if the School District presents a written contract complete with all terms and conditions. WFC shall have no duty itself to offer to sell the School Tract to the School District at any time. If WFC and School District have not agreed on terms and entered into a fully executed and binding Contract prior to the expiration of the School Tract Term, then the provisions of this Section 3.2.8 shall become null and void and WFC shall have no further obligation to negotiate or contract for the sale of the School District Tract to the School District. The "**School Tract Term**" shall commence on the August 12, 2014 and shall expire upon the earlier of: (i) August 12, 2019, or (ii) either the date on which the 501st building permit is issued for homes to be constructed within the Residential Tract or, if a building permit is not required to commence construction of a home within the Residential Tract, then the issuance of the 501st water or sewer tap or other similar permit or approval is issued that would typically be associated with the commencement of a home within the Project. WFC agrees it will not plat or develop the School Tract during the School Tract Term. WFC's duty to negotiate in good faith shall be determined by WFC in its reasonable discretion. For illustrative purposes only, an example of a good faith negotiation in accordance with this Section may be that WFC and the School District agree that the purchase price of the School Tract shall be determined by calculating the fair market value of the School Tract, assuming a "paper lot valuation," which term shall be used herein to mean the price that a willing buyer is willing to pay a willing seller for the purchase of the thirty-seven (37) finished and buildable lots on the School Tract ("**Lost Lots**"), complete with fully developed streets, utilities, and infrastructure, and approval of all necessary permits for the Lost Lots, less the costs of the development of such streets, utilities, and infrastructure that would be constructed within the School Tract boundaries. The School Tract Detail Sheet shows the projected number of lots to be developed on the School Tract is attached

hereto as *Exhibit H* and incorporated herein for the purpose of determining a "paper lot valuation" of the School Tract. If a Contract is entered, it shall include conveyance by WFC to the School District: (a) the fee simple interest in and to the School Tract; (b) the right to receive thirty-seven (37) living unit equivalents ("LUE") for water and wastewater for use on the School Tract; and (c) rights to the equivalent impervious cover that the Lost Lots would have been entitled to if the School Tract had been platted as thirty-seven (37) lots consistently with the School Tract Detail Sheet. If the School District requires additional LUEs or impervious cover for the School Tract, it will be required to obtain such additional LUEs and impervious cover from sources other than WFC and the Residential Tract. The agreements in this Section 3.2.8 in no way create any binding agreement between WFC and any third parties, including the School District. This Section is only an agreement between WFC and the City and no other party has rights or obligations as a result of this Section 3.2.8.

3.3 Further Approvals: Upon the Effective Date of this Agreement, Owners may develop the Land consistent with the Project Approvals and this Agreement. Any future approvals granted in writing by the City for such development, as well as any written amendments to the Project Approvals, will become a part of the Project Approvals.

3.4 Standard for Review: The City's review and approval of any submissions by Owners will not be unreasonably withheld or delayed. The City will review any plans, plat or other filing by Owners in accordance with the applicable City's ordinances, state law and this Agreement. If any submittal is not approved, the City will provide written comments to Owners specifying in detail all of the changes that will be required for the approval of the submittal.

3.5 Approvals & Appeals: The City acknowledges that timely City reviews are necessary for the effective implementation of Owners' development program. Therefore, the City agrees that it will comply with all statutory and internal City time frames for development reviews. The City further agrees that if, at any time, Owners believe that an impasse has been reached with the City staff on any development issue affecting the Project or if Owners wish to appeal any decision of the City staff regarding the Project; then Owners may immediately appeal in writing to the City Council requesting a resolution of the impasse at the next scheduled City Council meeting, subject to compliance with all timetables required by the open meeting laws. Appeals and approvals of variances may be approved by an affirmative vote of at least three of the five members of the City Council.

3.6 Concept Plan Amendments:

3.6.1 Due to the fact that the Project comprises a significant land area and its development will occur in phases over a number of years, modifications to the Conceptual Plan may become necessary due to changes in market conditions or other factors. In order to provide flexibility with respect to certain details of the development of the Project, Owners may seek changes in the location and

configuration of the residential use lots shown on the Conceptual Plan, including changes within the proposed residential, mitigation or open space areas shown on the Conceptual Plan. Such changes will only require an administrative amendment to the Conceptual Plan so long as the Impervious Cover requirements herein are met and there are no changes to the density of the project.

3.6.2 The City Engineer shall be responsible for consideration and approval of such administrative amendments to the Concept Plan. The City Engineer may defer such approval to the City Council at the City Engineer's discretion. Further, minor changes as defined by the City Engineer, that are proposed for the Conceptual Plan that do not result in an increase in the overall density of development of the Land or increase the Impervious Cover Percentage of the Project, and which otherwise comply with the Applicable Rules and this Agreement may be approved by the City Council. Similarly, minor variations of a preliminary plat or final plat from the Conceptual Plan that are approved by the City Engineer that do not increase the overall density of development of the Land or increase the overall Impervious Cover limit of fifteen percent (15%), and which otherwise comply with the Applicable Rules, and this Agreement will not require an amendment to the Conceptual Plan.

3.7 **Term of Approvals:** The Conceptual Plan, the Project Approvals, and any preliminary plat or final plat approved pursuant to this Agreement will be effective for the term of this Agreement unless otherwise agreed by the Parties.

3.8 **Extension of Permits & Approvals:** Any permit or approval under this Agreement or granted by the City pursuant to, or in accordance with, this Agreement shall be extended for any period during which performance by any Owner is prevented or delayed by action of a court or administrative agency, or an Owner is delayed due to failure to receive a governmental permit despite demonstrable diligent efforts to obtain said permit. In no instance shall any permits or approvals be extended beyond the twenty year duration of this Agreement.

3.9 **Initial Brush Removal:** Owners may mechanically remove brush without material soil surface disruption prior to receiving approval of plats in order to determine the location of roads, lots, utilities and drainage areas with regard to preservation of environmental features. Owners agree to utilize rubber-tired equipment for brush removal. Prior to plat approval, Owners may neither remove any tree (other than cedar trees) with a trunk having a diameter greater than four (4) inches measured four (4) feet above the base (ground elevation) of the tree, nor materially alter the existing drainage patterns prior to receiving City approval for Construction Plans. Owners shall ensure that as much area as possible is left undisturbed for as long as reasonably possible.

3.10 **Building Code:** Owners agree that all habitable buildings shall be constructed in accordance with all building or construction codes that have been adopted by the City. Fees for all building permits or building inspections by the City or the City's designee

under this section shall be paid by builders. Building permit and building inspection fees are not included among the fees specifically listed in this Agreement.

3.11 Energy Conservation Standards: Owners agree that all single family residential units shall conform to the Two Star Green Builder Program, or a successor equivalent standard.

3.12 Fiscal Security for Improvements: The Owner shall not be required to provide fiscal security prior to any final plan approval provided that the Owners agree to construct improvements in a manner approved by the City Engineer. The City Engineer may require the Owners to post a bond at the time of final plat approval to assure that improvements are constructed as proposed if the City Engineer determines that there is some question regarding construction of the improvements. The City Engineer may also require construction and maintenance bonds for improvements.

3.13 Highway Access: The roadway cuts shown on *Exhibit B* are approved by the City as of the Effective Date. Owner and City agree that traffic safety is crucial. All roadway and driveway cuts onto Highway 290 not shown on *Exhibit B* shall be subject to the approval of the City. Owner agrees to construct and fund acceleration lanes, deceleration lanes, and traffic control devices required by the Texas Department of Transportation (TxDOT).

3.14 Connectivity:

3.14.1 Sunset Canyon. Owner shall dedicate to the City with a right-of-way easement for projected future egress and ingress to the Project from the Sunset Canyon subdivision at Oak Meadow Drive as indicated on the Concept Plan, Exhibit B Owners shall provide fiscal security (in the form of the deposit of funds in escrow or a construction bond) sufficient to fund pavement of this East projection into Sunset Canyon. Owner shall construct a stub-out connecting street to Sunset Canyon unless a Traffic Impact Analysis ("TIA") prepared by Owner and submitted to the City at the time Owner applies for preliminary plat approval for that section supports a determination by the City Administrator that the stub-out connecting street would create excessive traffic safety risks. In determining whether the stub-out connecting street would create excessive traffic safety risks, the City Administrator shall evaluate the TIA in consultation with the City Engineer, ESD #6, and Hays County Commissioner (Pct. 4), Hays County Fire marshal, and Hays County Sheriff. If the City Administrator determines that the stub-out connecting street would create excessive traffic safety risks, Owner shall construct an access point that is for emergency use only.

3.14.2 Cynosure Ranch. The Conceptual Plan shows a conceptual connection from the Primary Project Roadway to the ROW Easement as described in Section 3.14.3 (the "Cynosure Connector"). The Owners shall be required to construct the Cynosure Connector, at the Owners' cost and expense, after requested to do so by the City. The City's request of Owners to construct the Cynosure Connector shall be conditioned on the prior construction of the roadway (the "290 Arterial") to be

built within ROW Easement and extension of the 290 Arterial to US 290 by the City or others. The City may move the location of the ROW Easement and the 290 Arterial to the north, south, or west, so long as it does not further encroach on the Project. If the City moves the location of the ROW Easement and the 290 Arterial, Owners shall only be required to construct the Cynosure Connector to the Project's property line, and no farther. Only if Owners have not constructed the Cynosure Connector by the date on which either the 951st building permit is issued for homes to be constructed within the Residential Tract or, if a building permit is not required to commence construction of a home within the Residential Tract, then the issuance of the 951st water or sewer tap or other similar permit or approval is issued that would typically be associated with the commencement of a home within the Project, Owners shall be required to bond or post fiscal with the City for the Cynosure Connector.

3.14.3 **Right of Way Reservation**: The area shown on the western boundary of the Residential Tract as "ROW Easement" is intended to allow the construction of a future roadway (the "Future Roadway") as generally depicted in the City's 2014 Transportation Plan. At the time that a preliminary plat or final plat is submitted to the City which includes the area covered by the ROW Easement, then it shall be reserved as future right of way constituting one-half of the right of way necessary to construct the Future Roadway. At the time when right-of-way is needed for construction of the Roadway, the Owners of the property encumbered by the ROW Easement shall dedicate the area of land covered by the ROW Easement in fee simple to the City or the appropriate governmental entity for Ten Dollars ($10.00) and no other compensation or consideration being paid to the Owners in return for such right-of-way. In order to secure such obligation to convey the right-of-way, the Owners shall, at the request of the City, execute and deliver a street deed conveying title to the ROW Easement to be held by the City in trust and not to be recorded until such time as the Future Roadway is to be built. The Owners shall have no obligation to build or pay any costs associated with the Future Roadway or to post any fiscal security for the Future Roadway."

3.14.4 **Transportation**: The vehicular and non-vehicular transportation network shall be designed to connect to neighboring existing and future developments. The street network shall be designed in accordance with the City's Transportation Plan. Private or gated streets are restricted to the areas shown on the Conceptual Plan.

3.15 **Certain Fences.** Eight foot (8') fences shall be constructed by Owners along the Sunset Canyon boundary of the Project upon receipt by the Owner of a written request from the Sunset Canyon Land Owners Association. Gates shall be installed at adjacent landowners' cost upon request of such adjacent landowners.

3.16 **Deed Restrictions:** Owners agree that all restrictive covenants for the Project shall reinforce the provisions of this section and applied to all builders and subsequent buyers, and shall be appropriately drafted and filed to effectuate this intent and Agreement.

ARTICLE 4. FINANCING DISTRICT

4.1 **Consent to Creation of District:** In accordance with Texas Local Government Code, Section 42.042, the City has considered the creation of conservation and reclamation districts, authorized pursuant to Texas Constitution Article III, Section 52, or Article XVI, Section 59 covering all or portions of the Land (the "Districts"). The City confirms its support for creation of the Districts pursuant to Section 42.042, Local Government Code at the time of approval of this Agreement. The City's actual consent, if given, shall be evidenced by separate documents. The City agrees that any District may annex or exclude land owned by Owners that is located within the boundaries of the Project and the City's ETJ and may be divided in accordance with Chapters 49, 51, 53, and/or 54, Texas Water Code, or other Water Code provisions that may be applicable, in furtherance of Owners' development goals pursuant to this Agreement. Provided, however, that the Parties recognize that the property lies within the City's "Potential Service Area" in the "Wholesale Water Supply Agreement Between LCRA and the City of Dripping Springs," dated March 11, 2003.

4.2 **Lighting:** Residential Owners, or an electric utility designated by Residential Owners, will construct all outdoor illumination for street lighting, signage, security, exterior, landscaping, and decorative facilities for the Project in accordance with all current City Rules, and the City's Lighting Ordinance, as may be amended, for both residential and non-residential properties. Residential Owners agree that all restrictive covenants for the Project shall reinforce this provision and be applied to all construction and builders. Additionally, all outdoor illumination constructed for future Dripping Springs Independent School District ("D.S.I.S.D.") facilities, including the School Tract referenced in Section 3.2.5(a)(b), associated with the Project and this Agreement, including sports field lighting, shall be in conformance with all current City Rules and the City's Lighting Ordinance, as may be amended. D.S.I.S.D. agrees that all restrictive covenants for the Project shall reinforce this provision and be applied to all construction and builders utilized and/or employed by D.S.I.S.D.

4.3 **Fire Protection:** Each District, to the extent allowed by law, shall pursue all required approvals for, and, upon approval, will implement and finance a fire protection plan to provide fire protection services within the Project's boundaries in accordance with and subject to Section 49.351, Texas Water Code, and applicable regulations of the TCEQ, and Applicable Rules Owners shall submit to City plans for emergency access points (e.g., crash gates) during the platting phase of development.

4.4 **Annexation:**

4.4.1 **Timing for Annexation.** The City agrees that it will not annex any residential land until: (a) water, wastewater and drainage facilities have been completed to serve at least ninety percent (90%) of the developable acreage within the District;

and (b) Owners have been reimbursed by the District for the water, wastewater, drainage or other facilities serving the District in accordance with the rules of the TCEQ. Owners grant consent for the City to annex any tracts of the Land that will be used for Commercial purposes (including but not limited to those tracts specifically designated a Commercial classification) after the Effective Date and ***prior to*** the formation of any District including the Commercial land, provided that consent is conditioned upon Owners and the City agreeing on the tax rebate agreement provided in 30 TAC Section 293.11(d)(8). Upon satisfaction of these conditions to annexation as to the District, the City may, but will not be required to, annex that District. Upon annexation of all tracts within the District, the District shall be abolished, and all assets, duties, obligations and liabilities of the District shall be transferred to, and assumed by, the City.

4.4.2 Subdivision of Property: The City agrees that the submission of a request for annexation will not be required in connection with the subdivision of any property located within the District. Provided, however, that the City's agreement not to annex the residential phase of the Project shall not exceed twenty (20) years from the effective date of this Agreement. Owners agree that all restrictive covenants for the Project shall reinforce the provisions of this subsection and be applied to all builders and subsequent buyers.

4.4.3 Property Tax Rebate/Credit. The City may annex all or any portion of any District. Any annexation of all or any portion of any District by the City at any time prior to the payment or retirement of any indebtedness owed by a District shall only be accomplished by compliance with this Agreement, and after agreement with the Districts, for a rebate or credit of any *ad valorem* taxes assessed to pay for water, wastewater, drainage or other services elsewhere in the City yet already provided to the Project by the District. The purpose of this section is to assure that residents of the District are not taxed by more than one taxing authority in order to pay for services provided by only one taxing authority.

4.4.4 Land Uses. Contemporaneously with the annexation of land located within a District, the City will zone property within that District consistently with the land uses shown on the Conceptual Plan, and will zone all developed property consistently with the land uses in existence or proposed on the date of the annexation.

4.4.5 Dedication. Owners agree to dedicate, donate, and otherwise transfer to the City ownership in fee simple of a tract comprising no less than one acre, as designated on the Concept Plan (See *Exhibit B*). The tract shall be part of the tracts herein designated as Commercial. The City's tract shall be used by the City solely for public purposes, such as open space, parkland, municipal offices, storage, fire protection, or other municipal operations.

4.5 Infrastructure Construction & Inspections: Each District will be responsible for construction, operation and maintenance of all water, wastewater and drainage

infrastructure within its boundaries except as provided in section 2.4.4 of this Agreement. Each District will have the right to review and approve all plans and specifications for such infrastructure, and to inspect all such infrastructure during construction and prior to acceptance for operation and maintenance. A copy of each set of approved plans and specifications and a copy of all inspection certificates will be filed with the City for review and approval. All water, wastewater and drainage infrastructure within the Land shall be subject to City inspections and compliance with City Rules as they may be amended from time to time and TCEQ rules (TCEQ rules will control in the event of conflict). All water, wastewater, and drainage infrastructure within the Land shall be designed and built in accordance with the rules, regulations and specifications of the TCEQ, which rules, regulations and specifications are adopted as the governing rules, regulations and specifications for the water utility infrastructure constructed to serve the Project. Fees for all inspections by the City or the City's designee under this section shall be paid by Districts and are not included in the Fees provided for in section 2.6 of this Agreement.

4.6 **Consent to Wastewater Discharge Facilities:** The City understands that the District(s) formed pursuant to Section 4.1 above, will apply to the TCEQ, or its successor agency, for a permit to treat and dispose wastewater generated by the development that is subject to this Agreement. The City reserves it right to comment on Owner's submission of such an application and order by the TCEQ.

ARTICLE 5. AUTHORITY

5.1 Term:

5.1.1 Term. The term of this Agreement will commence on the Effective Date of the Amended and Restated Development Agreement and continue for fifteen (15) years thereafter ("Term"), unless sooner terminated under this Agreement. This Agreement may be extended for a longer duration not to exceed an additional five (5) years upon mutual agreement of the Parties.

5.1.2 Expiration. After the Initial Term and any extension, this Agreement will be of no further force and effect, except that termination will not affect any right or obligation arising from Project Approvals previously granted.

5.1.3 Termination or Amendment. This Agreement may be terminated or amended as to all of the Land at any time by mutual written consent of the City and Owners or may be terminated or amended only as to a portion of the Land by the mutual written consent of the City and the Owners of only the portion of the Land affected by the amendment or termination.

5.2 Authority: This Agreement is entered under the statutory authority of Chapter 212, Subchapter G, *Local Government Code*. The Parties intend that this Agreement guarantee the continuation of the extraterritorial status of portions of the Land as provided in this

Agreement; authorize certain land uses and development on the Land; provide for the uniform review and approval of plats and development plans for the Land; provide exceptions to certain ordinances; and provide other terms and consideration, including the continuation of land uses and zoning upon annexation of any portion of the Land to the City.

5.3 Applicable Rules: As of the Effective Date, Owners have initiated the subdivision and development permit process for the Project. The City agrees that, in accordance with Chapter 245, *Local Government Code*, the City will consider the approval of any further approvals necessary for the Project based solely on the Applicable Rules, as modified by the Project Approvals and this Agreement. Further, the City agrees that, upon the Effective Date, Owners have vested authority to develop the Land in accordance with the Applicable Rules, as modified by any exceptions contained in the Project Approvals and this Agreement.

5.4 Right to Continue Development: In consideration of Owners' agreements hereunder, the City agrees that, during the term of this Agreement, it will not impose or attempt to impose: (a) any moratorium on building or development within the Project, or (b) any land use or development regulation that limits the rate or timing of land use approvals, whether affecting preliminary plans, final plats, site plans, building permits, certificates of occupancy or other necessary approvals, within the Project. No City-imposed moratorium, growth restriction, or other limitation affecting the rate, timing or sequencing of development or construction of all or any part of the Project will apply to the Land if such moratorium, restriction or other limitation conflicts with this Agreement or would have the effect of increasing Owners' obligations or decreasing Owners' rights and benefits under this Agreement. This Agreement on the part of the City will not apply to temporary moratoriums uniformly imposed throughout the City and ETJ due to an emergency constituting an imminent threat to the public health or safety, provided that the temporary moratorium continues only during the duration of the emergency.

5.5 Equivalent Substitute Obligation: If either Party is unable to meet an obligation under this Agreement due to a court order invalidating all or a portion of this Agreement, preemptive state or federal law, an imminent and bona fide threat to public safety that prevents performance or requires different performance, subsequent conditions that would legally excuse performance under this Agreement, or, the Parties agree to cooperate to revise this Agreement to provide for an equivalent substitute right or obligation as similar in terms to the illegal, invalid, or unenforceable provision as is possible and is legal, valid and enforceable, or other additional or modified rights or obligations that will most nearly preserve each Party's overall contractual benefit under this Agreement.

5.6 Cooperation:

5.6.1 The City and Owners each agree to execute such further documents or instruments as may be necessary to evidence their agreements hereunder.

5.6.2 The City agrees to cooperate with Owners in connection with any waivers or approvals Owners may desire or require to obtain from the County in connection with the development of the Land and a deferral of the County's plat and plan approval powers to the City for all plats and public infrastructure within the Project, other than roadway infrastructure that will be dedicated to the County for operation and maintenance after construction. Roads shall be subject to County review, inspection and approval prior to dedication to the County.

5.6.3 The City acknowledges that the District(s) may in the future seek State or federal grant matching funds to finance certain park, recreational and environmental facilities within the Project. The City agrees to cooperate with and support these efforts to obtain grant funding that do not interfere with or conflict with the City's efforts to secure similar funding, including entering into joint use agreements with the District, in furtherance of the City's goal of making additional park, environmental and recreational facilities available to the area. Provided, however, the City will have no financial obligation associated with this activity.

5.7 **Litigation:** In the event of any third party lawsuit or other claim relating to the validity of this Agreement or any actions taken by the Parties hereunder, Owners and the City agree to cooperate in the defense of such suit or claim, and to use their respective best efforts to resolve the suit or claim without diminution of their respective rights and obligations under this Agreement. The City's participation in the defense of such a lawsuit is expressly conditioned on budgetary appropriations for such action by the City Council. The Owners agree to defend and indemnify the City for any litigation expenses, including court costs and attorneys fees, related to defense of this Agreement. The filing of any third party lawsuit relating to this Agreement or the development of the Project will not delay, stop or otherwise affect the development of the Project or the City's processing or issuance of any approvals for the Project, unless otherwise required by a court of competent jurisdiction.

ARTICLE 6. GENERAL PROVISIONS

6.1 Assignment & Binding Effect:

6.1.1 This Agreement, and the rights and obligations of Owners hereunder, may be assigned by Owners to a subsequent purchaser of all or a portion of the undeveloped property within the Project provided that the assignee assumes all of the obligations hereunder. Any assignment must be in writing, specifically describe the property in question, set forth the assigned rights and obligations and be executed by the proposed assignee. A copy of the assignment document must be delivered to the City and recorded in the real property records as may be required by applicable law. Upon any such assignment, the assignor will be released of any further obligations under this Agreement as to the property sold and obligations assigned.

6.1.2 If Owners assign its rights and obligations hereunder as to a portion of the Project, then the rights and obligations of any assignee and Owners will be non-severable, and Owners will be liable for the nonperformance of the assignee and vice-versa. In the case of nonperformance by one developer, the City may pursue all remedies against that nonperforming developer, even if such remedies will impede development activities of any performing developer as a result of that nonperformance.

6.1.3 The provisions of this Agreement will be binding upon, and inure to the benefit of the Parties, and their respective successors and assigns. This Agreement will not, however, be binding upon, or create any encumbrance to title as to, any ultimate consumer who purchases a fully developed and improved lot within the Project.

6.2 Severability: If any provision of this Agreement is illegal, invalid, or unenforceable, under present or future laws, it is the intention of the Parties that the remainder of this Agreement not be affected, and, in lieu of each illegal, invalid, or unenforceable provision, that a provision be added to this Agreement which is legal, valid, and enforceable and is as similar in terms to the illegal, invalid or enforceable provision as is possible.

6.3 Governing Law, Jurisdiction & Venue: This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, as it applies to contracts performed within the State of Texas and without regard to any choice of law rules or principles to the contrary. The parties acknowledge that this Agreement is performable in Hays County, Texas and hereby submit to the jurisdiction of the courts of that County, and hereby agree that any such Court shall be a proper forum for the determination of any dispute arising hereunder.

6.4 No Third Party Beneficiary: This Agreement is not intended, nor will it be construed, to create any third-party beneficiary rights in any person or entity who is not a Party, unless expressly otherwise provided.

6.5 Mortgagee Protection: This Agreement will not affect the right of Owners to encumber all or any portion of the Land by mortgage, deed of trust or other instrument to secure financing for the Project. The City understands that a lender providing financing for the Project ("Lender") may require interpretations of or modifications to this Agreement and agrees to cooperate with Owners and its Lenders' representatives in connection with any requests for interpretations or modifications. The City agrees not to unreasonably withhold or delay its approval of any requested interpretation or modification if the interpretation or modification is consistent with the intent and purposes of this Agreement. The City agrees as follows:

6.5.1 Neither entering into this Agreement, nor any breach of this Agreement, will affect any lien upon all or any portion of the Land.

6.5.2 The City will, upon written request of a Lender given in compliance with Section 6.17, consider providing the Lender with a copy of any written notice of default

given to Owners under this Agreement within ten (10) days of the date such notice is given to Owners.

6.5.3 In the event of default by Owners under this Agreement, a Lender may, but will not be obligated to, cure any default during any cure period extended to Owners, either under this Agreement or under the notice of default.

6.5.4 Any Lender who comes into possession of any portion of the Land by foreclosure or deed in lieu of foreclosure will take such property subject to the terms of this Agreement. No Lender will be liable for any defaults or monetary obligations of Owners arising prior to the Lender's acquisition of title, but a Lender will not be entitled to obtain any permits or approvals with respect to that property until all delinquent fees and other obligations of Owners under this Agreement that relate to the property in question have been paid or performed.

6.6 Certificate of Compliance: Within thirty (30) days of written request by either Party given accordance with Section 6.17, the other Party will execute and deliver to the requesting Party a statement certifying that: (a) this Agreement is unmodified and in full force and effect or, if there have been modifications, that this Agreement is in full force and effect as modified and stating the date and nature of each modification; (b) there are no current uncured defaults under this Agreement, or specifying the date and nature of each default; and (c) any other information that may be reasonably requested. A Party's failure to deliver a requested certification within this 30-day period will conclusively be deemed to constitute a confirmation that this Agreement is in full force without modification, and that there are no uncured defaults on the part of the requesting Party. The City Administrator or City Engineer will be authorized to execute any requested certificate on behalf of the City.

6.7 Default: If either Party defaults in its obligations under this Agreement, the other Party must, prior to exercising a remedy available to that Party due to the default, give written notice to the defaulting Party, specifying the nature of the alleged default and the manner in which it can be satisfactorily cured, and extend to the defaulting Party at least thirty (30) days from receipt of the notice to cure the default. If the nature of the default is such that it cannot reasonably be cured within the thirty (30) day period, the commencement of the cure within the thirty (30) day period and the diligent prosecution of the cure to completion will be deemed a cure within the cure period. The City may issue Stop Work Orders for violations arising under this Agreement or the regulations applied herein. Notwithstanding the forgoing, a default of this Agreement by a single Owner does not constitute a default by the other Owners which are then in compliance with the Agreement. Further, such default of this Agreement by a single Owner does not give rise to any actionable remedy against the non-defaulting Owners which are in compliance with the Agreement.

6.8 Remedies for Default: If either Party defaults under this Agreement and fails to cure the default within the applicable cure period, the non-defaulting Party will have all rights and remedies available under this Agreement or applicable law, including the right to

institute legal action to cure any default, to enjoin any threatened or attempted violation of this Agreement or to enforce the defaulting Party's obligations under this Agreement by specific performance or writ of mandamus, or to terminate this Agreement. In the event of a default by the City, Owners will be entitled to seek a writ of mandamus, in addition to seeking any other available remedies. All remedies available to a Party will be cumulative and the pursuit of one remedy will not constitute an election of remedies or a waiver of the right to pursue any other available remedy.

6.9 Reservation of Rights: To the extent not inconsistent with this Agreement, each Party reserves all rights, privileges, and immunities under applicable laws.

6.10 Attorney's Fees: The prevailing Party in any dispute under this Agreement will be entitled to recover from the non-prevailing Party its reasonable attorney's fees, expenses and court costs in connection with any original action, any appeals, and any post-judgment proceedings to collect or enforce a judgment.

6.11 Waiver: Any failure by a Party to insist upon strict performance by the other Party of any provision of this Agreement will not, regardless of the length of time during which that failure continues, be deemed a waiver of that Party's right insist upon strict compliance with all terms of this Agreement. In order to be effective as to a Party, any waiver of default under this Agreement must be in writing, and a written waiver will only be effective as to the specific default and as to the specific period of time set forth in the written waiver. A written waiver will not constitute a waiver of any subsequent default, or of the right to require performance of the same or any other provision of this Agreement in the future.

6.12 Entire Agreement: This Agreement contains the entire agreement of the Parties, and there are no other agreements or promises, oral or written, between the Parties regarding the subject matter of this Agreement. This Agreement may be amended only by written agreement signed by the Parties. An amendment to this Agreement may only be approved by an affirmative vote of at least three of the five (3 of 5) members of the City Council.

6.13 Exhibits, Headings, Construction & Counterparts: All exhibits attached to this Agreement are incorporated into and made a part of this Agreement for all purposes. The paragraph headings contained in this Agreement are for convenience only and do not enlarge or limit the scope or meaning of the paragraphs. Wherever appropriate, words of the masculine gender may include the feminine or neuter, and the singular may include the plural, and vice-versa. Each of the Parties has been actively and equally involved in the negotiation of this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not be employed in interpreting this Agreement or its exhibits. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which will together constitute the same instrument. This Agreement will become effective only when one or more counterparts, individually or taken together, bear the signatures of all of the Parties.

6.14 Time: Time is of the essence of this Agreement. In computing the number of days for purposes of this Agreement, all days will be counted, including Saturdays, Sundays and legal holidays; however, if the final day of any time period falls on a Saturday, Sunday or legal holiday, then the final day will be deemed to be the next day that is not a Saturday, Sunday or legal holiday.

6.15 Authority for Execution: The City certifies, represents, and warrants that the execution of this Agreement has been duly authorized and that this Agreement has been approved in conformity with City ordinances and other applicable legal requirements. Owners certify, represent, and warrant that the execution of this Agreement is duly authorized in conformity with their authority.

6.16 Property Rights: Owners expressly and unconditionally waive and release the City from any obligation to perform a takings impact assessment under the Texas Private Real Property Rights Act, Texas Government Code Chapter 2007, as it may apply to this Agreement, the Land, and the Project.

6.17 Notices: Any notices or approvals under this Agreement must be in writing may be sent by hand delivery, facsimile (with confirmation of delivery) or certified mail, return receipt requested, to the Parties at the following addresses or as such addresses may be changed from time to time by written notice to the other Parties:

CITY:

Original: City Administrator
City of Dripping Springs
P. O. Box 384
Dripping Springs, Texas 78620
Fax: (512) 858-5646

Copy to: City Attorney
City of Dripping Springs
P. O. Box 384
Dripping Springs, Texas 78620
Fax: (512) 858-5646

OWNERS:

Original: Edward R. Rathgeber
2711 Hill View Green Lane
Austin, TX 78703

Copy to: McGinnis, Lochridge & Kilgore, LLP
Attention: William H. Bingham
919 Congress Avenue, Suite 1300
Austin, Texas 78701

Copy to: WFC Headwaters Owner VII, L.P.

Attention: Jesse Baker and Casey Tischer
c/o: FCM TX, LLC
500 Boylston St, Suite 2010
Boston, MA 02116

Copy to: William P. McLean
McLean & Howard, L.L.P.
901 S. Mopac
Building 2, Suite 225
Austin, Tx. 78746

Copy to: Oryx Development, LLC
Attention: Blake A. Rue
3404 Kerbey Lane
Austin, TX 78703

Either City or Owners may change its mailing address at any time by giving written notice of such change to the other in the manner provided herein at least ten days prior to the date such change is effected. All notices under this Agreement will be deemed given on the earlier of the date personal delivery is affected or on the delivery date or attempted delivery date shown on the return receipt or facsimile confirmation.

6.18 Exhibits: The following exhibits are attached to this Agreement, and made a part hereof for all purposes:

Exhibit A - Metes and Bounds Description of the Land
Exhibit A-1- Metes and Bounds Description of the School Tract
Exhibit B - Conceptual Plan
Exhibit C - Project Approvals, including Variances and Exceptions
Exhibit D - Buffer Zones
Exhibit E - Water Conservation Plan for City of Dripping Springs
Exhibit F - Water Quality Plan
Exhibit G- Parks & Open Space Master Plan

CITY OF DRIPPING SPRINGS:

by: _____
Todd Purcell, Mayor

date: 2/18/2020

STATE OF TEXAS §
§
COUNTY OF HAYS §

This instrument was acknowledged before me on this 18 day of February, 2020, by Todd Purcell, as Mayor of the City of Dripping Springs, Texas, a Texas municipality, on behalf of said city.

ANDREA CUNNINGHAM
My Notary ID # 131603237
Expires June 13, 2022

_____
Notary Public, State of Texas

OWNERS, Rathgeber Investment Company, LTD., a Texas limited partnership

By: Rathgeber Investment G.P., Inc., a Texas corporation, its general partner

by: Edward R. Rathgeber
Edward R. Rathgeber, President

date: 3-2-2020

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this 2nd day of March, 2020, by Edward R. Rathgeber, as President of Rathgeber Investment G.P., Inc., a Texas corporation, general partner of Rathgeber Investment Company, LTD., a Texas limited partnership, on behalf of said entities.

Notary Public, State of TEXAS

MATT DELYLE MATTHEWS
Notary Public, State of Texas
Comm. Expires 06-01-2022
Notary ID 126300263

HEADWATERS

WFC Headwaters Owner VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company,
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: JESSE R. BAKER
Title: Authorized Signatory

STATE OF MASSACHUSETTS §
§
COUNTY OF Suffolk §

This instrument was acknowledged before me on March 9, 2020, by Jesse R. Baker, Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, general partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said entities.

SADIE FIELDING NOTARY PUBLIC COMMONWEALTH OF MASSACHUSETTS MY COMMISSION EXPIRES 6-12-2026

_____
SADIE FIELDING
Notary Public, State of Massachusetts
My commission expires: 6/12/26

OWNERS, Oryx Development, LLC
a Texas limited liability company

by: _____
Blake A. Rue, Managing Member

date: 5/29/2020

STATE OF Texas §
§
COUNTY OF Travis §

This instrument was acknowledged before me on this 29th day of May, 2020, by Blake A. Rue, as Managing Member of Oryx Development, LLC., a Texas limited liability company, on behalf of said entity.

CATHERINE E. BACON
Notary Public, State of Texas
Comm. Expires 06-17-2023
Notary ID 130262927

Catherine E. Bacon
Notary Public, State of Texas

Exhibit A

Metes and Bounds Description of the Land

1539.46 acres of land, more or less, located in Hays County, Texas, being more fully described by metes and bounds as follows:

FIELD NOTES DESCRIPTION FOR 1539.46 ACRES OF THE HAZY HILLS RANCH IN HAYS COUNTY, TEXAS

Being all of a certain tract or parcel of land containing 1539.46 acres, more or less, comprising approximate acreage out of various Original Patent Surveys in Hays County, Texas, as follows:

Survey No.	Survey	Abstract No.	Acres
130	William Walker	475	221.44
137	Herman Benson	40	92.76
473	F. A. Jolly	555	79.39
	J. W. Powell	560	85.47
47	John Pitts	768	123.15
154	Levi Lewis	639	163.54
1717	J. E. Gilbert	811	11.92
	W. R. Wood	567	161.22
136	Edward Brown	44	189.28
	Heinrich Brashe	58	156.81
60	Marcus Raper	383	36.79
37	Marcus Raper	394	217.69

that same land conveyed as 1539.45 acres from Susan Townes Parker Gosford to Paul Pressler Family Generation Skipping Trust, et al, by a General Warranty Deed executed the 7th day of November, 2001, and recorded in Volume 1911 at Page 481 of the Official Public Records of Hays County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a 60'd' nail set in a found rock mound at or near the southwest corner of said survey no. 154, a southwest corner of said 1539.45 acres, a reentrant corner of 138.59 acres conveyed from Ethel M. Brydson Berkley, et al, to Ethel M. Brydson Berkley by a Partition Deed executed the 26th day of August, 1963, and recorded in Volume 198 at Page 151 of the Deed Records of Hays County, Texas;

THENCE, along or near a fence and the northeast line of said 138.59 acres, the southwest line of said 1539.45 acres, N29°44'25"W., at approximately 1389 ft. passing approximately 5 ft. S60°W from the occupied east corner between said 138.59 acres and 291 ½ acres conveyed from Fred J. Morris, et ux, to Cynosure Corporation by a Warranty Deed executed the 6th day of February, 1973, and recorded in Volume 258 at Page 123 of the Deed Records of Hays County, Texas; then continuing along or near a fence and the northeast line of said 291 ½ acres, with the southwest line of said 1539.45 acres, at approximately 1699 ft. passing approximately 6 ft. S60°W. from a fence angle post, at approximately 1712 ft. crossing fence, diverging from fence, at approximately 1857 ft. passing approximately 66 ft. N60°E. from a fence angle post, at approximately 1892 ft. passing approximately 12 ft. N60°E. from a fence angle post, at approximately 1979 ft. crossing fence, at approximately 2453 ft. passing approximately 66 ft. S60°W. from a fence angle post, at approximately 2670 ft. converging with fence, then continuing along or near a fence for a total distance of 4495.82 ft. to a 60'd' nail found at a fence corner post for a northwesterly corner of said 1539.45 acres; N87°21'02"E., 4.39 ft. to a 60'd' nail set in a found rock mound for a reentrant corner of said 1539.45 acres; N29°39'40"W., 2168.41 ft. to a ½" iron stake found at a fence corner for a reentrant corner of said 1539.45 acres, the northeast corner of said 291 ½ acres; and S60°36'50"W., 1551.06 ft. to a ½" iron pipe found for the north common corner between said 291 ½ acres and 206.2 acres conveyed from Jaye Wright, Trustee, to John Luke Hill, Jr., by a Warranty Deed executed the 3rd day of July, 1990, and recorded in Volume 852 at Page 247 of the Official Public Records of Hays County, Texas,

THENCE, along or near a fence (along and possibly overlapping ±0.03 acre of said 206.2 acres), with the south line of said 1539.45 acres, N89°16'39"W., 614.05 ft. to a ½" iron pipe found at a fence corner for the most westerly corner of said 1539.45 acres, a southeast corner of 1051.23 acres conveyed from John L. Hill, Jr., et ux, to Melinda Hill Perrin, et al, by a Warranty Deed executed the 31st day of December, 1999, and recorded in Volume 1619 at Page 471 of the Official Public Records of Hays County, Texas;

THENCE, along or near a fence, with the common line between said 1539.45 and 1051.23 acre tracts, N30°04'19"E., at approximately 493 ft. passing 10 ft. S60°E. from a fence angle post, then continuing not along a fence for a total distance of 932.29 ft. to a ½" iron stake found in the bed of a creek; N65°02'34"E., along the creek bed, 345.19 ft. to a ½" iron stake set in an X found marked on rock; N85°37'07"E., 231.56 ft. to a found ½" iron stake; S82°33'09"E., 101.97 ft. to a set ½" iron stake; N73°02'04"E., 55.50 ft. to a set ½" iron stake; N29°57'45"E., at approximately 63 ft. crossing a fence, at approximately 68 ft. passing approximately 9 ft. N60°W. from a fence angle post, at approximately 135 ft. passing approximately 3 ft. N60°W. from a fence angle post, then continuing along or near a fence for a total distance of 681.05 ft. to a ⅝" iron stake found in a rock mound; and N29°21'37"E., 4426.39 ft. to a ½" iron stake found at a fence corner for the east corner of said 1051.23 acres, the west terminus of a Boundary Line Agreement between E. E. Townes Trust No. 2, et al, and Vincent Taylor, et ux, executed the 26th day of October, 1984, and recorded in Volume 485 at Page 183 of the Real Property Records of Hays County, Texas;

THENCE, along or near a fence, with the line of said Boundary Line Agreement, N29°14'52"E., 397.82 ft. to a ½" iron stake found for the most northwest corner of said 1539.45 acres; S78°20'35"E., crossing a newer fence, along the remains of an older fence, 519.97 ft. to a ½" iron stake found at a fence post; N85°40'23"E., 688.69 ft. to a found ½" iron stake; N50°04'03"E., 76.94 ft. to a 20" diameter Hackberry Tree; N78°43'49"E., 65.26 ft. to an unmarked point in the remains of a Hackberry Stump; N69°57'08"E., 68.57 ft. to a found ½" iron stake; S68°39'38"E., at approximately 73 ft. crossing fence, then continuing for a total distance of 106.96 ft. to a set ½" iron stake; N82°30'24"E., 22.08 ft. to a fence post; N89°26'51"E., 37.80 ft. to a 23" diameter Cedar Tree; S85°16'32"E., 41.46 ft. to an unmarked point in the remains of a Hackberry Stump; S76°37'27"E., 186.40 ft. to a fence post; S71°26'15"E., at approximately 39 ft. crossing fence, then continuing for a total distance of 248.11 ft. to a 13" diameter Live Oak Tree; S64°07'22"E., diverging south of fence, 72.96 ft. to a fence post; S59°14'45"E., 102.03 ft. to a 13" diameter Live Oak Tree; S53°42'02"E., 156.98 ft. to a fence post; S50°25'14"E., 110.56 ft. to a 23" diameter Live Oak Tree; S77°15'16"E., 133.89 ft. to a fence post; S32°00'36"E., 41.96 ft. to a set ½" iron stake; S23°52'10"E., 46.47 ft. to a fence post, S44°24'33"E., 274.22 ft. to a 12" diameter Live Oak Tree; S47°10'37"E., 129.23 ft. to a fence post; S63°03'46"E., 142.40 ft. to a fence post; S66°33'28"E., 707.42 ft. to a 60'd' nail found in the top of a fence corner post for a northwest corner of said 1539.45 acres; and S30°37'25"W., 446.87 ft. to a ½" iron stake found for the east terminus of said Boundary Line Agreement, in the northwest line of 324.554 acres conveyed from Eloise Willingham Koonce, et vir, to William B. Mitchell, et ux, by a Cash Warranty Deed executed the 3rd day of March, 1999, and recorded in Volume 1514 at Page 326 of the Official Public Records of Hays County, Texas;

THENCE, along or near a fence, with the common line between said 1539.45 and 324.554 acre tracts, S29°54'31"W., 591.54 ft. to a found cotton spindle; S28°33'45"W., 572.42 ft. to a fence corner post for a reentrant corner of said 1539.45 acres, the southwest corner of said 324.554 acres; and S60°28'49"E., 789.52 ft. to a ½" iron stake found for a northwest corner of Sunset Canyon, Section V, a subdivision of Hays County according to the plat of record in Volume 3 at Page 284 of the Plat Records of Hays County, Texas, and as amended in Volume 4 at Page 234 of the Plat Records of Hays County, Texas;

Thence, along or near a fence, with the common line between said 1539.45 acres and said Sunset Canyon, Section V, S28°59'44"W., 3733.15 ft. to a ½" iron stake found for a west corner of said Sunset Canyon, Section V, a reentrant corner of said 1539.45 acres; S64°49'56"E., diverging northeast of fence, 448.87 ft. to a ½" iron stake found at a chain link fence; S57°31'21"E., along a chain link fence, at 132 ft. passing a fence corner, then continuing not along a fence, at approximately 282 ft. passing a fence corner, then continuing along or near a fence for a total distance of 580.25 ft. to a found ½" iron stake; S60°43'12"E., 920.97 ft. to a found ½" iron stake; S81°21'53"E., 2491.11 ft. to a ½" iron stake found for a reentrant corner of said 1539.45 acres, a southeast corner of said Sunset Canyon, Section V;

N28°52'08"W., 517.26 ft. to a ½" iron stake found for a southerly northwest corner of said 1539.45 acres, a reentrant corner of said Sunset Canyon, Section V; N63°15'26"E., 798.41 ft. to a ½" iron stake found for a north corner of said 1539.45 acres, a reentrant corner of Said Sunset Canyon, Section V; S26°44'32"E., 561.86 ft. to a ½" iron stake found for a reentrant corner of said 1539.45 acres, a south corner of said Sunset Canyon, Section V; N59°29'50"E., at approximately 730 ft. passing a fence angle, then continuing not along a fence for a total distance of 764.92 ft. to a ½" iron stake found for a north corner of said 1539.45 acres, a reentrant corner of said Sunset Canyon, Section V; S26°23'27"E., at approximately 59 ft. passing a fence angle post, then continuing along or near a fence for a total distance of 264.07 ft. to a found ½" iron stake; S17°21'54"E., 2302.42 ft. to a found ½" iron stake; S00°59'30"E., 1910.33 ft. to a ½" iron stake found for a reentrant corner of said 1539.45 acres, a southwest corner of said Sunset Canyon, Section V; N88°57'47"E., 630.08 ft. to a ½" iron stake found for the most southerly northeast corner of said 1539.45 acres, a reentrant corner of said Sunset Canyon, Section V; and S04°04'06"E., 925.24 ft. to a ½" iron stake found for the southeast corner of said 1539.45 acres, the most southerly southwest corner of said Sunset Canyon, Section V, in the north right-of-way line of U. S. Highway No. 290;

THENCE, along or near a fence, with the common line between said 1539.45 acres and said U. S. Highway No. 290, all points being concrete highway right-of-way markers unless stated otherwise: S69°21'22"W., 358.83 ft.; S82°04'12"W., 996.05 ft.; S79°07'35"W., 229.38 ft.; S87°43'31"W., 2023.60 ft. to the beginning of a 01°00'51" curve to the right; 152.93 ft. along the arc of said curve subtended by a 01°33'03" central angle and 5649.58 ft. radius (long chord = S88°15'36"W., 152.93 ft.) to its end; N85°09'24"W., 974.20 ft.; and N80°47'34"W., 1714.46 ft. to a ½" iron stake set for the most southerly southwest corner of said 1539.45 acres, the southeast corner of said 138.59 acres;

THENCE, along or near a fence, with the common line between said 1539.45 and 138.59 acre tracts, N00°50'17"W., 1299.94 ft. to a fence corner post for a reentrant corner of said 1539.45 acres, a northeast corner of said 138.59 acres; and S89°03'21"W., 952.49 ft. to the PLACE OF BEGINNING.

I hereby certify that this field notes description and accompanying plat are accurate representations of the property contained therein as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or Corners; that all property corners are as stated. (Bearing basis = True north based on GPS observations)

Dates surveyed: March 2 thru March 17, 2004
Dated this 23rd day of March, 2004

Mike A. Grogan
Registered Professional Land Surveyor No. 5296

Exhibit A-1

Metes and Bounds Description of the School Tract

64.52 Acres
Edward W. Brown Survey Number 136
W. R. Wood Survey Abstract Number 567
John F. Gilbert Survey Number 1717
Levi Lewis Survey Number 154
Hays County, Texas

DESCRIPTION OF A 64.52 ACRE TRACT, PREPARED BY DELTA SURVEY GROUP, INC. IN SEPTEMBER 2019, LOCATED IN THE EDWARD W. BROWN SURVEY NUMBER 136, ABSTRACT NUMBER 44, THE W. R. WOOD SURVEY ABSTRACT NUMBER 567, THE JOHN F. GILBERT SURVEY NUMBER 1717, ABSTRACT NUMBER 811, AND THE LEVI LEWIS SURVEY NUMBER 154, ABSTRACT NUMBER 639, IN HAYS COUNTY, TEXAS, AND BEING A PORTION OF A REMAINDER OF A CALLED 1035.74 ACRE TRACT CONVEYED TO WFC HEADWATERS, DESCRIBED IN DOCUMENT NUMBER 2014-14000136, OFFICIAL PUBLIC RECORDS, HAYS COUNTY, TEXAS, SAID 64.52 ACRE TRACT, AS SHOWN ON THE ACCOMPANYING SKETCH, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a ½ inch iron rod with "4542" cap found in the west line of a 300.00 acre tract described in Volume 3434, Page 321, Official Public Records, Hays County, Texas, for the southeast corner of a 29.78 acre tract described in Volume 2639, Page 400, Official Public Records, Hays County, Texas, same being the northeast corner of a 291.33 acre tract described in Volume 258, Page 123, Deed Records, Hays County, Texas, for the **POINT OF COMMENCEMENT**;

THENCE with the west line of said 300.00 acre tract, same being the east line of said 291.33 acre tract, S30°08'08"E, a distance of 1756.75 feet to a ½ inch iron rod with "Delta Survey" cap set for the southwest corner of said 300.00 acre tract, same being a west corner of said WFC Headwaters remainder tract, for the **POINT OF BEGINNING**;

THENCE with the south line of said 300.00 acre tract, same being a north line of said WFC Headwaters remainder tract, N59°51'45"E, a distance of 1329.23 feet to a ½ inch iron rod with "Delta Survey" cap set;

THENCE leaving the south line of said 300.00 acre tract, and crossing said WFC Headwaters remainder tract, the following twenty-five (25) courses and distances:

1. S62°05'07"E, a distance of 74.51 feet to a ½ inch iron rod with "Delta Survey" cap set,
2. S73°59'56"E, a distance of 160.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
3. S28°33'50"E, a distance of 140.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
4. S01°08'36"E, a distance of 110.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
5. S42°41'44"E, a distance of 90.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
6. S19°45'06"E, a distance of 190.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
7. S38°34'18"E, a distance of 80.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
8. S01°54'25"E, a distance of 160.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
9. S06°58'47"E, a distance of 245.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
10. S21°17'58"E, a distance of 115.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
11. S04°01'24"W, a distance of 75.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
12. S19°41'28"W, a distance of 160.00 feet to a ½ inch iron rod with "Delta Survey" cap set,

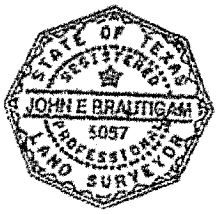
13. S01°59'28"W, a distance of 200.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
14. S19°40'04"E, a distance of 170.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
15. S41°51'33"E, a distance of 200.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
16. S00°17'38"W, a distance of 90.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
17. S12°18'52"W, a distance of 100.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
18. S47°35'06"W, a distance of 150.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
19. S16°32'55"E, a distance of 85.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
20. S77°33'14"E, a distance of 40.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
21. S31°08'57"E, a distance of 129.55 feet to a ½ inch iron rod with "Delta Survey" cap set,
22. S01°51'04"E, a distance of 148.91 feet to a ½ inch iron rod with "Delta Survey" cap set,
23. N86°55'41"W, a distance of 276.00 feet to a ½ inch iron rod with "Delta Survey" cap set,
24. S38°37'28"W, a distance of 450.00 feet to a ½ inch iron rod with "Delta Survey" cap set, and
25. N30°08'07"W, a distance of 2100.00 feet to a 60d nail found in rock mound in the west line of said WFC Headwaters remainder tract, same being the east line of said 291.33 acre tract, from which a 60d nail found in said common line bears S85°37'47"W, a distance of 4.32 feet;

THENCE with the west line of said WFC Headwaters remainder tract, same being the east line of said 291.33 acre tract, N30°08'08"W, a distance of 411.60 feet to the **POINT OF BEGINNING** and containing 64.52 acres of land, more or less.

BEARING BASIS: Texas State Plane Coordinate System, South Central Zone, NAD83/CORS

Date: 10-04-19

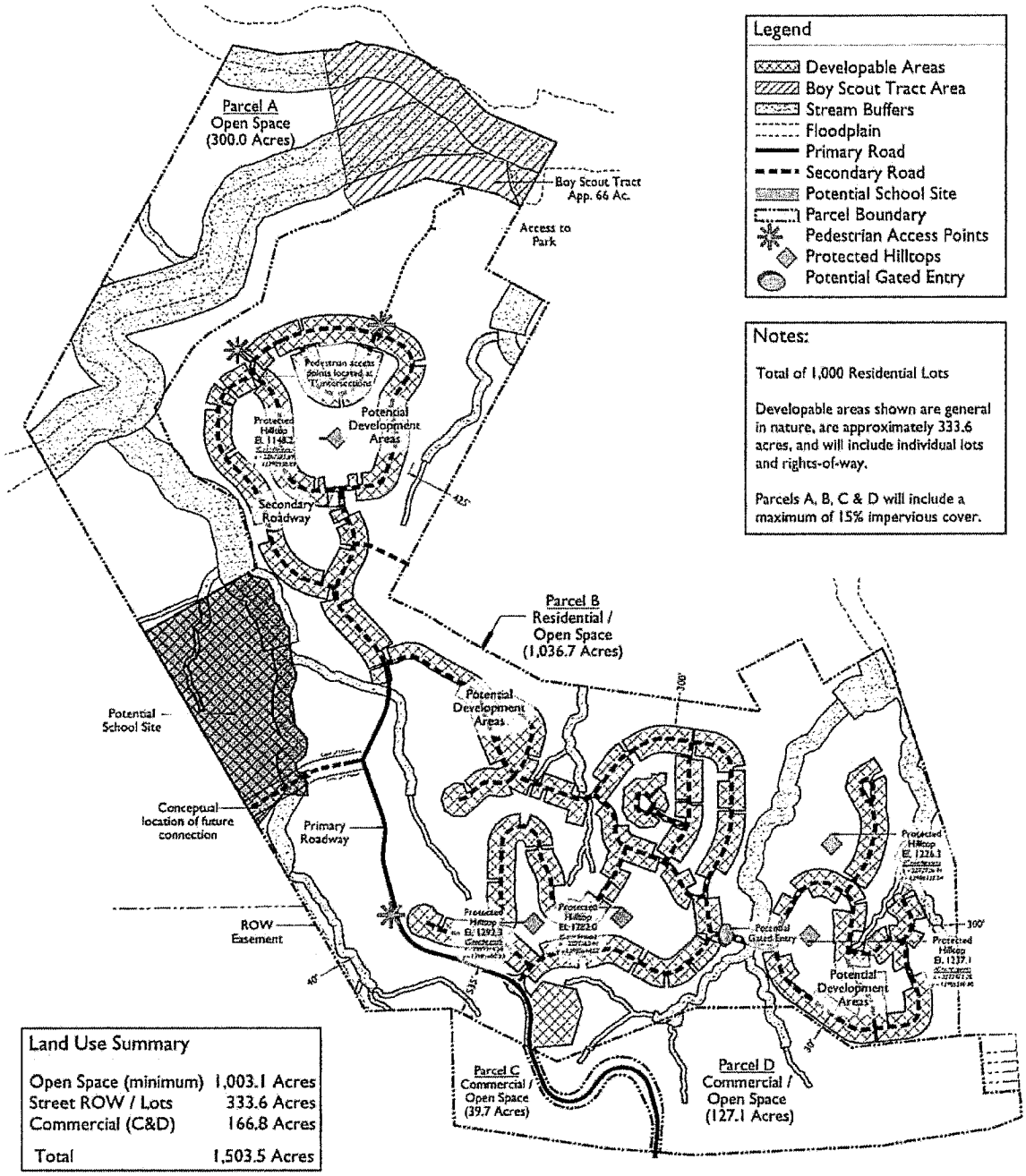
John E Brautigam
Registered Professional Land Surveyor
No. 5057-State of Texas



Delta Survey Group, Inc.
8213 Brodie Lane, Suite 102
Austin, Texas 78745
TBPLS Firm No. 10004700

Exhibit B

Conceptual Plan



Land Use Summary	
Open Space (minimum)	1,003.1 Acres
Street ROW / Lots	333.6 Acres
Commercial (C&D)	166.8 Acres
Total	1,503.5 Acres

Ownership Summary	
Parcel A	Rathgeber
Parcel B	WFC Headwaters Owner VII, L.P.
Parcel C & D	Oryx Development, L.L.C.

RVi HEADWATERS - EXHIBIT B - CONCEPTUAL PLAN

Exhibit C

Project Approvals, including Variances and Exceptions

1. The variances from the Applicable Rules attached as Exhibit C-1; and

2. The vehicular transportation standards attached as Exhibit C-2.

3. The City agrees that Owners may request City approval to use non-standard signage and lighting within the Project. The City may agree to allow the use of the non-standard lighting and signage provided that Owners, the District, or a homeowner's association created by Owners assumes the responsibility for any incremental costs associated with the maintenance, replacement or repair of the signage or lighting.

4. The City agrees that dedication of park and open space areas to the District will satisfy the requirement of Section 15.J. of Ordinance No. 1230.1, so long as the land dedicated is restricted to park, mitigation, open space or irrigation uses, as applicable.

Exhibit C-1

1. Ordinance No. 1230.5 Section 9 and Section 15 (Preliminary and Final Plats)

   a) The Preliminary Plat may be drawn at a scale of 1"= 200' on 30" x 42" drawing instead of scale of 1"=100' on 18"x 24" drawing.
   b) Construction security requirements may be satisfied through the execution of a subdivision construction agreement between the City and Owner.

2. Ordinance No. 1230.5 Section 12 (Critical Water Quality Zone)

3. Ordinance No. 1230.5 Section 15 (Standards and Specifications)

   a) The proposed roadway standards listed on Exhibit C2 may be permitted.

   b) J. 1. a. For subdivisions which are in the City Limits utilizing an organized wastewater disposal system and community water supply, the minimum lot size shall be 5000 square feet.

   c) J. 1. b. For subdivisions in the ETJ which are utilizing an organized wastewater disposal system and community water supply, the minimum lot size shall be 5000 square feet.

   d) J. 4. Lots on a standard street shall have a minimum street frontage of fifty (50) feet and lots on a cul-de-sac shall have a minimum street frontage of thirty (30) feet.

   e) J. 6. Minimum residential front building setback lines shall be twenty (20) feet. Corner lots shall have a minimum twenty (20) foot setback on one street and ten (10) foot setback on the other street.

   f) J. 6. Minimum commercial building setback lines shall be thirty (30) feet from any residential use.

   g) J. 7. Minimum rear yard depths shall be five (20) feet.

   h) J. 8. Minimum side yard depths shall be five (5) feet.

   i) B. 2. Relation to Adjoining Street System is waived.

   j) B. 3. Projection of streets is waived.

   k) B. 8. Cul-de-Sacs shall not exceed three thousand (3,000) feet in length

   l) B. 9. b. Residential blocks shall not exceed three thousand (3,000) feet in length

   m) B. 12. a. Street Design Standards.

Exhibit C-2

1. Country Lanes shall have a design speed of twenty (20) mile per hour. The minimum centerline radius shall be one hundred (100) feet.
2. Local Streets shall have a design speed of twenty (20) miles per hour and a right of width of fifty (50) feet. The minimum centerline radius shall be one hundred fifty (150) feet.
3. Minor Collectors shall have a design speed of thirty (30) miles per hour. The minimum centerline radius shall be three hundred (300) feet.
4. Major Collectors shall have a design speed of thirty (30) miles per hour. The minimum centerline radius shall be three hundred (300) feet, with a minimum tangent length of one hundred fifty (150) feet.
5. Minor Arterials shall have a design speed of thirty (30) miles per hour. The total minimum pavement width shall be thirty six (36) feet. The minimum centerline radius shall be three hundred (300) feet, with a minimum tangent length of one hundred fifty (150) feet.
6. Shared Access Driveways are permitted to minimize curbcuts along collector roadways.
7. The minimum radius for edge of pavement at intersections for all streets shall be a minimum of fifteen (15) feet.

n) C.5.d. All channels shall have side slopes no steeper than 3:1

4. Ordinance No. 52B Section 8 D. (Building Sites)

a) For building sites which utilize on-site or regional detention and water quality controls, there shall be no required downstream buffer.

Justification for the requested variances and responses to Section. 7. A. 1 through 5 of Ordinance No. 1230.5:

1. That there are special circumstances or conditions affecting the land involved, such that the strict application of the provisions of this Ordinance would deprive the applicant of the reasonable use of this land;

   The proposed land use plan for the Project provides for the clustering of residential and commercial development on 475 acres and the provision of approximately 1000 acres of open space. This unique combination of private and public spaces cannot be achieved through the strict application of the City's ordinances. The requested variances will allow the clustering of affordable homes utilizing organized wastewater and central water service, with appropriately sized roadways and effective storm water controls.

2. That the variance is necessary for the preservation and enjoyment of a substantial property right of the applicant;

   Yes. The requested variances are necessary to achieve the goals described in Item 1.

3. That the granting of the variance will not be detrimental to the public health, safety or welfare, or injurious to other property in the area; and

   The requested variances will not be detrimental to the public health, safety, or welfare, or injurious to other property in the area. The proposed infrastructure (i.e. roadways, drainage and utility facilities) for the Project will be designed and constructed in compliance with all applicable standards to protect the public.

4. That the granting of the variance will not have the effect of preventing the orderly development of other land in the area in accordance with the provisions of this Ordinance. Such findings of the Council together with the specific facts upon which such findings are based shall be incorporated into the official Minutes of the Council meeting at which such variance is granted.

   The granting of the variances will not prevent the orderly development of other land in the area. The property is bounded on the south by Highway 290, on the east by the Sunset Canyon subdivision, and on the north and west by tributaries to Barton Creek. These natural and manmade features define and restrict the scope of future infrastructure in the City's planning area. No major roadways or utilities are anticipated to be installed through the property due to these features.

5. Variances may be granted only when in harmony with the general purpose and intent of this Ordinance so that the public health, safety and welfare may be secured and substantial justice is done. Pecuniary hardship to the subdivider, standing alone, shall not be deemed to constitute undue hardship.

   As described above, the proposed Project conforms to the general purpose and intent of the City's Ordinances to protect the public health, safety and welfare.

Exhibit C-2

Street Design and Construction Standards

Code Section	Requirement	Current Standard	Proposed Standard
1230.1 15.B.12.a	Roadway Design Standards	Hays County Stds.	
Functional Classification			
One Way Alley	ADT	-	-
	Design Speed	-	10 mph
	Number of Lanes	-	1
	ROW Width	-	20'
	Width of Traveled Way	-	12'
Two Way Alley	ADT	-	-
	Design Speed	-	10 mph
	Number of Lanes	-	2
	ROW Width	-	20'
	Width of Traveled Way	-	15'
Country Lane	ADT	<100	<100
	Design Speed	25 mph	20 mph
	Number of Lanes	2	2
	ROW Width	50'	50'
	Width of Traveled Way	18'	18'
	Minimum Centerline Radius	200'	100'
	Minimum Tangent Length	50'	50'
Divided Local Street	ADT	-	101-1000
	Design Speed	-	20 mph
	Number of Lanes	-	2
	ROW Width	-	Varies (80-200')
	Width of Traveled Way	-	2@16'
	Minimum Centerline Radius	-	150'
Local Street	ADT	101-1000	101-1000
	Design Speed	25 mph	20 mph
	Number of Lanes	2	2
	ROW Width	60'	50'
	Width of Traveled Way	20'	26'
	Minimum Centerline Radius	300'	150'
	Minimum Tangent Length	100'	100'
Minor Collector	ADT	1001-2500	1001-2500
	Design Speed	35 mph	30 mph
	Number of Lanes	2	2
	ROW Width	60'	60'
	Width of Traveled Way	22'	22'
	Minimum Centerline Radius	375'	300'
	Minimum Tangent Length	150'	150'
Major Collector	ADT	2501-5000	2501-5000
	Design Speed	45 mph	30 mph
	Number of Lanes	2	2
	ROW Width	70'	70'
	Width of Traveled Way	24'	24'
	Minimum Centerline Radius	675'	300'
	Minimum Tangent Length	300'	150'
Minor Arterial	ADT	5001-15000	5001-15000
	Design Speed	55 mph	30 mph
	Number of Lanes	4	4
	ROW Width	100'	100'
	Width of Traveled Way	48'	36'
	Minimum Centerline Radius	975'	300'

	Minimum Tangent Length	500'	150'
Common Driveways	Provides access to lots along collector roadways		Permitted to minimize curb cuts along collector roadway:
Traffic Calming Measures	Chicane / Throttle / Neckdown	-	Permitted to allow staggering of roadways around tree clusters an on-street parking
	Gateway	-	Permitted to allow narrowing of roadways at intersections and medians
	Roundabout	-	Permitted for one-way counter-clockwise direction
Sidewalks	Along Roadways	-	Trails permitted

Comparison of Variances to Current Standards

Code Section	Requirement	Current Standard	Proposed Standard
1230.5 9.C.	Preliminary plan format	1" = 100' on 18"x24" drawing	1" = 200' on 30"x42" drawing
1230.5 9.E.	Preliminary plan processing	No duration for completeness check	14 days for completeness check comments
1230.5 14.B.	Security for subdivision construction	Security required	Subdivision construction agreement between the City and developer
1230.5 15.B. 8.	Cul-de-sacs	2000 feet maximum length	3000 feet maximum length
1230.5 15.B. 9.	Block Length	2000 feet maximum length	3000 feet maximum length
1230.5 15.C.5.b.	Drainage Criteria	Rate of runoff after construction shall be less than or equal to the site's runoff prior to construction.	This provision shall not apply to drainage basins wholly within the development with impervious cover less than 20 percent that drain to Barton Creek or its tributaries internally to the property.
1230.5 15.C.5.d.	Channel Design	4:1 side slopes	3:1 side slopes
1230.5 15.J.1.a.	Lot Requirements	Minimum lot size of .5 acre	Minimum lot size of 5000 sf
1230.5 15.J.1.b.	Lot Requirements	Minimum lot size of 1 acre	Minimum lot size of 5000 sf
1230.5 15.J.4.	Frontage	Std. street : min. 100' Cul-de-sac : min. 60'	Std. street : min. 50' Cul-de-sac : min. 30'
1230.5 15.J.6.	Setback Lines	Residential Front: min. 30' Corner Lots: 30' & 20' Commercial	Residential Front: min. 20' Corner Lots: 20' & 10' Commercial

		Front: min. 30' Corner Lots: 30' & 20'	30' from any residential use
1230.5 15.J.7.	Rear Yards	Min. 30'	Min. 20'
1230.5 15.J.8.	Side Yards	Min. 10'	Min. 5'

Exhibit D

Buffer Zones

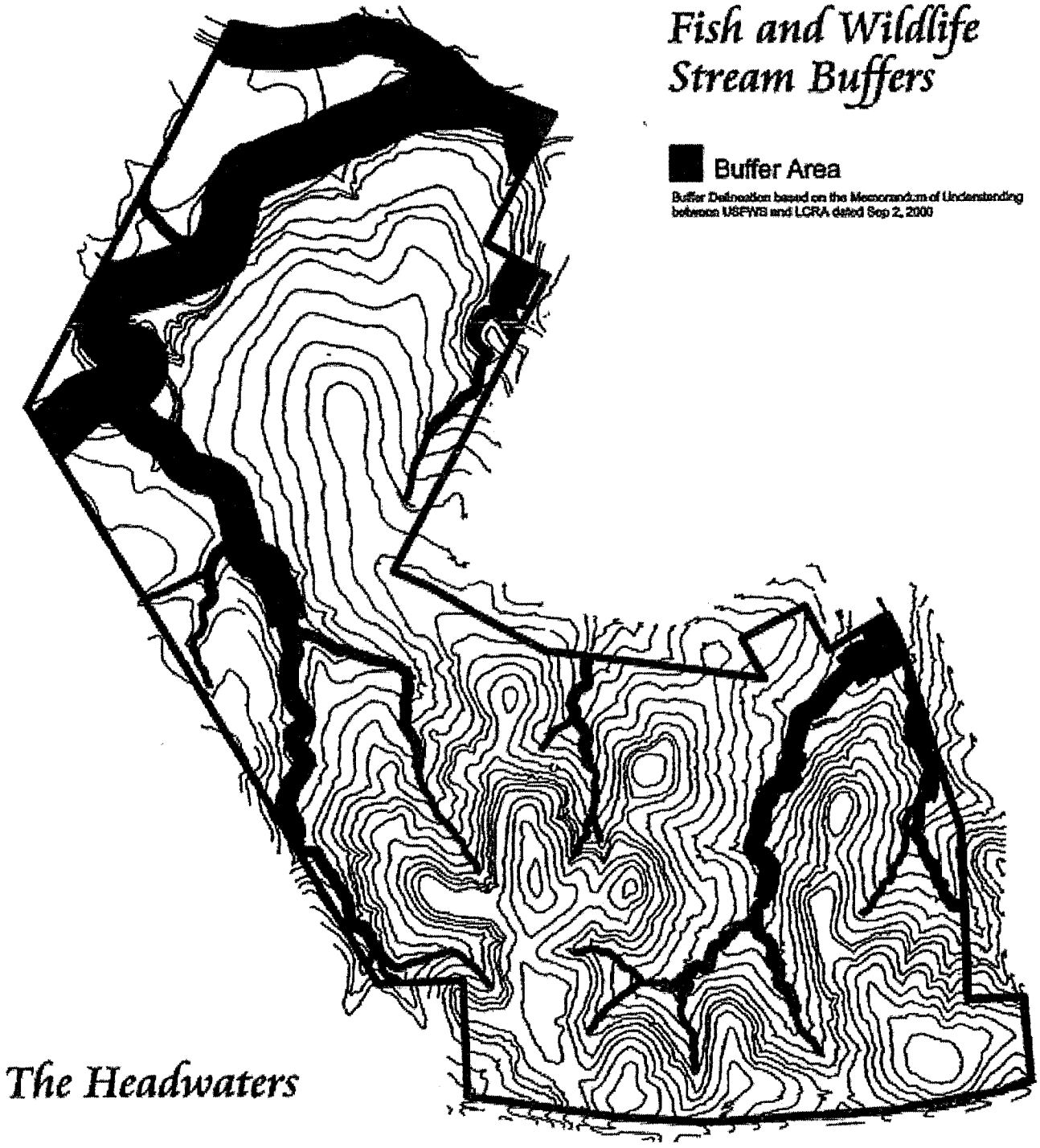


Exhibit E

Water Conservation Plan for City of Dripping Springs

Water Conservation Plan

For

City of Dripping Springs

Hays County, Texas

Prepared for:

City of Dripping Springs
P.O. Box 384
Dripping Springs, Texas 78620

Prepared by:

CMA Engineering, Inc.
14101 West Highway 290
Building 600
Austin, Texas 78737
(512) 894-3230

February 2004

CMA No: 1046-004

1.0 Introduction

The City of Dripping Springs (City) developed this Water Conservation Plan (Plan) for its wastewater service area in an attempt assist in managing public water resources. The City recognizes that it is not the water provider within its proposed wastewater service area (see Appendix A), and therefore does not have the authority to completely manage public water resources within that area. Benefits of water conservation include: extending available water supplies; reducing the risk of shortage during periods of extreme drought; reducing water and wastewater utility operating costs; improving the reliability and quality of water and wastewater utility service; reducing customer costs for water and wastewater service; reducing wastewater flows; improving the performance of wastewater treatment systems; and enhancing water quality and the environment.

1.1 Scope

This Plan applies to all wastewater customers of the City. The water supply source of the City's wastewater customers may be either surface and/or ground water.

1.2 Declaration of Policy, Purpose and Intent

This Plan is designed to assist the water providers in conserving the available water supply and protect the integrity of water supply facilities; and to reduce wastewater utility operating costs; improving the reliability and quality of wastewater utility service; reducing customer costs for wastewater service; reducing wastewater flows, and improving the performance of wastewater treatment systems. The City hereby adopts the following Water Conservation Plan for its retail and wholesale wastewater customers.

2.0 Authorization and Implementation

The City Administrator is hereby authorized and directed to implement the applicable provisions of this Plan.

Further, the City Administrator, or his/her designee, will act as Administrator of the Water Conservation Program. He/she will oversee the execution and implementation of the program and will be responsible for keeping adequate records of program implication.

This Plan was presented to City Council in February 2004. A certified copy of the minutes approving this plan is included in Appendix B.

3.0 Application

The provisions of this Plan shall apply to all persons, customers, and property being served by the City's wastewater system. The terms "person" and "customer" as used in

the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

4.0 Definitions

For the purposes of this Plan, the following definitions shall apply:

Conservation: those practices, techniques and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

City Administrator: Person or entity authorized by the City of Dripping Springs City Council to act on behalf of the City.

Retail Wastewater Customer: an individual or entity that is provided wastewater service directly the City.

Potable Water: water supplied from the LCRA's West Travis County Water System, the Dripping Springs WSC potable water supply well, or private individual water wells.

Wholesale Wastewater Customer: an individual or entity that for compensation supplies wastewater to another. The term does not include an individual or entity that provides wastewater service to itself or its employees or tenants as an incident of that service or tenancy.

5.0 Water Conservation Plan

The City will promote water conservation by informing City residents and wastewater customers about ways to save water inside their homes, commercial establishments and other buildings, in landscaping and lawn uses, and in recreational uses. Information may be distributed to customers as described below:

1) All new members will receive a water conservation information packet upon applying for wastewater service.
2) Distribution of water conservation brochures notifying customers of changes made to the plan
3) Newspaper articles or inserts on water conservation
4) Work with area schools and/or civic organizations to promote water conservation activities such as water conservation week.
5) School education programs
6) Notifying customers of other entities that have implemented water conservation programs in the area such as the Dripping Springs WSC and the LCRA

Other conservation strategies include promoting the recycling and reuse of reclaimed wastewater from the City's wastewater system.

6.0 Plan Review and Updates

This Plan was developed to provide community and wastewater customers with essential water conservation information and services. In the future, supplemental appendices may be added as determined by the City Council. In addition, the Plan will be reviewed at a minimum of every five (5) years and updated based on other developments in District's water service area.

Exhibit F

Water Quality Plan

Runoff from this development shall be managed through water quality controls and onsite pollution prevention and assimilation techniques so that no increases as measured by the performance standards set out herein, occur in the respective average annual loadings of total suspended solids, total phosphorus, pesticides, and herbicides from the site.

PERFORMANCE STANDARDS
All development shall achieve the following performance standards:

(a) Total Suspended Solids, Total Phosphorous.

(1) Total Suspended Solids. For development on slopes between zero percent (0%) and ten percent (10%), seventy percent (70%) of the annual pollutant load increase in the stormwater runoff for total suspended solids shall be removed. For development on slopes greater than 10 percent (10%) but less than twenty percent (20%), eighty percent (80%) of the annual pollutant load increase in the stormwater runoff of total suspended solids shall be removed. For development on slopes greater than twenty percent (20%), ninety percent (90%) of the annual pollutant load increase in the stormwater runoff of total suspended solids shall be removed.

(2) Total Phosphorous. For development on slopes between zero percent (0%) and ten percent (10%), seventy percent (70%) of the annual pollutant load increase in the stormwater runoff for total phosphorous shall be removed. For development on slopes greater than ten percent (10%) but less than twenty percent (20%), seventy-five percent (75%) of the annual pollutant load increase in the stormwater runoff for total phosphorous shall be removed. For development on slopes greater than twenty percent (20%), eighty-five percent (85%) of the annual pollutant load increase in the stormwater runoff of total phosphorous shall be removed.

TABLE 1
PERFORMANCE STANDARDS FOR POLLUTANT REMOVAL LEVELS

SLOPE	TOTAL SUSPENDED SOLIDS	TOTAL PHOSPHOROUS
0-10%	70%	70%
10 - 20% SLOPE	80%	75%
>20% SLOPE)	90%	85%

(b) Streambank Erosion. Streambank erosion shall be controlled by designing the drainage system so that the amount of erosion and siltation occurring in the receiving streams is not increased. Specifically, the magnitude and frequency of the pre-development one year design storm shall remain the same. The one year design storm shall be that storm as defined in the LCRA Technical Manual. Receiving streams with a watershed of less than 160 acres are not subject to the above requirement, but a streambank erosion control plan must be reviewed and approved by the City.

(c) **Erosion and Sedimentation Control.** Erosion and sedimentation shall be controlled throughout the development process in accordance with the LCRA Technical Manual.

(d) **Alternative Performance Standards.** Development that meets all of the following criteria need not comply with subsections (a) and (b) of this Section:

(1) Minimum lot size of one acre; and

(2) Street and drainage network is designed without curbs or gutters, or some other suitable design, so that runoff is treated using over-land flow methods to a vegetated buffer. The vegetated buffer must meet the slope and vegetative area cover criteria described in the LCRA Technical Manual.

(e) **Sub-basin Averaging.** It is the intent of the Ordinance to have a project, as a whole, meet these performance standards. Each phase of a project shall also meet the performance standard when such performance standard is averaged with phases previously built or under construction. As such, averaging of performance standards between sub-basins is allowed under the following conditions:

(1) Performance standards shall be met or exceeded where drainage impacts an adjacent land owner or environmentally sensitive area.

(2) No off-site sub-basin discharge shall fall below the performance standard by more than ten percent (10%).

(f) **Monitoring and Reporting.** The City may require water quality performance monitoring of certain BMPs. Water quality monitoring shall last a period of at least 3 years. The cost of monitoring shall be borne by the developer. During the monitoring period, the applicant shall submit annual reports showing the results of the monitoring efforts. The pollutant parameters to be monitored shall be determined by the City.

(g) **Ground cover.** Areas disturbed during construction activities shall be restored to a coverage level consistent with a stable undisturbed condition.

(h) **Point discharges.** New point discharges of runoff into critical water quality zones or water quality buffer zones shall be dissipated to sheet flow conditions throughout the zone.

(i) **Herbicides and Pesticides.** The use of fertilizers and pesticides shall be prohibited within critical water quality zones or water quality buffer zones.

(j) **Integrated Pest Management (IPM).** An IPM must be submitted with each development plan.

(k) Public Awareness/Education. The developer must prepare and submit an education and public awareness plan which shall include implementation responsibility.

(l) Fiscal Surety. Developers and/or its assigns must post fiscal surety for ongoing (post-acceptance) operation and maintenance of water quality controls and best management practices.

(m) Buffer Zones. Buffer zones (i.e., undisturbed natural areas) should be established for the stream drainage system and for sensitive environmental features within the Edwards Aquifer watersheds.

A. Buffer zones should remain free of construction, development, or other alterations. Water quality ponds may be constructed within buffer zones only when no other practical alternative exists. The number of roadways crossing through the buffer zones should be minimized and constructed only when necessary. Other alterations within buffer zones could include utility crossings, but only when necessary, fences, low impact parks, and open space. Low impact park development within the buffer zone should be limited to trails, picnic facilities, and similar construction that does not significantly alter the existing vegetation. Parking lots and roads significantly alter existing vegetation and are not considered low impact. Neither golf course development nor wastewater effluent irrigation should take place in the buffer zone. Stormwater from development should be dispersed into overland flow patterns before reaching the buffer zones. The buffer zones should not be used in the pollution management calculations because the purpose of these areas is to "buffer' the system from the effects of the development. The development should achieve non-degradation before entering buffers of major streams.

B. Each stream should have an undisturbed native vegetation buffer zone on each side of the stream that includes the 100 year floodplain or as follows, whichever is greater:

Streams draining 640 acres (one square mile) or greater should have a minimum buffer of 300 feet from the centerline on each side of the stream.

Streams draining less than 640 acres but 320 or more acres should have a minimum buffer of 200 feet from the centerline on each side of the stream.

Streams draining less than 320 acres but 128 or more acres should have a minimum buffer of 100 feet from the centerline on each side of the stream.

Streams or swales draining less than 128 acres but 40 or more acres should have a minimum buffer of 50 feet from the centerline on each side of the drainage.

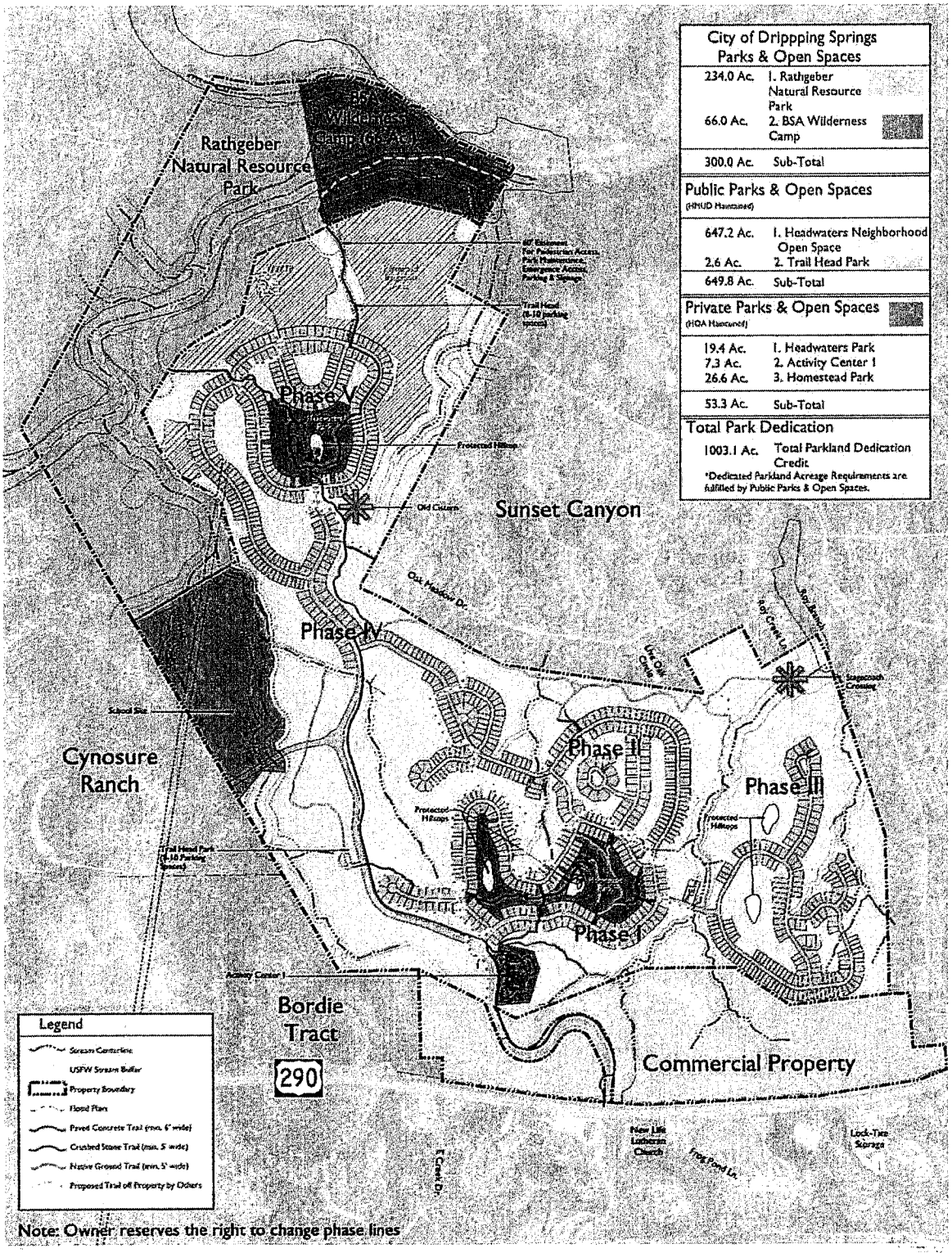
Streams or swales draining less than 40 acres but 5 or more acres should have a minimum buffer of 25 feet from the centerline on each side of the drainage.

C. Sensitive environmental features should have a minimum buffer zone of 150 feet around the feature (radius) provided there is adequate vegetative cover and the soils in the buffer zone are not eroding and are stable. This distance would provide the vegetative cover and surface area for pollutant removal from runoff before it enters the feature. If the drainage to a feature is greater than 150 feet in length, then the minimum buffer should be expanded to a minimum of 300 feet for the area draining into the feature. Sensitive environmental features include: caves, sinkholes, faults with solution-enlarged openings, fracture zones with solution-enlarged openings, springs, seeps, or any wetland area that holds water or supports mesic vegetation for sustained periods. Sensitive features as defined by the "Instructions to Geologists for Geologic Assessments on the Edwards Aquifer Recharge/Transition Zones", Texas Commission on Environmental Quality (TCEQ) document 0585 (Rev. 5/1/02) should have these buffers established.

(n) Maintenance Plans. Plans for inspection and maintenance of the measures are necessary in order to ensure their proper functioning. Documentation should be provided that ensures sufficient annual funding to properly inspect and maintain the measures.

Exhibit G

Parks and Open Space Master Plan



RVi HEADWATERS • ATTACHMENT A - MASTER OPEN SPACE PLAN

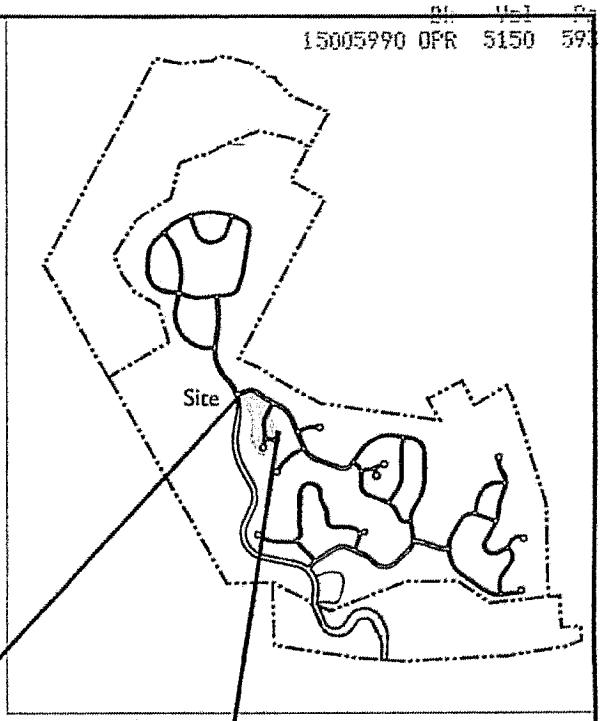
Bk Vol Pg
15005990 OPR 5150 592

EXHIBIT G

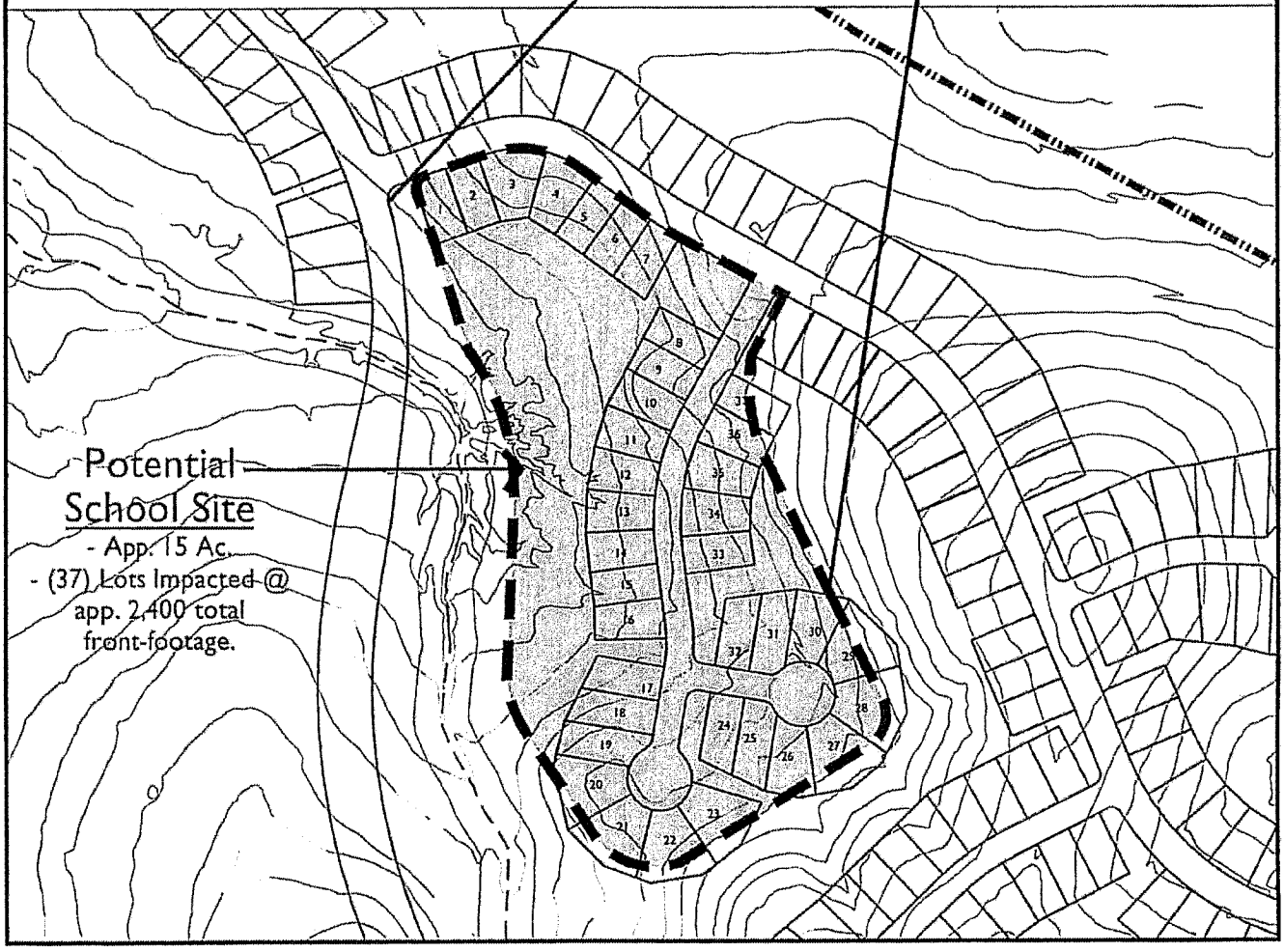
School Tract Detail Sheet

15005990 OPR 5150

Conceptual Plan - School Tract Detail Sheet



Key Map



THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

20021129 AGREEMENT
06/01/2020 04:31:58 PM Total Fees: $282.75

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

20048533 RESOLUTION Total Pages: 3
Filed and Recorded: 10/28/2020 09:17:34 AM

RESOLUTION ADOPTED BY UNANIMOUS WRITTEN CONSENT
of the
DIRECTORS OF HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

STATE OF TEXAS §
§
COUNTY OF HAYS §

We, the undersigned, being all the members of the Board of Directors (the "Board") of Headwaters Residential Master Community, Inc. (the "Association"), a Texas non-profit corporation, do by this writing consent to and adopt the following resolution:

IT IS RESOLVED, that the Board hereby appoints J. Kevin Fleming to fill the vacancy on the Board left as a result of the pending resignation of director Suzanne Maddalon, whose resignation shall take effect upon the execution of this resolution by all members of the current Board.

We direct that this consent be filed with the minutes of the proceedings of the Board of Directors of the Association.

This consent is executed pursuant to Section 6.201 of the Texas Business Organizations Code which authorizes the taking of action by the Board of Directors by unanimous consent without a meeting.

EXECUTED on the date(s) set opposite each name to be effective when signed by all members of the Board.

MEMBERS OF THE BOARD OF DIRECTORS
HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

Date: 10/27/20
By: Stan Brown, Director

Date: 10.27.20
By: MATT D. MATTHEWS, Director

Date: 10/27/20
By: Suzanne Maddalon, Director

THE STATE OF TEXAS §
§
COUNTY OF Travis §

BEFORE ME, the undersigned notary public, on this 27th day of October, 2020, personally appeared Stan Brown, Director of Headwaters Residential Master Community, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

Notary Public in and for the State of Texas

SHANNON J. MARKERT
Notary Public, State of Texas
Comm. Expires 07-31-2022
Notary ID 131664162

THE STATE OF TEXAS §
§
COUNTY OF Travis §

BEFORE ME, the undersigned notary public, on this 27th day of October, 2020, personally appeared Matt D. Matthews, Director of Headwaters Residential Master Community, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

Notary Public in and for the State of Texas

SHANNON J. MARKERT
Notary Public, State of Texas
Comm. Expires 07-31-2022
Notary ID 131664162

THE STATE OF TEXAS §
§
COUNTY OF Travis §

BEFORE ME, the undersigned notary public, on this 27th day of October, 2020, personally appeared Suzanne Madalon, Director of Headwaters Residential Master Community, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

Notary Public in and for the State of Texas

SHANNON J. MARKERT
Notary Public, State of Texas
Comm. Expires 07-31-2022
Notary ID 131664162

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

20048533 RESOLUTION
10/28/2020 09:17:34 AM Total Fees: $30.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

21066469 CERTIFICATE Total Pages: 5
Filed and Recorded: 12/03/2021 10:34:18 AM

PROPERTY OWNERS' ASSOCIATION MANAGEMENT CERTIFICATE
for
HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

THE STATE OF TEXAS §
§
COUNTY OF HAYS §

The undersigned, being the Managing Agent of Headwaters Residential Master Community, Inc., a non-profit corporation ("**Association**") organized and existing under the laws of the State of Texas, submits the following information pursuant to Section 209.004 of the Texas Property Code, which supersedes any Management Certificate previously filed by the Association:

1. Name of Subdivision: The name of the subdivision is Headwaters at Barton Creek.

2. Name of Association: The name of the Association is Headwaters Residential Master Community, Inc.

3. Recording Data for the Subdivision:

   a. Headwaters at Barton Creek, Phase 1, a subdivision in Hays County Texas, according to the map or plat thereof recorded in Volume 19, Page 161-168 of the Plat Records of Hays County, Texas, corrected by Scrivener's Affidavit recorded under Clerk's File No. 2020052901 of the Plat Records of Hays County, Texas, and all amendments to or replats of said maps or plats, if any.

   b. Headwaters at Barton Creek, Phase 2, a subdivision in Hays County Texas, according to the map or plat thereof recorded under Clerk's File No. 2019021686 of the Plat Records of Hays County, Texas, and all amendments to or replats of said maps or plats, if any.

   c. Headwaters at Barton Creek, Phase 4, Section 1, a subdivision in Hays County Texas, according to the map or plat thereof recorded under Clerk's File No. 2019021691 of the Plat Records of Hays County, Texas, and all amendments to or replats of said maps or plats, if any.

   d. Headwaters at Barton Creek, Phase 4, Section 2, a subdivision in Hays County Texas, according to the map or plat thereof recorded under Clerk's File No. 2020022472 of the Plat Records of Hays County, Texas, and all amendments to or replats of said maps or plats, if any.

   e. Headwaters at Barton Creek, Phase 4, Section 3, a subdivision in Hays County Texas, according to the map or plat thereof recorded under Clerk's File No. 2020022501 of the Plat Records of Hays County, Texas, and all amendments to or replats of said maps or plats, if any.

   f. Headwaters at Barton Creek, Phase 4, Section 5, a subdivision in Hays County Texas, according to the map or plat thereof recorded under

Clerk's File No. 2020005499 of the Plat Records of Hays County, Texas, and all amendments to or replats of said maps or plats, if any.

g. Headwaters at Barton Creek, Phase 4, Section 6, a subdivision in Hays County Texas, according to the map or plat thereof recorded under Clerk's File No. 2020005500 of the Plat Records of Hays County, Texas, and all amendments to or replats of said maps or plats, if any.

4. Recording Data for the Declaration*:

a. Documents:

(1) Headwaters at Barton Creek Master Covenant [Residential].

(2) Headwaters at Barton Creek First Amendment to Master Covenant [Residential].

(3) Headwaters at Barton Creek Development Area Declaration [Residential].

(4) Headwaters at Barton Creek Notice of Applicability [Residential] [Phase 1].

(5) Headwaters at Barton Creek Community Enhancement Covenant [Residential].

(6) Headwaters at Barton Creek Notice of Applicability of Master Covenant and Development Area Declaration [Residential] {Phase 2 and Phase 4, Section 1].

(7) Headwaters at Barton Creek Notice of Applicability of Master Covenant and Development Area Declaration [Residential] {Phase 2 and Phase 4, Section 2].

(8) Headwaters at Barton Creek Notice of Applicability of Master Covenant and Development Area Declaration [Residential] {Phase 2 and Phase 4, Section 3].

(9) Headwaters at Barton Creek Notice of Applicability of Master Covenant and Development Area Declaration [Residential] {Phase 2 and Phase 4, Section 4].

(10) Headwaters at Barton Creek Notice of Service Area Designation. (Service Area Number 1)

(11) Headwaters at Barton Creek Notice of Service Area Designation. (Service Area Number 2)

b. Recording Information:

(1) Hays County Clerk's File No. 2016015124.

(2) Hays County Clerk's File No. 2018005875.

(3) Hays County Clerk's File No. 2016015147.

(4) Hays County Clerk's File No. 2016015183.

(5) Hays County Clerk's File No. 2016015157.

(6) Hays County Clerk's File No. 2019027219.

(7) Hays County Clerk's File No. 2021032682.

(8) Hays County Clerk's File No. 2021032683.

(9) Hays County Clerk's File No. 2021032684.

(10) Hays County Clerk's File No. 2019040979.

(11) Hays County Clerks' File No. 2019040980.

5. Name and Mailing Address of the Association: The name and mailing address of the Association is Headwaters Residential Master Community, Inc. c/o Capital Consultant Management Company, 7800 N. Dallas Parkway, Suite 450, Plano, TX 75024.

6. The Contact Information for the Association's Designated Representative: The contact information of the designated representative of the Association is:

CCMC Conveyance Department
7800 N. Dallas Parkway, Suite 450
Plano, TX 75024
469.246.3500
ccmctx@ccmcnet.com

7. The Association's Dedicatory Instruments are available to Members online at: www.myheadwaters.com.

8. The Amount and Description of the Fees and Other Charges Charged by the Association in Connection with a Property Transfer:

Description	Fee
Community Enhancement Fee	.25% of Contract Sales Price
Working Capital Fee (Builder to Buyer and Resales)	6 months of then current assessment 2021 - $744.00 Proposed 2022 - $781.20
Resale Disclosure and Lien Estoppel Fee (Resale)	$ 345.00
Resale Disclosure and Lien Estoppel Fee (Builder to Buyer Sale)	$50.00
Rush Fee	$ 100.00

Executed on this 30th day of November, 2021.

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

By: Capital Consultant Management Company,
Managing Agent

By: _____

Printed: Andy Babbitt

Its: Regional President - CCMC - Managing Agent

*This Management Certificate does not purport to identify every publicly recorded document affecting the Subdivision, or to report every piece of information pertinent to the Subdivision. Rather, the purpose of this Management Certificate is to provide information sufficient for a title company or others to correctly identify the Subdivision and to contact the Association. No person should rely on this Management Certificate for anything other than instructions for identifying and contacting the Association.

THE STATE OF TEXAS §
§
COUNTY OF Collin §

BEFORE ME, the undersigned notary public, on this 30th day of November, 2021 personally appeared Andy Babbitt, Division President of Capital Consultant Management Company, Managing Agent for Headwaters Residential Master Community, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

BETH DIRENZO
Notary Public, State of Texas
Comm. Expires 01-19-2024
Notary ID 128853711

Beth DiRenzo
Notary Public in and for the State of Texas

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

21066469 CERTIFICATE
12/03/2021 10:34:18 AM Total Fees: $38.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

22007336 AMENDMENT Total Pages: 7
Filed and Recorded: 02/15/2022 11:08:48 AM

AFTER RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

HEADWATERS AT BARTON CREEK

FIRST AMENDMENT TO DEVELOPMENT AREA DECLARATION

[Residential]

HAYS COUNTY

Declarant: **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership

Cross reference to (i) Headwaters at Barton Creek Master Covenant [Residential], recorded as Document No. 16015124 in the Official Public Records of Hays County, Texas, as amended; and (ii) Headwaters at Barton Creek Development Area Declaration [Residential], recorded as Document No. 16015147 in the Official Public Records of Hays County, Texas, as amended.

HEADWATERS AT BARTON CREEK
FIRST AMENDMENT TO DEVELOPMENT AREA DECLARATION
[RESIDENTIAL]

This First Amendment to Headwaters at Barton Creek Development Area Declaration *[Residential]* (this "**Amendment**") is made by **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership (the "**Declarant**"), and is as follows:

RECITALS:

A. Declarant previously filed that certain Headwaters at Barton Creek Master Covenant [Residential], recorded as Document No. 16015124 in the Official Public Records of Hays County, Texas, as amended (collectively, the "**Covenant**"), and that certain Headwaters at Barton Creek Development Area Declaration [Residential], recorded as Document No. 2016044642 in the Official Public Records of Hays County, Texas, as amended (collectively, the "**Development Area Declaration**").

B. Pursuant to *Section 5.02* of the Development Area Declaration, the Development Area Declaration may be amended by Declarant acting alone.

C. Declarant desires to amend and modify the Development Area Declaration as set forth hereinbelow.

NOW THEREFORE, Declarant hereby amends and modifies the Development Area Declaration as follows:

1. **Signs**. *Section 2.11* of the Development Area Declaration is hereby deleted in its entirety and replaced with the following:

2.11. Signs.

2.11.1 No sign of any kind may be displayed to the public view on any Lot without the prior written approval of the Headwaters Reviewer, except for:

(a) Declarant Signs. Signs erected by the Declarant or erected with the advance written consent of the Declarant;

(b) Security Signs. Two (2) security signs notifying of alarms or cameras, provided that any security sign shall not exceed 12" x 18".

(c) Permits. Permits as may be required by Applicable Law;

(d) Sale or Rental Signs. One (1) temporary "For Sale" or "For Lease" sign per Lot, provided that the sign shall be limited to: (i) a maximum face area of five (5) square feet on each visible side and, if free standing, is mounted on a single or frame post; (ii) an overall height of the sign from finished grade at the spot where the sign is located may not exceed four feet (4'); and (iii) the sign shall be removed within two (2) business days following the sale or lease of the Lot;

(e) Political Signs. Candidate or measure signs may be erected provided the sign: (i) is erected no earlier than the ninetieth (90th) day before the date of the election to which the sign relates; (ii) is removed no later than the tenth (10th) day after the date of the election to which the sign relates; and (iii) is ground-mounted. Only one sign may be erected for each candidate or measure. In addition, signs which include any of the components or characteristics described in Section 259.002(d) of the Texas Property Code are prohibited;

(f) No Soliciting Signs. A "no soliciting" sign near or on the front door to the principal residence constructed upon the Lot, provided, that the sign may not exceed twenty-five (25) square inches;

(g) School Spirit Signage. One (1) temporary school "spirit" sign for an elementary, middle or high school may be placed on any Lot so long as the sign: (i) is professionally made; (ii) is limited to maximum face area of five square feet (e.g., 2' x 2.5') on each visible side; (iii) is mounted on a single or frame post if free standing; (iv) does not exceed four feet (4') in height from finished grade at the location where the sign is located; and (v) is removed within five (5) business days following the athletic season for which the sign relates;

(h) Event or Celebration Signage. One (1) "celebration" sign (e.g., 'Welcome Home', Baby Announcement, graduation, Card My Yard, etc.) per Lot, provided such sign may remain on the Lot for no longer than two (2) weeks after first being displayed; and

(i) Holiday Signs/Decorations. Holiday signs and/or decorations are permitted provided they (i) are reasonable in size and scope; (ii) do not disturb other Owners and residents through the emission of excessive light and/or sound; or (iii) cause an unreasonable amount of spectator traffic. Permitted decorations may be displayed no

earlier than twenty-one (21) days prior to the date of the holiday and must be removed within fourteen (14) days after the date of the holiday.

The signs permitted in this *Section 2.11.1* must be placed fully within the boundaries of the Owner's Lot and not within any easements or Common Area, except for signs related to a Board approved event. Permitted signs cannot be placed in a location that is hazardous to public safety, obstructs clear vision in the area or interferes with the requirements of the Americans with Disabilities Act (42 United States Code Sections 12101 through 12213 and 47 United States Code Sections 225 and 611), as determined in the sole discretion of the Board of Directors of the Association or if applicable, the Headwaters Reviewer. The restrictions regarding placement of signs in this *Section 2.11.1* shall not apply to entry, directional and marketing signs erected by the Declarant or erected with the advance written consent of the Declarant. The Association, acting through the Board, shall have the right to erect signs within the Common Area.

2.11.2 The following signs are expressly prohibited unless approved in writing and in advance by the Headwaters Reviewer:

(a) Any sign deemed hazardous to public safety;

(b) Signs that obstruct vision;

(c) Signs that interfere with the requirements of the Americans with Disabilities Act (42 United States Code sections 12101 through 12213 and 47 United States Code Sections 225 and 611);

(d) Homemade signs;

(e) Signs advertising a business, unless otherwise exempt under the Restrictions, shall not be placed anywhere in the Development, including but not limited to any Lot, Common Area, or easement, i.e. pool company signs, landscape company signs, etc.

(f) Except for signs which are erected by the Declarant or erected with the advance written consent of the Declarant, no sign may be displayed in the window of any Improvement located on a Lot.

An Owner may request a variance or may submit an application to the Headwaters Reviewer for a sign not covered by this *Section 2.11* in accordance with the Design Guidelines, if adopted, and with *Section 6.4* of the Covenant.

2. **Miscellaneous**. Any capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Development Area Declaration or Covenant. Unless expressly amended by this Amendment, all other terms and provisions of the Development Area Declaration remain in full force and effect as written, and are hereby ratified and confirmed.

[*SIGNATURE PAGE FOLLOWS*]

EXECUTED to be effective on the date this instrument is Recorded.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, its Sole Member

By: FCA Austin, LLC,
a Delaware limited liability company, its Administrative Member

By: _____
Name: Jesse R. Baker
Title: Authorized Signatory

STATE OF MASSACHUSETTS

KNOW ALL MEN BY THESE PRESENTS

COUNTY OF SUFFOLK

This instrument was acknowledged before me this 1 day of February, ~~2018~~ 2022 by Jesse R. Baker, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said companies and partnership.

GIVEN UNDER MY HAND AND SEAL of office this 1 day of February, 2022.

_____
Notary Public in and for the State of Massachusetts
My Commission expires on: 10/21/27

Sarah J. Mann
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
10/21/2027

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

22007336 AMENDMENT
02/15/2022 11:08:48 AM Total Fees: $46.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

Clerk's Note: At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility, carbon of photocopy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed.

22018079 TERMINATION Total Pages: 12
Filed and Recorded: 04/12/2022 10:30:00 AM

221805

Independance Title/GF#_____-DRP/MFB

IN RE: HEADWATERS OF BARTON CREEK, II,	§
	§
A SUBDIVISION,	§
	§
HAYS COUNTY TEXAS	§

EXTINGUISHMENT OF HEADWATERS OF BARTON CREEK, II'S DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

Owners Gina Hoffman (Owner of Lot 1 D-6), Norma Villarreyes (Owner of Lot 2 D-6), Angela Salazar and Steven Salazar (Owners of Lot 3 D6), Mike Steele and Maria G. Steele (Owners of Lot 4 D-6), Joelle Dondeville and John Arnold (Owners of Lot 5 D6) file this Extinguishment of Headwaters of Barton Creek, II's Declaration of Covenants, Conditions & Restrictions recorded at Document No. 9930425 (13 pages) (collectively referred to as "Restrictive Covenants") among the Official Public Records of Real Property of Hays County, Texas. A true and correct copy of the Restrictive Covenants are attached hereto as Exhibit "A" and incorporated herein by reference as if set forth at length.

WHEREAS,

1. Owners Gina Hoffman (Owner of Lot 1 D-6), Norma Villarreyes (Owner of Lot 2 D-6), Angela Salazar and Steven Salazar (Owners of Lot 3 D6), Mike Steele and Maria G. Steele (Owners of Lot 4 D-6), Joelle Dondeville and John Arnold (Owners of Lot 5 D6) (sometimes collectively referred to as "Owners"), pursuant to Paragraph No. 9.01, *et. seq.*, of the Restrictive Covenants, hereby extinguish, cancel, and vacate the Declaration of Covenants, Conditions & Restrictions recorded at Document No. 9930425 among the Official Public Records of Real Property of Hays County, Texas.
2. Owners collectively represent at least three-fourths (3/4ths) of the total Lots of the Headwaters of Barton Creek, II, a Subdivision situated in Hays County, Texas (the "Subdivision").
3. Pursuant to the power and authority to extinguish the Restrictive Covenants pursuant to an instrument signed by at least three-fourths (3/4ths) of the Owners, by their signatures below, Owners hereby extinguish, cancel, and vacate Headwaters of Barton Creek, II's Declaration of Covenants, Conditions & Restrictions recorded at Document No. 9930425 (13 pages). The Restrictive Covenants described herein are hereby extinguished, cancelled, and vacated and have no force or effect.

Effective this 10th day of March, 2022.

OWNERS:

Gina Hoffman (Owner of Lot 1 D-6)

Norma Villarreyes (Owner of Lot 2 D-6)

IN RE: HEADWATERS OF	§
BARTON CREEK, II,	§
	§
A SUBDIVISION,	§
	§
HAYS COUNTY TEXAS	§

EXTINGUISHMENT OF HEADWATERS OF BARTON CREEK, II'S DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

Owners Gina Hoffman (Owner of Lot 1 D-6), Norma Villarreyes (Owner of Lot 2 D-6), Angela Salazar and Steven Salazar (Owners of Lot 3 D6), Mike Steele and Maria G. Steele (Owners of Lot 4 D-6), Joelle Dondeville and John Arnold (Owners of Lot 5 D6) file this Extinguishment of Headwaters of Barton Creek, II's Declaration of Covenants, Conditions & Restrictions recorded at Document No. 9930425 (13 pages) (collectively referred to as "Restrictive Covenants") among the Official Public Records of Real Property of Hays County, Texas. A true and correct copy of the Restrictive Covenants are attached hereto as Exhibit "A" and incorporated herein by reference as if set forth at length.

WHEREAS,

1. Owners Gina Hoffman (Owner of Lot 1 D-6), Norma Villarreyes (Owner of Lot 2 D-6), Angela Salazar and Steven Salazar (Owners of Lot 3 D6), Mike Steele and Maria G. Steele (Owners of Lot 4 D-6), Joelle Dondeville and John Arnold (Owners of Lot 5 D6) (sometimes collectively referred to as "Owners"), pursuant to Paragraph No. 9.01, *et. seq.*, of the Restrictive Covenants, hereby extinguish, cancel, and vacate the Declaration of Covenants, Conditions & Restrictions recorded at Document No. 9930425 among the Official Public Records of Real Property of Hays County, Texas.
2. Owners collectively represent at least three-fourths (3/4^{ths}) of the total Lots of the Headwaters of Barton Creek, II, a Subdivision situated in Hays County, Texas (the "Subdivision").
3. Pursuant to the power and authority to extinguish the Restrictive Covenants pursuant to an instrument signed by at least three-fourths (3/4^{ths}) of the Owners, by their signatures below, Owners hereby extinguish, cancel, and vacate Headwaters of Barton Creek, II's Declaration of Covenants, Conditions & Restrictions recorded at Document No. 9930425 (13 pages). The Restrictive Covenants described herein are hereby extinguished, cancelled, and vacated and have no force or effect.

Effective this 10th day of March, 2022.

OWNERS:

Gina Hoffman (Owner of Lot 1 D-6)

Norma Villarreyes (Owner of Lot 2 D-6)

Angela Salazar (Owner of Lot 3 D6)

Steven Salazar (Owner of Lot 3 D6)

Mike Steele (Owner of Lot 4 D-6)

Maria G. Steele (Owner of Lot 4 D-6)

Joelle Dondeville (Owner of Lot 5 D6)

John Arnold (Owner of Lot 5 D6)

ACKNOWLEDGMENTS

STATE OF TEXAS	)
COUNTY OF HAYS	)

This instrument was acknowledged before me on _____, 2022, by Gina Hoffman.

Notary Public, State of Texas
My commission expires:
_____

STATE OF TEXAS	)
COUNTY OF Hays	)

Angela Salazar (Owner of Lot 3 D6)

Steven Salazar (Owner of Lot 3 D6)

Mike Steele (Owner of Lot 4 D-6)

Maria G. Steele (Owner of Lot 4 D-6)

Joelle Dondeville (Owner of Lot 5 D6) March 7, 2022

John Arnold (Owner of Lot 5 D6)

JM Lee Arnold Ent LP GP 3/24/2022
Jordana Arnold (Lot 5 D6) 3/24/2022 JA 3/29/22

ACKNOWLEDGMENTS

STATE OF TEXAS	)
COUNTY OF _____	)

This instrument was acknowledged before me on _____, 2022, by Gina Hoffman.

Notary Public, State of Texas
My commission expires:
_____

STATE OF TEXAS	)
COUNTY OF _____	)

2/5

Norma Villarreyes (Owner of Lot 2 D-6)

Angela Salazar (Owner of Lot 3 D6)

Steven Salazar (Owner of Lot 3 D6)

Mike Steele (Owner of Lot 4 D-6)

Maria G. Steele (Owner of Lot 4 D-6)

Joelle Dondeville (Owner of Lot 5 D6)

John Arnold (Owner of Lot 5 D6)

PAUL CHENUAU
Notary Public
STATE OF TEXAS
Notary I.D. 13156562-5
My Comm. Exp. May 11, 2022

PAUL CHENUAU
Notary Public
STATE OF TEXAS
Notary I.D. 13156562-5
My Comm. Exp. May 11, 2022

Angela Salazar (Owner of Lot 3 D6)

Steven Salazar (Owner of Lot 3 D6)

Mike Steele (Owner of Lot 4 D-6)

Maria G. Steele (Owner of Lot 4 D-6)

Joelle Dondeville (Owner of Lot 5 D6)

John Arnold (Owner of Lot 5 D6)

ACKNOWLEDGMENTS

STATE OF TEXAS)
)
COUNTY OF Hays)

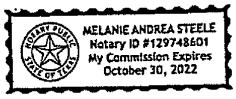
This instrument was acknowledged before me on March 16th, 2022, by Gina Hoffman.

MELANIE ANDREA STEELE
Notary ID #129748601
My Commission Expires
October 30, 2022

Notary Public, State of Texas
My commission expires: October 30, 2022

STATE OF TEXAS)
)
COUNTY OF)

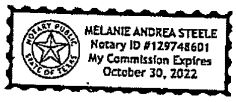
This instrument was acknowledged before me on March 10, 2022, by Norma Villarreyes.



Notary Public, State of Texas
My commission expires: October 30, 2022

STATE OF TEXAS)
)
COUNTY OF Hays)

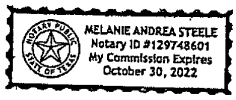
This instrument was acknowledged before me on March 10, 2022, by Angela Salazar.



Notary Public, State of Texas
My commission expires: October 30, 2022

STATE OF TEXAS)
)
COUNTY OF Hays)

This instrument was acknowledged before me on March 10, 2022, by Steven Salazar.



Notary Public, State of Texas
My commission expires: October 30, 2022

STATE OF TEXAS)

STATE OF TEXAS)
)
COUNTY OF Hays)

This instrument was acknowledged before me on March 10th, 2022, by Mike Steele.

MELANIE ANDREA STEELE
Notary ID #129748601
My Commission Expires
October 30, 2022

Notary Public, State of Texas
My commission expires: October 30, 2022

STATE OF TEXAS)
)
COUNTY OF Hays)

This instrument was acknowledged before me on March 10th, 2022, by Maria Steele.

MELANIE ANDREA STEELE
Notary ID #129748601
My Commission Expires
October 30, 2022

Notary Public, State of Texas
My commission expires: October 30, 2022

STATE OF TEXAS)
)
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2022, by Joelle Dondeville.

Notary Public, State of Texas
My commission expires:
_____

STATE OF TEXAS)
)

COUNTY OF _____

This instrument was acknowledged before me on _____, 2022, by Mike Steele.

Notary Public, State of Texas
My commission expires:
_____

STATE OF TEXAS

COUNTY OF _____

This instrument was acknowledged before me on _____, 2022, by Maria Steele.

Notary Public, State of Texas
My commission expires:
_____

STATE OF TEXAS

COUNTY OF Hays

This instrument was acknowledged before me on Joëlle Dondeville March 17, 2022, by Joelle Dondeville.

DYLON GARZA
Notary ID #133010775
My Commission Expires
March 31, 2025

Notary Public, State of Texas
My commission expires: March 31, 2025

STATE OF TEXAS

4/5

STATE OF TEXAS)

COUNTY OF _____)

This instrument was acknowledged before me on _____, 2022, by Joelle Dondeville.

_____
Notary Public, State of Texas
My commission expires:
_____

STATE OF TEXAS)

COUNTY OF Travis)

This instrument was acknowledged before me on 5th April, 2022, by John Arnold.

PAUL CHENUAU
Notary Public
STATE OF TEXAS
Notary I.D. 13156562-5
My Comm. Exp. May 11, 2022

Paul Chenuau
Notary Public, State of Texas
My commission expires:
_____

COUNTY OF _____

This instrument was acknowledged before me on _____, 2022, by John Arnold.

Notary Public, State of Texas
My commission expires:
_____

State of Kansas
County of Douglas

This instrument was acknowledged before me on March 24, 2022 by Jordana Arnold.

NOTARY PUBLIC - STATE OF KANSAS
RACHEL MEYER
MY APPT. EXP. 06/05/2025

Notary Public, State of Kansas
My commission expires:
06/05/2025
Rachel Meyer

8/10
6/15

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

22018079 TERMINATION
04/12/2022 10:30:00 AM Total Fees: $67.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

22037957 APPOINTMENT Total Pages: 4
Filed and Recorded: 08/04/2022 03:23:59 PM

RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

DECLARANT REMOVAL AND APPOINTMENT OF DIRECTORS

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

Hays County, Texas

DECLARANT: WFC HEADWATERS OWNER VII, L.P., a Delaware limited liability company

Cross-reference to Headwaters at Barton Creek Master Covenant [Residential] recorded as Document No. 201616015124, Official Public Records of Hays County, Texas as the same may be amended from time to time.

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
DECLARANT REMOVAL AND APPOINTMENT OF DIRECTORS

WFC HEADWATERS OWNER VII, L.P., a Delaware limited liability company (the "**Declarant**"), has caused to be recorded that certain Headwaters at Barton Creek Master Covenant [Residential] recorded as Document No. 201616015124, Official Public Records of Hays County, Texas, as amended from time to time (the "**Covenant**").

Declarant has the right to appoint and remove all Board members in accordance with the Covenant and Bylaws of the Headwaters Residential Master Community, Inc., a Texas non-profit corporation, the association established pursuant to the Covenant (the "**Association**").

Declarant hereby removes Stan Brown and J. Kevin Fleming from the Board of Directors of the Association and appoints Andrew Smith and Tiffany Magnavice to serve on the Board of Directors of the Association.

[SIGNATURE PAGE FOLLOWS]

EXECUTED TO BE EFFECTIVE as of the 5th day of July, 2022.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: Jesse R. Baker
Title: Authorized Signatory

THE COMMONWEALTH OF MASSACHUSETTS §
§
COUNTY OF SUFFOLK §

This instrument was acknowledged before me this 2ND day of August 2022 by Jesse R. Baker, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said companies and partnership.

_____
Notary Public Signature

(SEAL)

CHRISTINA A. CONSOLES
Notary Public
Commonwealth of Massachusetts
My Commission Expires August 2, 2024

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

22037957 APPOINTMENT
08/04/2022 03:23:59 PM Total Fees: $34.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

23008626 APPOINTMENT Total Pages: 4
Filed and Recorded: 03/16/2023 02:49:11 PM

RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
WINSTEAD PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

DECLARANT REMOVAL AND APPOINTMENT OF DIRECTORS

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

Hays County, Texas

DECLARANT: WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership

Cross-reference to Headwaters at Barton Creek Master Covenant [*Residential*], recorded as Document No. 2016-16015124, Official Public Records of Hays County, Texas as the same may be amended from time to time.

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
DECLARANT REMOVAL AND APPOINTMENT OF DIRECTORS

WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership (the "**Declarant**"), has caused to be recorded that certain Headwaters at Barton Creek Master Covenant [*Residential*], recorded as Document No. 2016-16015124, Official Public Records of Hays County, Texas, as amended from time to time (the "**Covenant**").

Declarant has the right to appoint and remove all Board members in accordance with the Master Covenant and Bylaws of the Headwaters Residential Master Community, Inc., a Texas non-profit corporation, the association established pursuant to the Covenant (the "**Association**").

Declarant hereby removes Andrew Smith and Tiffany Magnavice from the Board of Directors of the Association and appoints Devon Via and Andrea Salafia to serve on the Board of Directors of the Association.

[*SIGNATURE PAGE FOLLOWS*]

EXECUTED TO BE EFFECTIVE as of the 1st day of February 2023.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: Thomas C. Tischer
Title: Authorized Signatory

STATE OF VIRGINIA §
CITY §
~~COUNTY~~ OF RICHMOND §

This instrument was acknowledged before me this 14th day of March, 2023, by Thomas C. Tischer, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said limited liability companies and limited partnership.

_____
Notary Public Signature

(SEAL)

DEVON O VIA
NOTARY PUBLIC
REGISTRATION # 7971571
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES
11-30-25

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

23008626 APPOINTMENT
03/16/2023 02:49:11 PM Total Fees: $34.25

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

23046309 RESTRICTIONS Total Pages: 18
Filed and Recorded: 12/18/2023 03:55:01 PM

After Recording Return To:
Winstead PC
401 Congress Ave., Suite 2100
Austin, Texas 78701
avaldes@winstead.com

HEADWATERS AT BARTON CREEK

Hays County, Texas

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

SUPPLEMENTAL POLICIES

1) Fine & Enforcement Policy

2) Collections Policy

Reference the Headwaters at Barton Creek Master Covenant [*Residential*] recorded as Doc. No. 201616015124 in Hays County, Texas; and that certain Headwaters at Barton Creek Community Manual recorded as Doc. No. 201616015181 in Hays County, Texas. The policies contained herein supersede and replace the previously adopted Fine & Enforcement Policy and Collections Policy for Headwaters Residential Master Community, Inc.

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HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

SUPPLEMENTAL POLICIES

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ATTACHMENT 1

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

FINE & ENFORCEMENT POLICY

ATTACHMENT 1

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

FINE & ENFORCEMENT POLICY

1. Background. Headwaters Residential Master Community, Inc. (the "**Association**") is subject to the Headwaters at Barton Creek Master Covenant [*Residential*], recorded as Document No. 201616015124, Official Public Records of Hays County, Texas (the "**Covenant**"). Unless the Covenant or applicable law expressly provides otherwise, the Association acts through its board of directors (the "**Board**"). The Association is empowered to enforce the covenants, conditions and restrictions of the Covenant, Bylaws and any rules and regulations of the Association (collectively, the "**Restrictions**"), including the obligation of Owners to pay assessments pursuant to the terms and provisions of the Covenant and the obligations of Owners to compensate the Association for costs incurred by the Association for enforcing violations of the Restrictions.

   The Board hereby adopts this Fine & Enforcement Policy to establish policies and procedures for the levy of fines within the Association in compliance with Chapter 209 of the Texas Property Code, titled the "Texas Residential Property Owners Protection Act," as it may be amended (the "**Act**"). To the extent any provision within this policy is in conflict with the Act or any other applicable law, such provision shall be deemed to be modified to comply with applicable law.

   Terms used but not defined herein shall have the meaning subscribed to such term in the Restrictions.

2. Compliance Inspections. The Board may institute compliance inspection procedures to ensure compliance with the Restrictions.

3. Owner's Liability. An Owner is liable for fines levied by the Association for violations of the Restrictions by Owner and Owner's guests, invitees, family members, employees, agents, and representatives. Regardless of who commits the violation, the Association may direct all communications regarding the violation to Owner.

4. Fine Amount. The Association may establish fines for certain categories of violations, and certain fine amounts as are set forth herein. The Association reserves the right to set fine amounts on a case-by-case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation.

5. Violation Notice. Except as set forth herein, before levying a fine, the Association will provide a written violation notice via certified mail to Owner (at Owner's last known address as shown in the Association records) (the "**Violation Notice**") that describes any opportunity for a hearing that may be required under the Act. The Association's

Violation Notice will contain the following items: (1) the date the Violation Notice is prepared or mailed; (2) a description of the violation or property damage that is the basis for any fine, charge, or suspension action; (3) a reference to the rule or provision at issue; (4) a description of the action required to cure the violation and a reasonable timeframe in which the violation is required to be cured to avoid a fine or suspension; (5) the amount of the possible fine; (6) a statement that no later than the thirtieth (30th) day after the date the notice was sent, Owner may request a hearing pursuant to Section 209.007 of the Texas Property Code; and (7) a statement that Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. §§ 501-597(b), if Owner is serving on active military duty. The Violation Notice sent out pursuant to this paragraph is further subject to the following:

A. First Violation. If Owner has not been given notice and a reasonable opportunity to cure the same or similar violation within the preceding six (6) months, the Violation Notice will state those items set out in Paragraph 5, subsections (1) – (7) above, along with a reasonable timeframe by which the violation must be cured to avoid the fine. The Violation Notice must state that any future violation of the same rule may result in the levy of a fine. A fine pursuant to the *Schedule of Fines* may be levied if an Owner does not cure the violation within the timeframe set forth in the notice.

B. Uncurable Violation/Violation of Public Health or Safety. If the violation is of an uncurable nature or poses a threat to public health or safety (as noted in Section 209.006 of the Texas Property Code), then the Violation Notice shall state those items set out in Paragraph 5, subsections (1), (2), (3), (5), (6), and (7) above, and the Association shall have the right to exercise any enforcement remedy afforded to it under the Restrictions, including but not limited to the right to levy a fine pursuant to the *Schedule of Fines*.

C. Continuing, Repeat, or Uncured Violation. For any violation, if Owner was provided with a Violation Notice for the same or similar violation within the preceding six (6) months, then Owner shall not be entitled to an additional Violation Notice or a hearing pursuant to Section 209.007 of the Texas Property Code, and the Association shall have the right to exercise any enforcement remedy afforded to it under the Restrictions, including, but not limited to, the right to levy a fine pursuant to the *Schedule of Fines*. For a continuing or uncured violation, the Board, in its sole discretion, may levy a fine based upon a daily, monthly, or quarterly amount as determined by the Board.

6. Violation Hearing. If Owner is entitled to an opportunity to cure the violation, then Owner has the right to submit a written request to the Association for a hearing before the Board or a committee appointed by the Board to discuss and verify the facts and resolve the matter. To request a hearing, Owner must submit a written request (the "**Request**") to the Association's manager (or the Board if there is no manager) within thirty (30) days after receiving the Violation Notice. The Association must then hold the hearing requested no later than thirty (30) days after receipt of the Request. Owner must be notified of the date, time, and place of the hearing at least (10) days before the date of the hearing. The hearing notice communication will include any documents, photographs, and communications the Association intends to introduce at the hearing. If the Association fails to provide the information at least ten (10) days before the hearing, Owner is entitled to an automatic fifteen (15) day postponement. The hearing will be scheduled to provide a reasonable opportunity for both the Board and Owner to attend. The Board or Owner may request a postponement, and if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. Notwithstanding the foregoing, the Association may exercise its other rights and remedies as set forth in Section 209.007(d) and (e) of the Texas Property Code. Any hearing before the Board will be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation. Owner shall attend the hearing, but Owner may be represented by another person (i.e., Owner's counsel) during the hearing with advance written notice to the Board. If an Owner intends to make an audio recording of the hearing, Owner's request for hearing shall include notice of Owner's intent to make an audio recording of the hearing. If Owner appears at the meeting, the notice requirements will be deemed satisfied. Unless the procedures are modified by the Board, a hearing will be conducted in accordance with the agenda attached hereto as Exhibit A.

7. Due Date. Fine and/or damage charges are due immediately if the violation is uncurable or poses a threat to public health or safety. If, however, the violation is curable and no similar violation has taken place in the six (6) month period preceding the Violation Notice, the fine and/or damage charges are due immediately after the cure period ends.

8. Lien Created. To the extent permitted by the Restrictions, payment of each fine and/or damage charge levied by the Board is, together with all other authorized late fees or charges, interest, costs of enforcement and collection (including attorney's fees) secured by the lien granted to the Association pursuant to the Covenant and the Restrictions. The fine and/or damage charge will be considered an assessment, provided such classification is not inconsistent with the Restrictions, and will be enforced in accordance with the terms and provisions governing the enforcement and collection of assessments pursuant to the Covenant and the Restrictions.

9. Levy of Fine. Any fine levied may be reflected on Owner's periodic statements of account or delinquency notices.

10. Foreclosure. The Association may not foreclose its assessment lien on a debt consisting solely of fines.

11. Cure Periods. If an Owner has cure rights, the violation will be assigned a cure period based on the specific circumstances of the violation and the complexity of the activities required to cure the violation.

12. Amendment of Policy. This policy may be revoked or amended from time to time by the Board. This policy will remain effective until the Association records an amendment to this policy in the county's official public records.

[Schedule of Fines on following page]

Schedule of Fines

The Board has adopted the following general schedule of fines. References to numbered notices below does not mean the Association is required to provide all notices before exercising additional remedies as set forth in the Restrictions. The Board may elect to pursue such additional remedies at any time in accordance with applicable law. ***The Board also reserves the right to set fine amounts on a case-by-case basis***, provided the fine comports with Texas law and the Restrictions.

FINES‡:

New Violation:	**General Violation Categories:**	**Fine Amount:**
Notice of Violation	• *Unsightly Conditions on a Lot* • *Unauthorized Construction or Modification of Improvements* • *Landscape Violations (mowing, etc.)* • *Trash Container Violations* • *Failure to Maintain Dwelling (Exterior) or Fencing* • *Common Property Use Violations* • *All Other Violations***	**$25.00 – initial, subject to additional fines based on subsequent notices or amounts charged on a daily basis**
Continuing Violation:	**For a continuing violation, the Association may charge fines on a daily basis ($10.00 per day), or based on each additional notice sent**	**Fine Amount - After the Violation Notice is sent:** **1st Notice $50.00** **2nd Notice $75.00** **3rd Notice $100.00** **4th Notice $125.00**

‡ The Board reserves the right to adjust fine amounts based on the severity and/or frequency of the violation.

** The Association further reserves the right to record a supplemental or separate fine schedule that will remove specified violations from the "All Other Violations" category and, thereafter, apply the fines set forth in the fine schedule.

EXHIBIT A – FINE & ENFORCEMENT POLICY

PROCEDURE FOR HEARING BEFORE THE BOARD

I. Introduction

Association Rep: The Board of Directors has convened to conduct a hearing at the written request of an owner.

This hearing is being conducted as required by Section 209.007 of the Texas Property Code, and it is an opportunity for the Association and Owner to discuss and verify facts and attempt to resolve the matter at issue. If no resolution is reached during the hearing, the Association will communicate its decision in writing within fifteen (15) days.

II. Presentation of Facts

Association Rep: This portion of the hearing is to permit a representative of the Association the opportunity to describe the violation and to present any information the Association wishes to offer. After the Association's representative has finished the presentation, Owner or his/her representative will be given the opportunity to present information and issues relevant to the appeal or dispute.

[Presentations]

III. Discussion

Association Rep: This portion of the hearing is to permit the Board and Owner to discuss matters relevant to the violation.

IV. Resolution

Association Rep: [Announce any agreement or resolution or state that the Board will take the matter under advisement]

V. Adjournment

Association Rep: At this time the hearing is adjourned.

ATTACHMENT 2

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

ASSESSMENT COLLECTION POLICY

ATTACHMENT 2

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

ASSESSMENT COLLECTION POLICY

Headwaters Residential Master Community, Inc. (the "**Association**") is subject to the Headwaters at Barton Creek Master Covenant [*Residential*], recorded as Document No. 201616015124, Official Public Records of Hays County, Texas, as the same may be amended from time to time (the "**Covenant**"). Unless the Covenant or applicable law expressly provides otherwise, the Association acts through a majority of its Board of Directors (the "**Board**"). The Association is empowered to enforce the covenants, conditions and restrictions of the Covenant, Bylaws, other recorded documents, and any rules and regulations promulgated by the Association, as adopted and amended from time to time (collectively, the "**Restrictions**"), including the obligation of its owners ("**Owners**") to pay assessments and other charges due the Association ("**Assessments**") pursuant to the terms and provisions of the Covenant.

The Board hereby adopts this Assessment Collection Policy ("**Policy**") to establish equitable policies and procedures for the collection of Assessments levied pursuant to the Restrictions.

INVOICES, DELINQUENCIES, LATE CHARGES & INTEREST

Invoice. The Association may, but shall not be required to, invoice an Owner as a condition to an Owner's obligation to pay assessments or other charges of the Association. As a matter of course, assessments are invoiced by statements. Non-receipt of an invoice shall in no way relieve Owner of the obligations to pay the amount due by the due date. Owners who do not receive an invoice are responsible for contacting the Association and any manager, by January 31st of each year to request an invoice. Owners are responsible for notifying the Association and its manager, in writing, of any request to change Owner's mailing address or other contact information.

> NOTE: To change Owner's contact information to an address other than the Owner's residence in the subdivision, Owner must submit a written request to change Owner's address to the Association's Manager in accordance with any policy pertaining to the same.

Due Date. An Owner will timely and fully pay Assessments. Assessments shall be paid on such monthly, quarterly or other basis as the Board may designate in its sole and absolute discretion.

Delinquent. Any Assessment that is not fully paid when due is delinquent. When the account of an Owner becomes delinquent, it remains delinquent until paid in full — including collection costs, interest and late fees.

Late Fees & Interest. If the Association does not receive full payment of an Assessment by 5:00 p.m. on the due date established by the Board, the Association may levy a late fee of $25 per month and/or interest at the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date thereof (or if there is no such highest rate, then at the rate of 1 and 1/2% per month) until paid in full.

Insufficient Funds. The Association may levy a charge of up to $50 for any check returned to the Association due to insufficient funds.

Waiver. Collection costs, late fees, and interest may be waived by the Board.

INSTALLMENTS & ACCELERATION

If an Assessment is payable in installments and an Owner defaults in the payment of any installment, the Association may declare the entire Assessment in default and accelerate the due date on all remaining installments of the Assessment.

PAYMENT PLANS

Payment Plans. If required by applicable law, the Association shall offer a payment plan to a delinquent Owner with a minimum term of at least three (3) months from the date the payment plan is requested; however, the Association is not required to offer a payment plan exceeding a maximum term eighteen (18) months. For any payment plan, Owner may be charged reasonable costs associated with administering the payment plan and interest. The Association will determine the actual term of each payment plan offered to an Owner. The Association is not required to offer a payment plan more than once in a twelve (12) month period or if Owner has defaulted on a previous payment plan in the last two (2) years. A payment plan is only required if an owner notifies the Association, in writing, of Owner's request for a payment plan before any payment plan request deadline set forth in a delinquency notice. A payment plan is not required to be offered after the initial cure period for a delinquent account.

PAYMENTS

Application of Payments. Payments received by the Association shall be applied in the following order, starting with the oldest charge in each category, unless Owner is in default under a payment plan when the payment is received:

(1) Delinquent Assessments	(4) Other Reasonable Attorney's Fees
(2) Current Assessments	(5) Reasonable Fines
(3) Reasonable Attorney's Fees and Costs for Assessment Collection	(6) Any Other Reasonable Amount Owed

Form of Payment. The Association may require that payment for a delinquent account be made only in the form of cash, cashier's check, or certified funds.

Partial and Conditioned Payment. The Association may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payer attaches conditions or directions contrary to the Board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts the payment to Owner's account. If the Association does not accept the payment at that time, it will promptly refund the payment to the payer. A payment that is not refunded to the payer within thirty (30) days after being deposited by the Association may be deemed accepted as to payment, but not as to words of limitation or instruction accompanying the payment. The acceptance by the Association of partial payment of delinquent Assessments does not waive the Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations.

Notice of Payment. If the Association receives full payment of the delinquency after recording a notice of lien, the Association will cause a release of notice of lien to be publicly recorded, a copy of which will be sent to Owner. The Association may require Owner to prepay the cost of preparing and recording the release.

Correction of Credit Report. If the Association receives full payment of the delinquency after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of payment to the credit reporting service.

LIABILITY FOR COLLECTION COSTS

Collection Costs. The defaulting Owner may be liable to the Association for the cost of title reports, certified mail, filing fees, recording fees, and other reasonable costs and attorney's fees incurred in the collection of the delinquency.

COLLECTION PROCEDURES

Delegation of Collection Procedures. From time to time, the Association may delegate some or all of the collection procedures, as the Board in its sole discretion deems appropriate, to the Association's managing agent, an attorney, or a debt collector.

Delinquency Notices. If the Association has not received full payment of an Assessment by the due date, the Association will send written notice of nonpayment to the defaulting Owner, by certified mail, stating: (a) the amount delinquent and the total amount of the payment required to make the account current, (b) the options Owner has to avoid having the account turned over to a collection agent, as such term is defined in Texas Property Code Section 209.0064, including information regarding availability of a payment plan through the Association, and (c) that Owner has forty-five (45) days for Owner to cure the delinquency before further collection action is taken (the "**Delinquency Cure Period**"). The Association's delinquency-related correspondence may state that if full payment is not timely received, the Association may

pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.

Verification of Owner Information. The Association may obtain a title report to determine the names of Owners and the identity of other lien-holders, including the mortgage company.

Collection Agency. The Board may employ or assign the debt to one or more collection agencies.

Notification of Mortgage Lender. The Association may notify a mortgage lender of a delinquent account.

Notification of Credit Bureau. The Association may report the defaulting Owner to a credit reporting service with prior notice to Owner of at least thirty (30) business days. The notice must include a detailed report of delinquent charges owed and information about the opportunity to enter into a payment plan. Amounts that are the subject of a pending dispute may not be reported and no fee may be charged back to Owner for the cost of the reporting.

Collection by Attorney. If Owner's account remains delinquent for a period of sixty (60) days or more, the Manager of the Association or the Board of the Association shall refer the delinquent account to the Association's attorney for collection. In the event an account is referred to the Association's attorney, the Owner will be liable to the Association for its legal fees and expenses. The Association's attorney will ensure the following notices are provided, or have been provided, in accordance with applicable law:

Notice of Delinquency: Preparation of written notice of the delinquency. If the account is not paid in full by the deadline set forth in the notice letter, then

Second Notice: Preparation of the second written notice of delinquency. If the account is not paid in full by the deadline set forth in the notice letter, then

Lien Notice: Preparation of the Lien Notice Letter and recordation of a Notice of Unpaid Assessment Lien. If the account is not paid in full by the deadline set forth in the notice letter, then

Final Notice: Preparation of the Final Notice of Demand for Payment Letter and any notice required to be sent to any holder of a lien of record on the property whose lien is evidenced by a deed of trust and is inferior or subordinate to the Association's lien. If the account is not paid in full by the deadline set forth in the notice letter, then

Foreclosure of Lien: Only upon specific approval by a majority of the Board.

Notice of Lien. The Association's attorney may cause a notice of the Association's Assessment lien against Owner's home to be publicly recorded. In that event, a copy of the notice will be sent to the defaulting Owner, and may also be sent to Owner's Mortgagee, if required.

NOTE: Texas law requires that at least two (2) notices precede the recording of any lien. For accounts that become delinquent on or after September 1, 2023, a lien may only be recorded after notice of the delinquency has been sent: (1) to the Owner by email using an email address the Owner has provided to the Association **or, alternatively** by first-class mail (the first-class mail requirement may be satisfied by a letter sent by USPS certified mail) sent to the Owner's last known mailing address, as reflected in the records maintained by the Association; **and also** (2) to the Owner, by certified mail, return receipt requested, directed to the Owner's last known mailing address, as reflected in the records maintained by the Association. The certified letter must be no earlier than thirty (30) days after the first required notice of delinquency has been sent to the Owner, and the lien may only be recorded if at least ninety (90) days have passed since the date the certified delinquency notice was sent to the Owner. The foregoing requirements conform to the requirements set forth in Chapter 209 of the Texas Property Code and apply only to the extent applicable law continues to require such notices before a lien may be recorded.

Cancellation of Debt. If the Board deems the debt to be uncollectible, the Board may elect to cancel the debt on the books of the Association, in which case the Association may report the full amount of the forgiven indebtedness to the Internal Revenue Service as income to the defaulting Owner.

Suspension of Use of Certain Facilities or Services. The Board may suspend the use of any common area property or amenities by an Owner and Owner's guests, invitees, or family members, if Owner's account with the Association is delinquent for at least thirty (30) days.

GENERAL PROVISIONS

Independent Judgment. Notwithstanding the contents of this detailed policy, the officers, directors, manager, and attorney of the Association may exercise their independent, collective, and respective judgment in applying this policy.

Other Rights. This policy is in addition to and does not detract from the rights of the Association to collect Assessments under the Restrictions and the laws of the State of Texas.

Limitations of Interest. The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Restrictions or any other document or agreement executed or made in connection with this policy, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum that exceeds the maximum rate permitted by law, the amount charged will be deemed reduced to the maximum amount allowed by law and any excess amount will be applied to the reduction of unpaid Assessments, or reimbursed to Owner if those Assessments are paid in full.

Notices. Unless the Restrictions, applicable law, or this policy provide otherwise, any notice or other written communication given to an Owner pursuant to this policy will be deemed delivered to Owner as follows: (1) for mailed notices, upon depositing the same with USPS, addressed to Owner at the most recent address shown on the Association's records; (2) for personal delivery, upon delivery to Owner; or (3) for email, upon the transmittal to Owner by email using the email address Owner provided to the Association. If the Association's records show an Owner's property is owned by two (2) or more persons, notice to one Owner is deemed notice to all Owners. Similarly, notice to one resident is deemed notice to all residents. Written communications to the Association, pursuant to this policy, will be deemed given on actual receipt by the Association's president, secretary, managing agent, or attorney.

Amendment of Policy. This policy may be amended by the Board.

[END OF POLICY]

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
ACKNOWLEDGEMENT FOR RECORDING

The undersigned hereby certifies that he/she is the duly elected, qualified and acting PRESIDENT of Headwaters Residential Master Community, Inc. (the "Association"), and that the foregoing policies are true and correct copies of the policies adopted by the Association.

IN WITNESS WHEREOF, the undersigned has executed this acknowledgement on the 14th day of DECEMBER, 20____.

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC., a Texas nonprofit corporation

By: _____

Name: MATT D. MATTHEWS

Title: PRESIDENT

STATE OF TEXAS §
COUNTY OF Travis §

This instrument was acknowledged before me of on Dec. 14, 23 by Matt D. Matthews, President on behalf of Headwaters Residential Master Community, Inc., a Texas non-profit corporation, on behalf of said corporation.

[SEAL]

_____
Notary Public Signature

SHANNON MARKERT
Notary ID #131664162
My Commission Expires
March 9, 2027

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

23046309 RESTRICTIONS
12/18/2023 03:55:01 PM Total Fees: $90.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

25005726 DECLARATION Total Pages: 4
Filed and Recorded: 02/20/2025 02:37:09 PM

RECORDING RETURN TO:

ROBERT D. BURTON, ESQ.
WINSTEAD PC
600 W. 5TH STREET, SUITE 900
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

DECLARANT REMOVAL AND APPOINTMENT OF DIRECTORS

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

Hays County, Texas

DECLARANT: **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership

Cross-reference to Headwaters at Barton Creek Master Covenant [*Residential*], recorded as Document No. 2016-16015124, Official Public Records of Hays County, Texas as the same may be amended from time to time.

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.
DECLARANT REMOVAL AND APPOINTMENT OF DIRECTORS

WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership (the "**Declarant**"), has caused to be recorded that certain Headwaters at Barton Creek Master Covenant [*Residential*], recorded as Document No. 2016-16015124, Official Public Records of Hays County, Texas, as amended from time to time (the "**Covenant**").

Declarant has the right to appoint and remove all Board members in accordance with the Master Covenant and Bylaws of the Headwaters Residential Master Community, Inc., a Texas non-profit corporation, the association established pursuant to the Covenant (the "**Association**").

Declarant hereby removes Andrea Salafia from the Board of Directors of the Association and appoints Shannon Markert to serve on the Board of Directors of the Association.

[*SIGNATURE PAGE FOLLOWS*]

EXECUTED TO BE EFFECTIVE on the date this instrument is recorded.

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

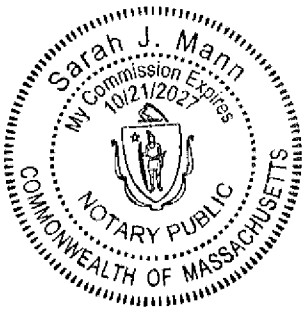
By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: Jesse R. Baker
Title: Authorized Signatory

COMMONWEALTH OF MASSACHUSETTES §
§
COUNTY OF SUFFOLK §

This instrument was acknowledged before me this 13th day of February, 2025, by Jesse R. Baker, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said limited liability companies and limited partnership.

(SEAL)



_____
Notary Public Signature

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

25005726 DECLARATION
02/20/2025 02:37:09 PM Total Fees: $33.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

25041793 RESTRICTIONS Total Pages: 9
Filed and Recorded: 11/12/2025 12:07:47 PM

AFTER RECORDING RETURN TO:

Robert D. Burton, Esq.
Winstead PC
600 W. Fifth St., Ste. 900
Austin, Texas 78701
Email: rburton@winstead.com

FOURTH SUPPLEMENT TO COMMUNITY MANUAL FOR HEADWATERS AT BARTON CREEK

Hays County, Texas

Declarant: WFC HEADWATERS OWNER VII, L.P., a Delaware limited partnership

Cross-reference to Headwaters at Barton Creek Master Covenant [Residential], recorded as Document No. 16015124, Official Public Records of Hays County, Texas as amended; and that certain Headwaters at Barton Creek Community Manual, recorded as Document No. 16015181, Official Public Records of Hays County, Texas, as supplemented. These policies and rules amend and supplement all previously adopted dedicatory instruments, governing documents, rules, and resolutions. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Covenant.

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

FOURTH SUPPLEMENT TO COMMUNITY MANUAL
TABLE OF CONTENTS

TAB 1 BYLAWS AMENDMENT

TAB 2 AMENDED AND RESTATED POOL FENCING AND SECURITY MEASURES/FENCES POLICY

TAB 3 STATUTORY NOTICE REGARDING WATER RESTRICTIONS, SOLAR ROOF TILES

PLEASE NOTE THAT THESE POLICIES AND RULES ARE NOT ALL OF THE RESTRICTIONS, RULES, OR POLICIES FOR THE ASSOCIATION. THE ASSOCIATION HAS AMENDED THE POLICIES AND PROCEDURES IN THIS DOCUMENT TO COMPLY WITH LEGISLATIVE CHANGES MADE DURING THE 2025 REGULAR SESSION OF THE TEXAS LEGISLATURE. IN THE EVENT THESE POLICIES AND RULES CONFLICT WITH A PREVIOUSLY RECORDED DEDICATORY INSTRUMENT, THESE POLICIES AND RULES SHALL CONTROL.

FOURTH SUPPLEMENT TO COMMUNITY MANUAL FOR HEADWATERS AT BARTON CREEK

This Fourth Supplement to Community Manual for Headwaters at Barton Creek (this "**Amendment and Supplement**"), is made by **WFC HEADWATERS OWNER VII, L.P.**, a Delaware limited partnership ("**Declarant**"), and is as follows:

RECITALS:

A. Declarant previously executed and recorded that certain Headwaters at Barton Creek Community Manual, recorded as Document No. 16015181, Official Public Records of Hays County, Texas, as amended by that certain First Supplement to Community Manual, recorded as Document No. 17025707, Official Public Records of Hays County, Texas; that certain Second Amendment and Supplement to Community Manual recorded as Document No. 22007337, Official Public Records of Hays County, Texas; and that certain Supplemental Policies (i.e. the "third" supplement), recorded as Document No. 23046309, Official Public Records of Hays County, Texas (collectively, the "**Community Manual**").

B. Pursuant to Article 1 of the Headwaters at Barton Creek Master Covenant [Residential], recorded as Document No. 16015124, Official Public Records of Hays County, Texas, as amended (collectively, the "**Covenant**"), the Community Manual may be amended or supplemented, from time to time, by the Declarant until expiration or termination of the Development Period. The Development Period has not yet expired.

C. Declarant desires to supplement the Community Manual with the policies, procedures and rules attached hereto.

EXECUTED to be effective as of the date this Supplement is recorded.

[*SIGNATURE PAGE FOLLOWS*]

IN WITNESS WHEREOF, the undersigned has executed this Amendment and Supplement on the 4th day of November, 2025

DECLARANT:

DECLARANT:

WFC HEADWATERS OWNER VII, L.P.,
a Delaware limited partnership

By: WFC Headwaters GP VII, L.L.C.,
a Delaware limited liability company
its General Partner

By: WFC Headwaters Holdings JV VII, L.L.C.,
a Delaware limited liability company,
its Sole Member

By: FCA Austin, LLC,
a Delaware limited liability company,
its Administrative Member

By: _____
Name: Jesse R Baker
Title: Authorized Signatory

THE STATE OF TEXAS §
§
COUNTY OF Suffolk §

This instrument was acknowledged before me this 4 day of November, 2025 by Jesse R Baker, as Authorized Signatory of FCA Austin, LLC, a Delaware limited liability company, as Administrative Member of WFC Headwaters Holdings JV VII, L.L.C., a Delaware limited liability company, as Sole Member of WFC Headwaters GP VII, L.L.C., a Delaware limited liability company, as General Partner of WFC Headwaters Owner VII, L.P., a Delaware limited partnership, on behalf of said companies and partnership.

_____
Notary Public Signature

(SEAL)

TAB 1

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

AMENDMENT TO THE BYLAWS

1. **Member Meetings – Format.** *Section 3.2* of the Bylaws is hereby deleted in its entirety and replaced by the following:

Section 3.2. Place of Meetings. Meetings of the Association shall be held where designated by the Board, either within the Development or as convenient as possible and practical, including by electronic means, as set forth below:

(A) Format: In-Person and Electronic Meetings. A meeting of the members of the Association, including any annual meeting or special meeting, may be held in person or by electronic or telephonic means. Any electronic or telephonic meeting must comply with the requirements of Section 6.002 of the Texas Business Organizations Code.

(i) *In-Person Meetings*. "In person" shall mean a member's physical attendance at a meeting of the members of the Association.

(ii) *Electronic Meetings*. "Electronic meeting" shall mean a meeting conducted using a suitable electronic communications system, such as videoconferencing technology (e.g., using ZOOM or Microsoft Teams).

(iii) *Meetings Called for by Member Petition*. For any meeting of the members of the Association that has been called for by the Association's members who have petitioned for such a meeting in accordance with applicable law and, as applicable, the Association's governing documents, the Board of Directors may determine the format by which the meeting will be held.

(B) Notice of Format and Means of Access. For any meeting of the members of the Association, the Association's required notice to its members must specify the format of the meeting. Depending on the format, the following information must be provided:

(i) *In-Person Meeting Location Information*. If the meeting is an in-person meeting, the Association's notice to its members must specify the location of the meeting.

(ii) *Electronic or Telephonic Meeting Login Information*. If the meeting is an electronic or telephonic meeting, the Association's notice to its members must include information as to how a member may participate. For example, a meeting conducted via the ZOOM technology platform must include the meeting link or access number as well as any necessary login and password information.

TAB 2

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

AMENDED AND RESTATED POOL FENCING AND SECURITY MEASURES/FENCES POLICY

This policy amends, restates, and replaces in its entirety that certain Pool Fencing and Security Measures/Fencing Policy, attached as Attachment C to that certain Second Amendment and Supplement to Community Manual, recorded in the Official Public Records of Hays County, Texas. Terms used but not defined in this policy will have the meaning ascribed to such terms in that certain Headwaters Master Covenant, recorded in the Official Public Records of Hays County, Texas, as the same may be amended from time to time.

1. **Approval Required**. All improvements, including the installation of security measures and security fencing, must be submitted for approval in accordance with the Covenant. Written approval must be furnished to the Owner before installation or construction may commence.

2. **Swimming Pool Enclosures**. The term "swimming pool enclosure" means a fence surrounding a water feature, including a swimming pool or spa, consisting of transparent mesh or clear panels set in metal frames, is not more than six feet in height and is designed not to be climbable. An Owner must submit any request to install a swimming pool enclosure in accordance with the Covenant for approval. The architectural review authority established pursuant to the Covenant will apply its architectural requirements to the request; however, the architectural review authority may not deny an Owner's request to install a swimming pool enclosure if the swimming pool enclosure conforms to applicable law or local safety requirements and the swimming pool enclosure is black in color and consists of transparent mesh set in metal frames.

3. **Security Measures**. The Association has reserved the right to regulate the type of fencing an owner may install. In addition, fencing may not obstruct: (1) a license area as defined by a written license agreement or plat; (2) a sidewalk in the public right-of-way or otherwise installed for public or community use; or (3) a drainage easement or drainage area. A driveway gate must be set back at least ten feet (10 ft). from the right-of-way if the driveway intersects with a laned roadway, as defined by Section 541.302 of the Texas Transportation Code. Fencing in front of the front-most building line of a dwelling is prohibited. An owner may be permitted to install perimeter security fencing or security fencing in front of the front-most building line of a dwelling if the owner provides documentation that owner's residential address is exempt from public disclosure under state or federal law or documentation from a law enforcement agency of the owner's need for enhanced security measures is provided to the Association. To

the extent an owner is authorized or permitted to install security fencing in the front yard area or perimeter security fencing that extends into the front yard area of the owner's property, the fencing must consist of ornamental wrought iron or metal fencing (painted black) with the following general specifications: Pickets ¾" square; Rails 1 ½" square; Standard Posts 2 ½" square; Picket Spacing between 3" and 4"; Post Spacing 8' OC; Height between 48" and 60". Slats, planks, or other solid material may not be installed on metal fencing.

4. **Amendment**. This policy may be amended from time to time by the Declarant during the Development Period and, thereafter, by a Majority of the Board.

TAB 3

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

STATUTORY NOTICE REGARDING WATERING RESTRICTIONS, SOLAR ROOF TILES

Terms used but not defined herein shall be given those definitions set forth in the Headwaters Master Covenant, recorded in the Official Public Records of Hays County, Texas (the "Covenant").

Background. The following supplemental rules have been adopted to incorporate amendments to the Texas Property Code.

1. **Suspension of Fines During Residential Watering Restrictions**. The Association may not assess a fine against an owner for a violation of an applicable restrictive covenant or rule that requires the owner to plant or install grass or turf, or maintain green vegetation or turf, or prohibits discolored or brown vegetation or turf on the property, during a period when the owner's property is subject to a residential watering restriction under which discolored or brown vegetation or turf could reasonably result; and before the sixtieth (60^{th}) day after the date a residential watering restriction is lifted. "Residential watering restriction" means a temporary restriction of water use to irrigate residential vegetation or turf that is mandated by a municipality, water utility, or other wholesale or retail water supplier as part of a strategy to conserve water during a period of drought.

2. **Solar Energy Devices (Solar Roof Tiles)**. Chapter 202 of the Texas Property Code has been amended to clarify that the definition of "solar energy device" includes solar roof tiles. Accordingly, the Association's restrictions pertaining to solar energy devices shall now apply to solar roof tiles.

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

25041793 RESTRICTIONS
11/12/2025 12:07:47 PM Total Fees: $53.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

25045087 CERTIFICATE Total Pages: 6
Filed and Recorded: 12/09/2025 11:34:20 AM

AMENDED AND RESTATED MANAGEMENT CERTIFICATE OF HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.

THIS CERTIFICATE AMENDS, RESTATES AND REPLACES IN ITS ENTIRETY THAT CERTAIN MANAGEMENT CERTIFICATE FOR HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC., RECORDED AS DOCUMENT NO. 23022360 IN THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, AND ALL PREVIOUSLY RECORDED MANAGEMENT CERTIFICATES FOR THE ASSOCIATION.

The undersigned, being an officer of Headwaters Residential Master Community, Inc. (the "**Association**"), and in accordance with Section 209.004 of the Texas Property Code, does hereby certify as follows:

1. The name of the subdivision: Headwaters at Barton Creek *[Residential]*.

2. The name of the Association: Headwaters Residential Master Community, Inc., a Texas nonprofit corporation.

3. The recording data for the subdivision: Any portions of the Property described on Exhibit "A" to that certain Headwaters at Barton Creek Master Covenant *[Residential]*, recorded as Document No. 16015124, Official Public Records of Hays County, Texas, as amended (collectively, the "**Covenant**"), made subject to the Covenant by the Recordation of a Notice of Applicability.

4. The recording data for the Covenant and any amendments to the Covenant: See Attachment 1 to this Management Certificate.

5. The name and mailing address of the Association: Headwaters Residential Master Community, Inc.; c/o RealManage, 6400 International Parkway, Suite 1000, Plano, Texas 75093.

6. The name, mailing address, telephone number, and email address of the person managing the Association:

Name:	RealManage
Mailing Address:	6400 International Parkway, Suite 1000 Plano, Texas 75093
Telephone Number:	214-269-2525
Email Address:	service@ciramail.com

7. Website to access the Association's dedicatory instruments: www.myheadwaters.com/home/

8. Amount and description of fees related to property transfer in the subdivision: The Association fees are in the following amounts:

Working Capital Assessment - Amount equal to six (6) months of Regular Assessments (as defined in the Covenant, recorded in the Official Public Records of Comal and Guadalupe Counties, Texas) for the current fiscal year.

Resale Certificate - $375.00

Transfer Fee - $325.00

Rush Fee - $275.00

Statement of Account - $350.00

Community Enhancement Fee – 0.25% of the Transfer Price (as defined in the Covenant, recorded in the Official Public Records of Comal and Guadalupe Counties, Texas).The Association fees cover all costs that the Association incurs related to a property transfer in the subdivision.

Declarant to Builder Transactions - $50.00

[SIGNATURE PAGE FOLLOWS]

EXECUTED to be effective on the date this instrument is Recorded.

HEADWATERS RESIDENTIAL MASTER COMMUNITY, INC.,
a Texas nonprofit corporation

By: _____
Name: MATT D. MATTHEWS
Title: PRESIDENT

THE STATE OF TEXAS §
§
COUNTY OF Travis §

This instrument was acknowledged before me on 17 day of November 2025, by Matt Matthews the President of Headwaters Residential Master Community, Inc., a Texas nonprofit corporation, on behalf of said nonprofit corporation.

[SEAL]

_____
Notary Public Signature

SHANNON MARKERT
Notary ID #131664162
My Commission Expires
March 9, 2027

AFTER RECORDING RETURN TO:

Robert D. Burton, Esq.
WINSTEAD PC
600 W. Fifth St., Ste. 900
Austin, Texas 78701
rburton@winstead.com

ATTACHMENT 1

1. Headwaters at Barton Creek - Master Covenant – Residential, recorded as Document No. 201616015124, Official Public Records of Hays County, Texas.

    A. Headwaters at Barton Creek – First Amendment to Master Covenant – Residential, recorded as Document No. 18005875, Official Public Records of Hays County, Texas.

2. Headwaters at Barton Creek – Development Area Declaration – Residential, recorded as Document No. 201616015147, Official Public Records of Hays County, Texas.

    A. Headwaters at Barton Creek – First Amendment to Development Area Declaration – Residential, recorded as Document No. 22007336, Official Public Records of Hays County, Texas.

3. Headwaters at Barton Creek – Community Enhancement Covenant – Residential, recorded as Document No. 201616015157, Official Public Records of Hays County, Texas.

4. Headwaters at Barton Creek Residential Community Manual, recorded as Document No. 201616015181, Official Public Records of Hays County, Texas.

    A. Headwaters at Barton Creek First Supplement to Community Manual, recorded as Document No. 17025707, Official Public Records of Hays County, Texas.

    B. Headwaters at Barton Creek Second Amendment and Supplement to Community Manual, recorded as Document No. 2207337, Official Public Records of Hays County, Texas.

    C. Supplemental Policies – Headwater at Baron Creek, recorded as Document No. 23046309, Official Public Records of Hays County, Texas..

    D. Headwaters at Barton Creek Fourth Supplement to Community Manual, recorded as Document No. 25041793, Official Public Records of Hays County, Texas.

5. Headwaters at Barton Creek – Adoption of Working Capital Assessment – Residential, recorded as Document No. 201616015182, Official Public Records of Hays County, Texas.

    A. Headwaters at Barton Creek – Amended and Restated Adoption of Working Capital Assessment – Residential, recorded on June 18, 2021 as Document No. 21032775, Official Public Records of Hays County, Texas.

6. Headwaters at Barton Creek – Notice of Applicability – Residential recorded as Document No. 16015183, Official Public Records of Hays County, Texas.

7. Headwaters at Barton Creek Modification Design Guidelines – Residential, recorded as Document No. 17025706, Official Public Records of Hays County, Texas.

A. Headwaters at Barton Creek – First Amendment to Modification Design Guidelines – Residential, recorded as Document No. 20000919, Official Public Records of Hays County, Texas.

B. Headwaters at Barton Creek – Second Amendment to Modification Design Guidelines – Residential, recorded as Document No. 22007338, Official Public Records of Hays County, Texas

8. Headwaters at Barton Creek – Notice of Designation of Common Area, recorded as Document No. 17030189, Official Public Records of Hays County, Texas.

9. Headwaters at Barton Creek – Notice of Applicability of Master Covenant and Development Area Declaration – Residential [Phase 2 & 4, Section 1], recorded as Document No. 19027219, Official Public Records of Hays County, Texas.

10. Headwaters at Barton Creek – Deed Without Warranty – Residential [Lot 1, Blk A & Blk B, Phase 1], recorded as Document No. 19032194, Official Public Records of Hays County, Texas.

11. Headwaters at Barton Creek – Notice of Applicability of Master Covenant and Development Area Declaration – Residential [Phase 4, Section 2], recorded as Document No. 21032682, Official Public Records of Hays County, Texas.

12. Headwaters at Barton Creek – Notice of Applicability of Master Covenant and Development Area Declaration – Residential [Phase 4, Section 3], recorded as Document No. 21032683, Official Public Records of Hays County, Texas.

13. Headwaters at Barton Creek – Notice of Applicability of Master Covenant and Development Area Declaration – Residential [Phase 4, Section 4], recorded as Document No. 21032684, Official Public Records of Hays County, Texas.

14. Headwaters at Barton Creek – Notice of Applicability of Master Covenant and Development Area Declaration – Residential [Phase 5, Section 1], recorded as Document No. 21067586, Official Public Records of Hays County, Texas.

15. Headwaters at Barton Creek – Notice of Applicability of Master Covenant and Development Area Declaration – Residential [Replat of Lot 902, Block C of Phase 4, Section 2], recorded as Document No. 21067587, Official Public Records of Hays County, Texas.

16. Headwaters at Barton Creek – Notice of Applicability of Master Covenant and Development Area Declaration – Residential [Phase 5, Section 2], recorded as Document No. 21067587, Official Public Records of Hays County, Texas.

17. Headwaters at Barton Creek – Notice of Applicability of Master Covenant and Development Area Declaration – Residential [Phase 3], recorded as Document No. 23021920, Official Public Records of Hays County, Texas.

THE STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Hays County, Texas.

25045087 CERTIFICATE
12/09/2025 11:34:20 AM Total Fees: $41.00

Elaine H. Cárdenas, MBA, PhD,County Clerk
Hays County, Texas

Elaine H Cárdenas

19021686 PLAT Total Pages: 11
Filed and Recorded: 07/01/2019 10:09:11 AM

STATE OF TEXAS §
COUNTY OF HAYS §
KNOW ALL THESE MEN BY PRESENTS:

THAT, WFC HEADWATERS OWNER VII, L.P., A DELAWARE LIMITED PARTNERSHIP, THE OWNER OF THE REMAINDER OF 1035.74 ACRES AS CONVEYED IN VOLUME 4832, PAGE 118 AS DOCUMENT NUMBER 2014-14000136 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, DOES HEREBY SUBDIVIDE A TOTAL OF 137.89 ACRES OF LAND TO BE KNOWN AS "HEADWATERS AT BARTON CREEK, PHASE 2", IN ACCORDANCE WITH THE PLAT SHOWN HEREON, SUBJECT TO ANY AND ALL EASEMENTS OR RESTRICTIONS HEREFORE GRANTED, AND DOES DEDICATE TO THE PUBLIC THE USE OF STREETS AND EASEMENTS AS SHOWN HEREON

WITNESS MY HAND, THIS THE 30 DAY OF April, 2019 A.D.

WFC HEADWATERS OWNER VII, L.P.,
A DELAWARE LIMITED PARTNERSHIP

BY: WFC HEADWATERS GP VII, L.L.C.,
A DELAWARE LIMITED LIABILITY COMPANY
ITS GENERAL PARTNER

BY: _____
NAME: JESSE P. BAKER
TITLE: Authorized Representative
C/O 500 BOYLSTON STREET, SUITE 2010
BOSTON, MA 02116

STATE OF MASSACHUSETTS §
COUNTY OF SUFFOLK §

BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, ON THIS DAY PERSONALLY APPEARED Jesse P. Baker, KNOWN TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 30th DAY OF April, 2019 A.D.

_____
(NOTARY PUBLIC IN AND FOR STATE OF TEXAS)

Hannalea Howell
(PRINT OR TYPE NOTARY'S NAME)

HANNALEA HOWELL NOTARY PUBLIC COMMONWEALTH OF MASSACHUSETTS MY COMMISSION EXPIRES JULY 22, 2021

LEINHOLDER CONSENT:
PIONEER BANK, SSB

_____
CHRIS BOURNE
CENTRAL TEXAS REGIONAL PRESIDENT

ADDRESS FOR NOTICES: 623 W. 38TH STREET, SUITE 100
AUSTIN, TEXAS 78705
ATTN: CHRIS BOURNE

STATE OF TEXAS §
COUNTY OF HAYS §

BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, ON THIS DAY PERSONALLY APPEARED CHRIS BOURNE, KNOWN TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 1st DAY OF May, 2019 A.D.

_____
(NOTARY PUBLIC IN AND FOR STATE OF TEXAS)

Amy WIKERT
(PRINT OR TYPE NOTARY'S NAME)

AMY E. WIKERT Notary Public, State of Texas Comm. Expires 04-07-2025 Notary ID 10971111

SEWAGE DISPOSAL/INDIVIDUAL WATER SUPPLY CERTIFICATION TO-WIT:

NO STRUCTURE IN THIS SUBDIVISION SHALL BE OCCUPIED UNTIL CONNECTED TO AN INDIVIDUAL WATER SUPPLY OR STATE-APPROVED COMMUNITY WATER SYSTEM. DUE TO DECLINING WATER SUPPLIES AND DIMINISHING WATER QUALITY, PROSPECTIVE PROPERTY OWNERS ARE CAUTIONED BY HAYS COUNTY TO QUESTION THE SELLER CONCERNING GROUND WATER AVAILABILITY. RAIN WATER COLLECTION IS ENCOURAGED AND IN SOME AREAS MAY OFFER THE BEST RENEWABLE WATER RESOURCE.

NO STRUCTURE IN THIS SUBDIVISION SHALL BE OCCUPIED UNTIL CONNECTED TO A PUBLIC SEWER SYSTEM OR TO AN ON-SITE WASTEWATER SYSTEM WHICH HAS BEEN APPROVED AND PERMITTED BY HAYS COUNTY DEVELOPMENT SERVICES.

NO CONSTRUCTION OR OTHER DEVELOPMENT WITHIN THIS SUBDIVISION MAY BEGIN UNTIL ALL HAYS COUNTY DEVELOPMENT PERMIT REQUIREMENTS HAVE BEEN MET.

_____ 6-5-2019
TOM POPE, R.S., C.F.M. DATE
HAYS COUNTY FLOOD PLAIN ADMINISTRATOR

_____ 6-5-19
CAITLYN STRICKLAND DATE
DIRECTOR
HAYS COUNTY DEVELOPMENT SERVICES

STATE OF TEXAS §
CITY OF DRIPPING SPRINGS §
COUNTY OF HAYS §

ADMINISTRATIVE PLAT APPROVAL.
THIS PLAT, HEADWATERS AT BARTON CREEK, PHASE 2, HAS BEEN SUBMITTED TO AND CONSIDERED BY THE CITY OF DRIPPING SPRINGS, TEXAS AS A FINAL PLAT FOR ADMINISTRATIVE APPROVAL PURSUANT TO ORDINANCE 1230.09 AND HAS BEEN FOUND TO COMPLY WITH THE CITY'S CODE OF ORDINANCES AND IS HEREBY APPROVED ADMINISTRATIVELY.

APPROVED, THIS THE 7th DAY OF May, 2019 A.D. BY

_____ 5/7/19
MICHELLE FISCHER, CITY ADMINISTRATOR DATE

STATE OF TEXAS §
COUNTY OF HAYS §

I, THE UNDERSIGNED, DIRECTOR OF THE HAYS COUNTY DEVELOPMENT SERVICES, HEREBY CERTIFY THAT THIS SUBDIVISION PLAT CONFORMS TO ALL HAYS COUNTY REQUIREMENTS AS STATED IN THE INTERLOCAL COOPERATION AGREEMENT BETWEEN HAYS COUNTY AND THE CITY OF DRIPPING SPRINGS FOR SUBDIVISION REGULATION WITHIN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF DRIPPING SPRINGS.

_____ 6-5-19
CAITLYN STRICKLAND DATE
DIRECTOR
HAYS COUNTY DEVELOPMENT SERVICES

SURVEYOR'S CERTIFICATION:
I, THE UNDERSIGNED, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT, THAT IT WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE UNDER MY SUPERVISION ON THE GROUND, AND THAT ALL NECESSARY SURVEY MONUMENTS ARE CORRECTLY SET OR FOUND AS SHOWN THEREON.

_____ 5.3.19
JOHN E. BRAUTIGAM DATE
REGISTERED PROFESSIONAL LAND SURVEYOR
NO. 5057 - STATE OF TEXAS
DELTA SURVEY GROUP, INC.
8213 BRODIE LANE, SUITE 102
AUSTIN, TEXAS 78745
TBPLS FIRM NO. 10004700

STATE OF TEXAS JOHN E BRAUTIGAM 5057 REGISTERED LAND SURVEYOR

ENGINEER'S CERTIFICATION:
I, JESSE B. MALONE, A REGISTERED PROFESSIONAL ENGINEER, DO HEREBY CERTIFY THAT THE RESIDENTIAL LOTS IN THIS SUBDIVISION ARE NOT LOCATED WITHIN ANY DESIGNATED 100-YEAR FLOOD PLAIN AS DELINEATED ON THE FLOOD INSURANCE RATE MAP (FIRM) MAP NO. 48209C0108F, REVISED SEPTEMBER 2, 2005 AS PREPARED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY.

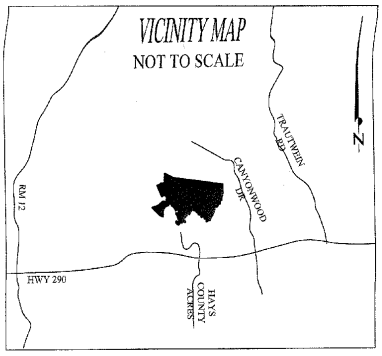
_____ 5.3.19
JESSE B. MALONE, P.E. DATE
REGISTERED PROFESSIONAL ENGINEER NO. 45033
MALONE/WHEELER, INC.
5113 SOUTHWEST PKWY, STE 360
AUSTIN, TEXAS 78735
FIRM REGISTRATION NO. F-786

STATE OF TEXAS JESSE B. MALONE 108734 LICENSED PROFESSIONAL ENGINEER

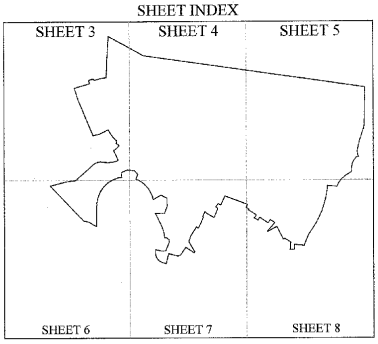
STATE OF TEXAS §
COUNTY OF HAYS §

KNOW ALL MEN BY THESE PRESENTS:
THAT, ELAINE HANSON CARDENAS, COUNTY CLERK OF HAYS COUNTY COURT DOES HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT OF WRITING AND THE CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORDS IN MY OFFICE ON THE 12 DAY OF July, 2019 A.D. IN THE OFFICIAL PUBLIC RECORDS OF SAID COUNTY AND STATE IN DOCUMENT NUMBER 19021686 WITNESS MY HAND AND SEAL OF OFFICE OF COUNTY CLERK OF SAID COUNTY ON THIS THE 15 DAY OF July, 2019. FILED FOR RECORD AT 10:09 O'CLOCK A.M. THIS THE 1st DAY OF July, 2019 A.D.

Elaine H. Cardenas by Jill Kathryn Dupuy
ELAINE HANSON CARDENAS
COUNTY CLERK
HAYS COUNTY, TEXAS



SHEET INDEX



SURVEY CONTROL DATA & BEARING BASIS :
TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NAD83/CORS
PROJECT CONTROL POINTS WERE ESTABLISHED USING THE 'SMARTNET' RTK NETWORK.

SURVEY CONTROL MONUMENT
C.O.A. MONUMENT E344
GRID COORDINATES
N=10055821.99
E=3093670.81
C.S.F. = 0.99997207
ELEVATION = 678.33' NAVD 88

BENCHMARK LIST:

BM #1 'SQUARE' CUT ON TOP OF CURB
ELEV.= 1184.27'

BM #2 'SQUARE' CUT ON TOP OF CURB
ELEV.= 1196.60'

BM #3 'SQUARE' CUT ON TOP OF CURB
ELEV.= 1217.01'

SUBDIVISION ROADS:

PUBLIC STREET DEDICATION

STREET SUMMARY

STREET NAME (CLASSIFICATION)	ROW WIDTH	LENGTH (LF)	PAVEMENT WIDTH (F-F)
HAZY HILLS LOOP (LOCAL)	50'	5,241'	29' C&G
STARFIRE DRIVE (LOCAL)	50'	1,395'	29' C&G
SMOKE TREE CIRCLE (LOCAL)	50'	1,131'	29' C&G
TIERRA TRAIL (LOCAL)	50'	689'	29' C&G
CRIMSON SKY COURT (LOCAL)	50'	1,254'	29' C&G
TOTAL LINEAR FEET		9,710'	

FLOODPLAIN NOTE:
THIS PROPERTY IS LOCATED WITHIN ZONE "X", AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN, AS SHOWN ON F.I.R.M. PANEL NO. 48209C0108F, HAYS COUNTY, TEXAS DATED SEPTEMBER 2, 2005. THIS FLOOD STATEMENT DOES NOT IMPLY THAT THE PROPERTY AND/OR THE STRUCTURES THEREON WILL BE FREE FROM FLOODING OR FLOOD DAMAGE. THIS FLOOD STATEMENT SHALL NOT CREATE LIABILITY ON THE PART OF THE SURVEYOR.

JURISDICTION PLAT NOTES:
1. THIS SUBDIVISION IS WITHIN THE BOUNDARIES OF THE CITY OF DRIPPING SPRINGS ETJ AND HAYS COUNTY
2. THIS SUBDIVISION IS WITHIN THE BOUNDARIES OF THE DRIPPING SPRINGS INDEPENDENT SCHOOL DISTRICT.
3. THIS SUBDIVISION IS ENTIRELY WITHIN THE HAYS COUNTY ESD #1 FOR EMS SERVICE.
4. THIS SUBDIVISION IS ENTIRELY WITHIN THE HAYS COUNTY ESD #6 FOR FIRE SERVICE.
5. THIS SUBDIVISION IS ENTIRELY WITHIN THE HAYS-TRINITY GROUNDWATER CONSERVATION DISTRICT.
6. THIS SUBDIVISION IS WITHIN THE EDWARDS AQUIFER CONTRIBUTING ZONE.

GENERAL NOTES
1. A 15' PUBLIC UTILITY EASEMENT IS PROVIDED ALONG THE FRONT PROPERTY LINE OF ALL LOTS.
2. A 5' PUBLIC UTILITY EASEMENT IS DEDICATED ALONG EACH RESIDENTIAL SIDE LOT LINE.
3. ALL SIDEWALKS TO BE MAINTAINED BY THE ENTITIES (HEADWATERS MUNICIPAL UTILITY DISTRICT (MUD) OR THE HOME OWNERS ASSOCIATION (AS ASSIGNED) OTHER THAN HAYS COUNTY.
4. HAYS COUNTY WILL MAINTAIN ALL STREETS.
5. POST-DEVELOPMENT CONDITIONS RUNOFF RATE SHALL BE NO GREATER THAN PRE-DEVELOPED CONDITION FOR 2, 5, 10, 25, AND 100 YEAR STORM EVENTS, PER HAYS COUNTY DEVELOPMENT REGULATIONS, CHAPTER 725, SUBCHAPTER 3.02. PRE AND POST DEVELOPMENT RUNOFF CALCULATIONS SHALL BE INCLUDED WITH CONSTRUCTION DRAWINGS FOR THIS SUBDIVISION.
6. LOTS SMALLER THAN 5 ACRES, WHICH ARE SERVED BY A SHARED ACCESS DRIVEWAY, WILL BE PROHIBITED FROM FURTHER SUBDIVISION UNLESS ADDITIONAL IMPROVED ACCESS IS PROVIDED.
7. ALL LOTS SERVED BY A SHARED ACCESS DRIVEWAY ARE RESTRICTED TO ONE SINGLE FAMILY RESIDENCE PER LOT AND IF ANY OTHER DEVELOPMENT OF A DWELLING UNIT OCCURS ON ANY OF THE LOTS OBTAINING ACCESS THROUGH THE SHARED ACCESS DRIVEWAY, THEN SUCH NEW DWELLING UNIT MUST BE CONSTRUCTED ON A SEPARATELY PLATTED LOT WITH DIRECT FRONTAGE ONTO AND PHYSICAL ACCESS TO A REGULATED ROADWAY PRIOR TO CONSTRUCTION OF THE DWELLING UNIT. A DUPLEX WILL NOT BE CONSIDERED A SINGLE FAMILY RESIDENCE FOR PURPOSES OF THIS SUBPARAGRAPH.
8. THE OWNERS OF THE SINGLE FAMILY RESIDENCES OBTAINING ACCESS THROUGH THE SHARED ACCESS DRIVEWAY AND THE HOME OWNERS ASSOCIATION SHALL BE RESPONSIBLE FOR ALL MAINTENANCE OF THE DRIVEWAY, INCLUDING MAINTAINING ANY DRAINAGE STRUCTURES ASSOCIATED WITH THE DRIVEWAY. THE DRIVEWAY MUST BE MAINTAINED AT ALL TIMES IN A CONDITION THAT WILL PERMIT UNENCUMBERED VEHICULAR ACCESS BY EMERGENCY VEHICLES.
9. WATER QUALITY PROTECTION MEASURES OR ALTERNATIVES, SUCH AS BUFFER ZONES AND IMPERVIOUS COVER, AS SHOWN ON THE APPROVED CONSTRUCTION PLANS MAY NOT BE ALTERED WITHOUT REVIEW AND APPROVAL FROM THE HEADWATERS MUNICIPAL UTILITY DISTRICT OF HAYS COUNTY.

UTILITY NOTES:
1. WASTEWATER UTILITY SERVICE WILL BE PROVIDED BY HEADWATERS MUD.
2. WATER UTILITY SERVICE WILL BE PROVIDED BY HEADWATERS MUD.
3. ELECTRIC UTILITY SERVICE WILL BE PROVIDED BY PEC.
4. TELEPHONE UTILITY SERVICE WILL BE PROVIDED BY VERIZON OR SIMILAR AUTHORIZED UTILITY PROVIDER.
5. GAS UTILITY SERVICE WILL BE PROVIDED BY TEXAS GAS SERVICE.

LOT SIZE CATEGORIES: *SEE SHEET 10 FOR LOT AREA TABLES*

218	LOTS TOTAL
208	RESIDENTIAL LOTS
10	NON-RESIDENTIAL LOTS

AVERAGE RESIDENTIAL LOT SIZE:	8,827 SF
LOTS LESS THAN 1 ACRE:	213
LOTS 1-2 ACRES:	1
LOTS 2-5 ACRES:	0
LOTS 5-10 ACRES:	2
LOTS 10 ACRES OR GREATER:	2

CITY OF DRIPPING SPRINGS NOTES:
1. THIS SUBDIVISION IS WITHIN THE BOUNDARIES OF THE CITY OF DRIPPING SPRINGS ETJ AND HAYS COUNTY.
2. ALL RESIDENTIAL LOTS WITHIN THIS SUBDIVISION SHALL CONNECT TO A PUBLIC WATER SOURCE.
3. NO CONSTRUCTION OR OTHER DEVELOPMENT WITHIN THIS SUBDIVISION MAY BEGIN UNTIL ALL APPLICABLE CITY OF DRIPPING SPRINGS DEVELOPMENT PERMIT REQUIREMENTS HAVE BEEN MET.
4. THIS SUBDIVISION IS SUBJECT TO ORDINANCE 1260.00, ARTICLE 24.06 REGARDING OUTDOOR LIGHTING.
5. THIS SUBDIVISION IS SUBJECT TO THE CITY OF DRIPPING SPRINGS PARKLAND DEDICATION REQUIREMENT PER THE PARK PLAN PREPARED FOR THIS SUBDIVISION.
6. THE PARKS AND OPEN SPACE SHALL BE PRIVATELY DEDICATED IN ACCORDANCE WITH THE REQUIREMENTS OF THE HEADWATERS AT BARTON CREEK DEVELOPMENT AGREEMENT.
7. WASTEWATER FOR THIS DEVELOPMENT WILL BE TREATED BY ONSITE WASTEWATER TREATMENT PLANT OWNED AND OPERATED BY THE HEADWATERS MUNICIPAL UTILITY DISTRICT (MUD).
8. THE FOLLOWING LOTS WILL BE UTILIZED FOR WATER QUALITY TREATMENT, DRAINAGE, MUNICIPAL UTILITY DISTRICT FACILITIES AND ACCESS, OPEN SPACE OR OTHER NON RESIDENTIAL USES.
LOT 99, BLOCK C
LOT 900, BLOCK C
LOT 7, BLOCK D
LOT 21, BLOCK D
LOT 60, BLOCK D
LOT 50, BLOCK E
LOT 51, BLOCK E
LOT 11, BLOCK F
LOT 49 BLOCK F
LOT 50, BLOCK F
9. ROADWAY DESIGN STANDARDS FOR HAYS COUNTY WERE APPROVED BY HAYS COUNTY TRANSPORTATION DEPARTMENT AND THE HAYS COUNTY COMMISSIONERS COURT ON SEPTEMBER 12, 2017.
10. THIS SUBDIVISION IS SUBJECT TO THE HEADWATERS AT BARTON CREEK DEVELOPMENT AGREEMENT, DATED JANUARY 11, 2005 AND RECORDED IN VOLUME 2675, PAGE 649, OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS AND AS AMENDED IN DOCUMENT NUMBERS 16028056, 2015005990, AND 2015032881 ALL OF THE OFFICIAL PUBLIC RECORDS, HAYS COUNTY, TEXAS.
11. THIS SUBDIVISION IS REQUIRED TO BE COMPLIANT WITH FIRE CODE IFC2012, AS AMENDED.
12. MINIMUM RESIDENTIAL FRONT BUILDING SETBACK LINE SHALL BE TWENTY (20) FEET. CORNER LOTS SHALL HAVE A MINIMUM OF TWENTY (20) FOOT SETBACK ON FRONT-FACING STREET AND TEN (10) FOOT SETBACK ON THE OTHER STREET. MINIMUM REAR AND SIDE SETBACKS SHALL BE FIVE (5) FEET AND FIVE(5) FEET RESPECTIVELY.

QUALIFYING LOTS:
RESIDENTIAL LOTS ARE LIMITED TO ONE SINGLE-FAMILY RESIDENCE PER LOT.

WATER SUPPLY NOTE:

THE CITY OF DRIPPING SPRINGS, A RETAIL WATER PROVIDER TO THE HEADWATERS MUD, HAS THE REQUIRED SERVICE CAPACITY TO SERVE THIS SUBDIVISION IN ACCORDANCE WITH ITS TARIFF AND POLICIES.

GINGER FAUGHT, DEPUTY CITY ADMINISTRATOR — DATE 6/11/19
512-858-4725

Delta Survey Group Inc.
8213 Brodie Lane Ste. 102 Austin, TX. 78745
office: (512) 282-5200 fax: (512) 282-5230
TBPLS FIRM NO. 10004700

HEADWATERS AT BARTON CREEK, PHASE 2

19021686 PLAT Total Pages: 11
Filed and Recorded: 07/01/2019 10:09:11 AM

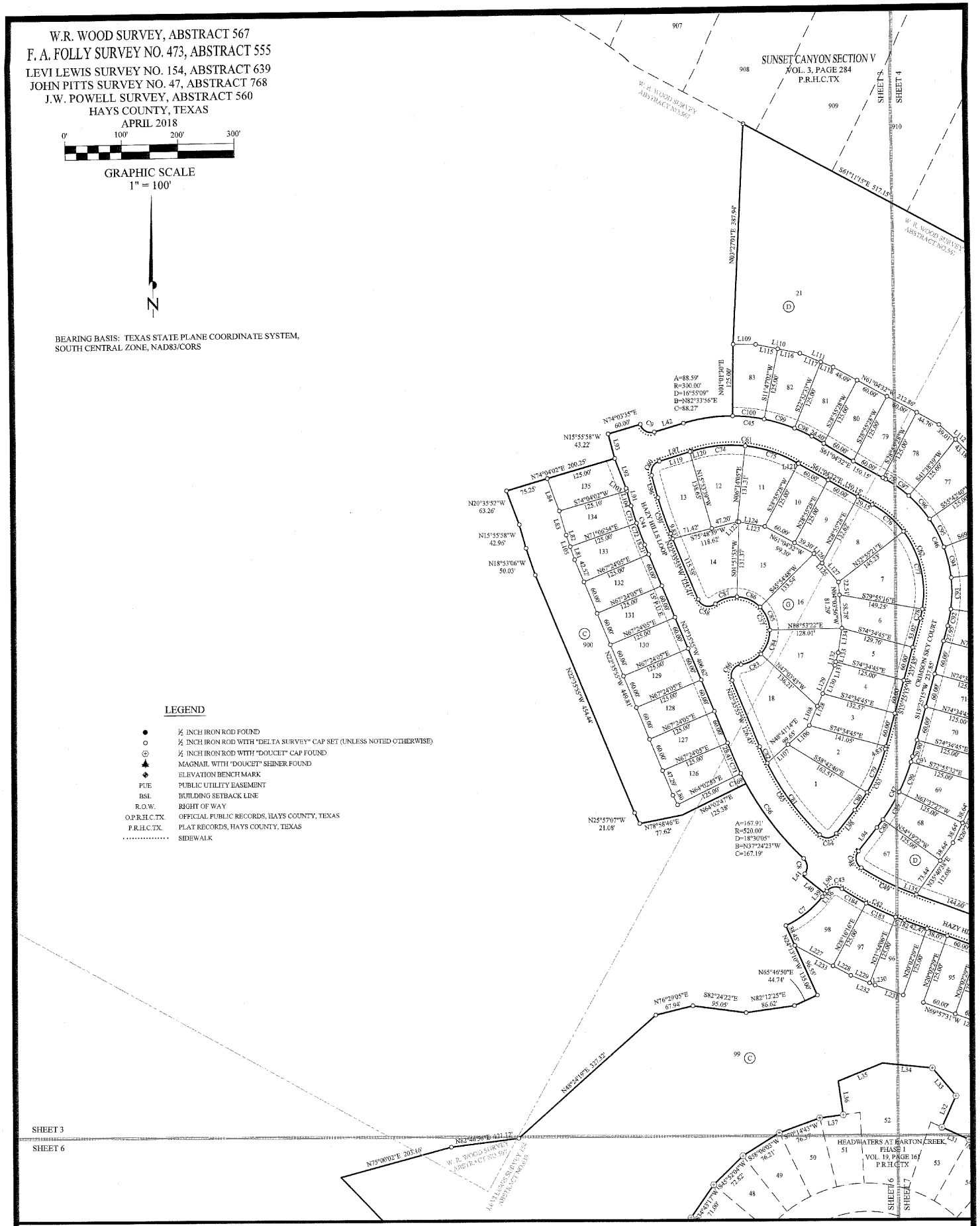
W.R. WOOD SURVEY, ABSTRACT 567
F. A. FOLLY SURVEY NO. 473, ABSTRACT 555
LEVI LEWIS SURVEY NO. 154, ABSTRACT 639
JOHN PITTS SURVEY NO. 47, ABSTRACT 768
J.W. POWELL SURVEY, ABSTRACT 560
HAYS COUNTY, TEXAS
APRIL 2018

0' 100' 200' 300'

GRAPHIC SCALE
1" = 100'

N

BEARING BASIS: TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NAD83/CORS



LEGEND

●	½ INCH IRON ROD FOUND
o	½ INCH IRON ROD WITH "DELTA SURVEY" CAP SET (UNLESS NOTED OTHERWISE)
⊕	½ INCH IRON ROD WITH "DOUCET" CAP FOUND
▲	MAGNAIL WITH "DOUCET" SHINER FOUND
◆	ELEVATION BENCH MARK
PUE	PUBLIC UTILITY EASEMENT
BSL	BUILDING SETBACK LINE
R.O.W.	RIGHT OF WAY
O.P.R.H.C.TX.	OFFICIAL PUBLIC RECORDS, HAYS COUNTY, TEXAS
P.R.H.C.TX.	PLAT RECORDS, HAYS COUNTY, TEXAS
.....	SIDEWALK

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SHEET 3 OF 11

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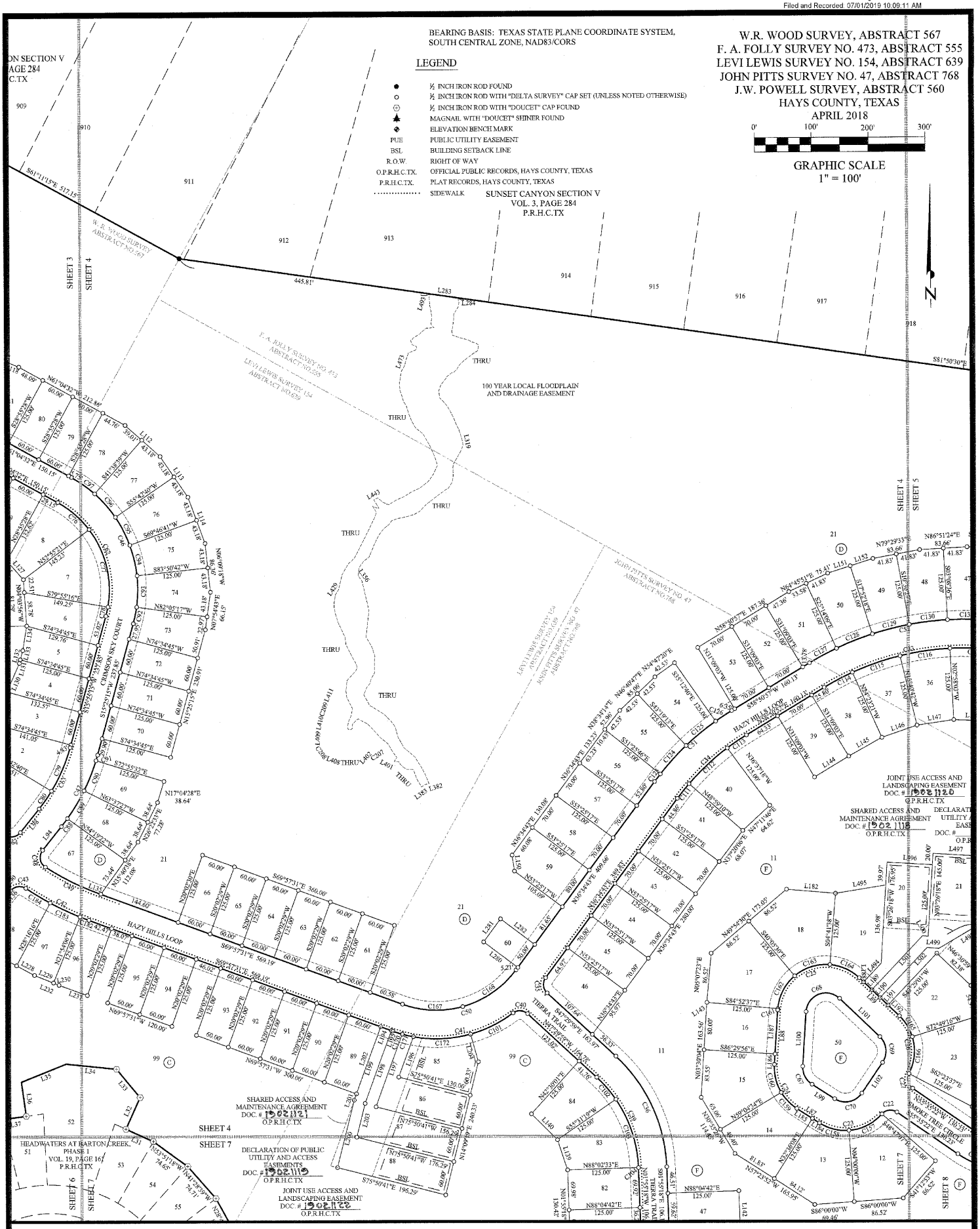

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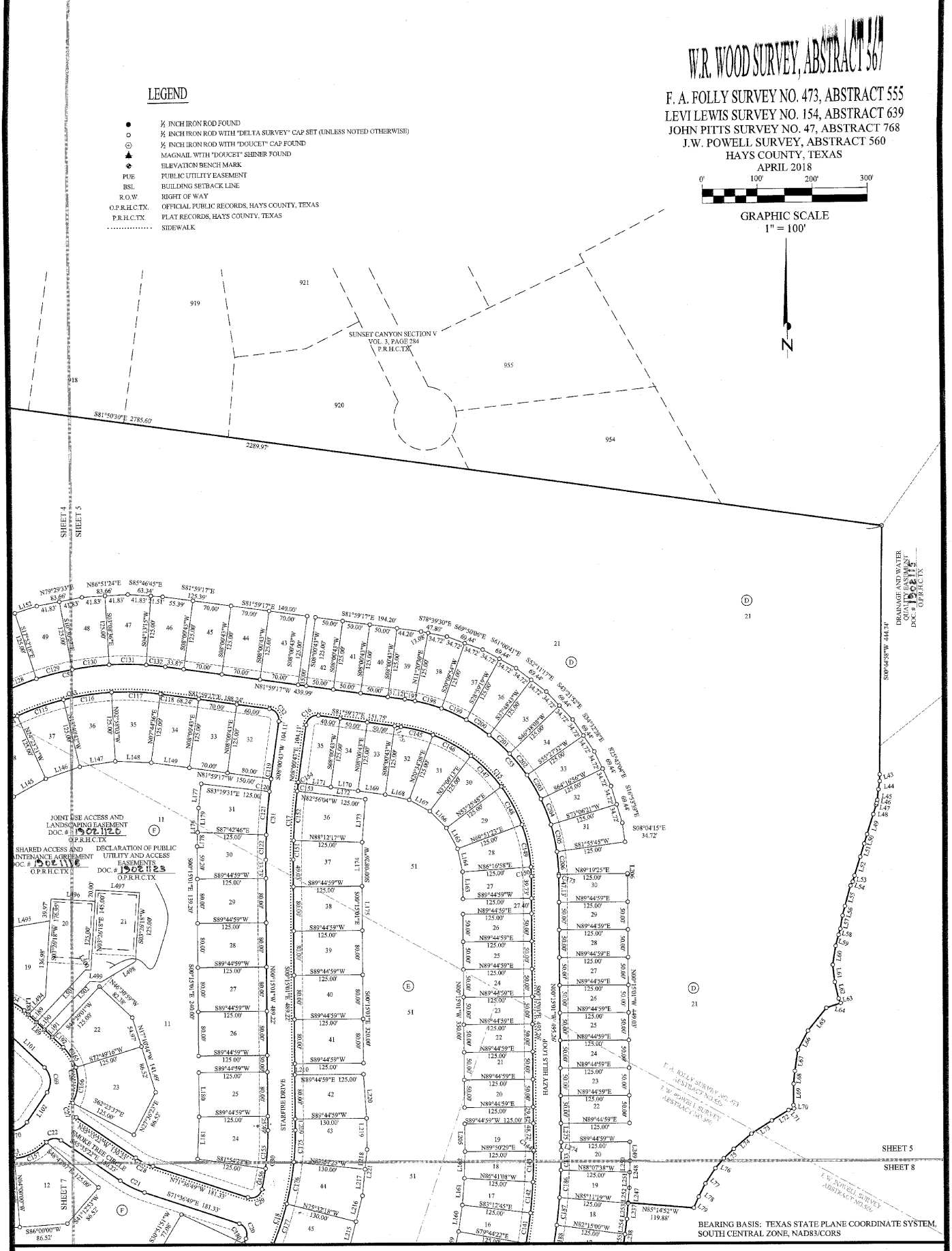

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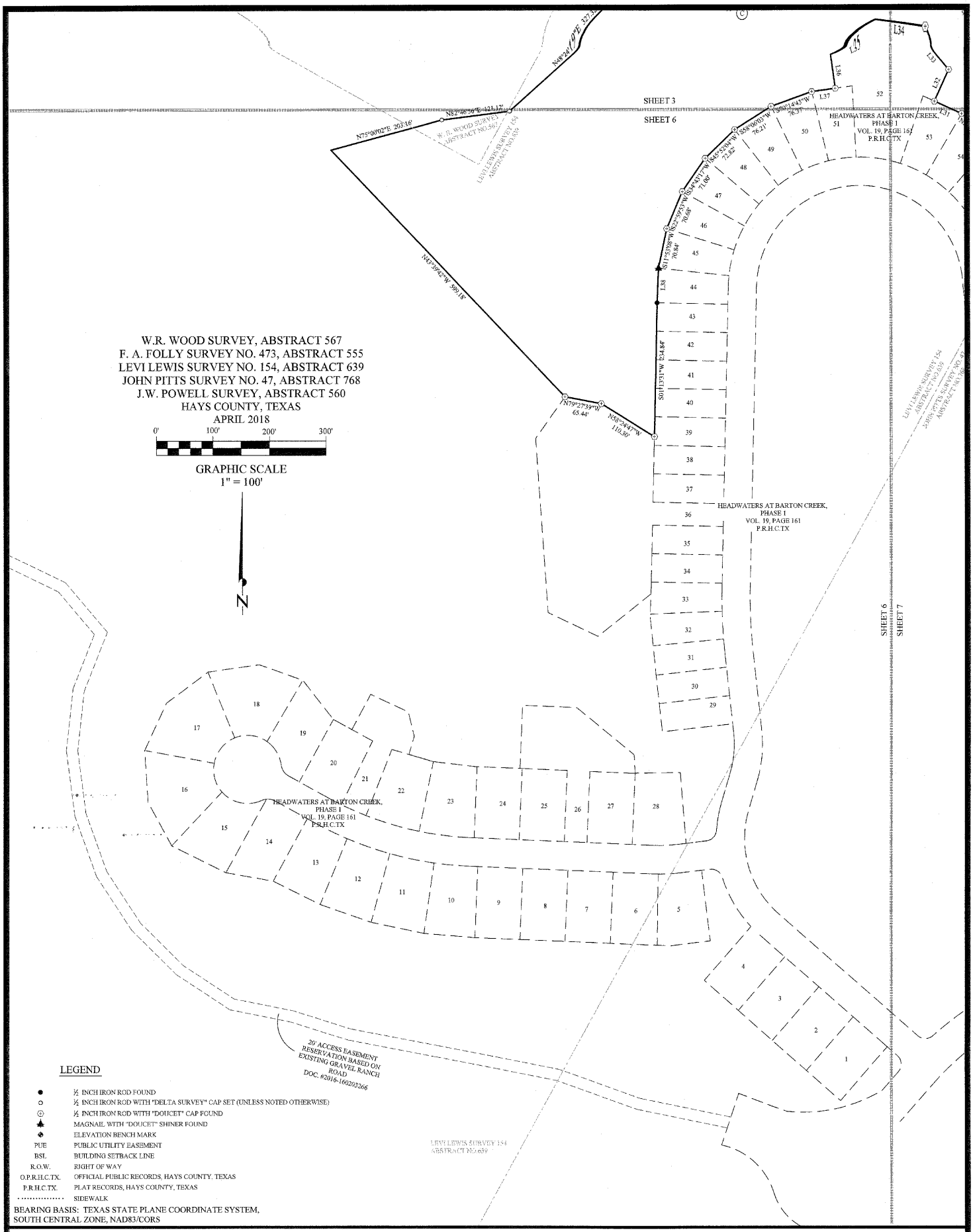

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BEARING BASIS: TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NAD83/CORS

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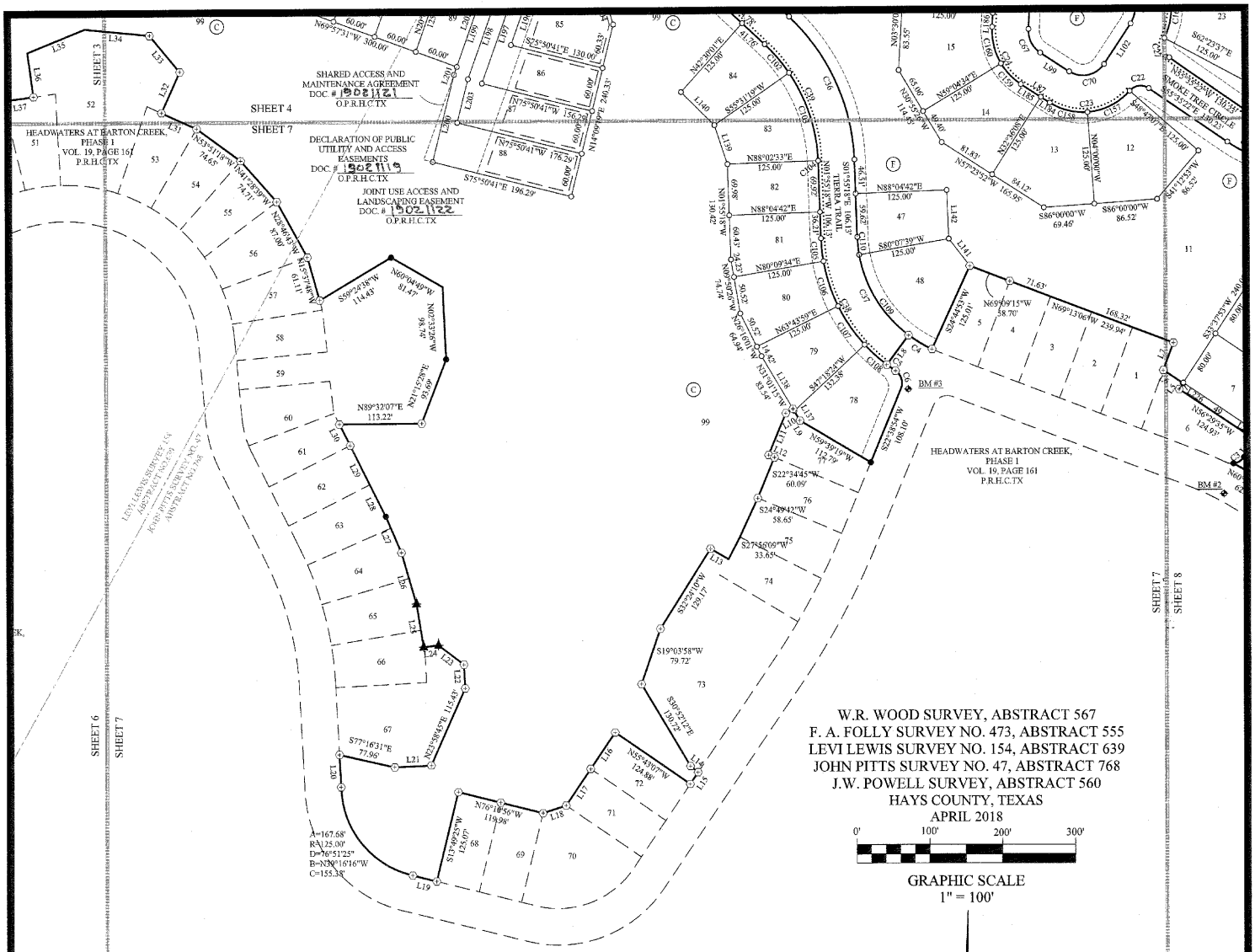

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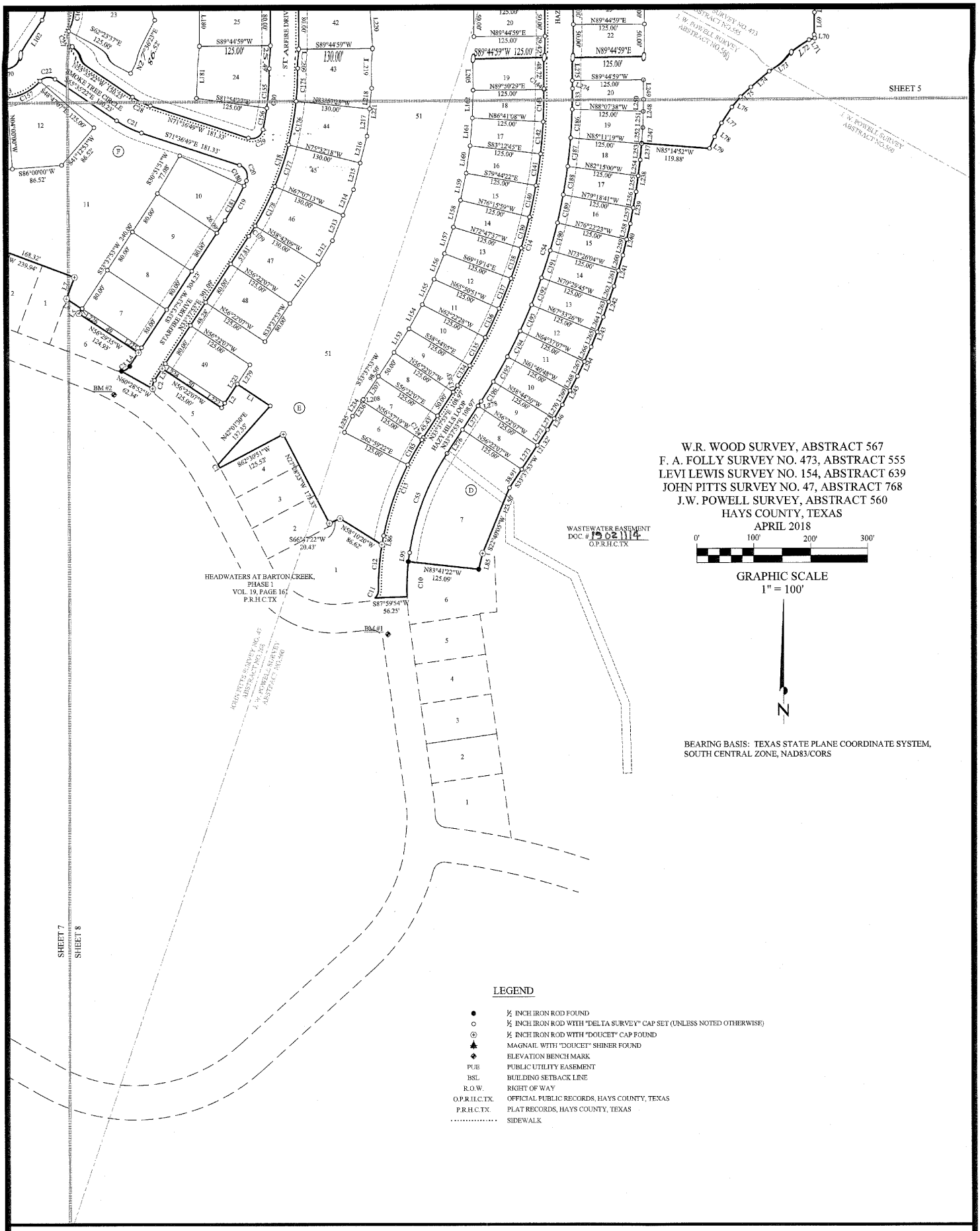

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LINE AND CURVE TABLES

CURVE	RADIUS	ARC	CHORD	BEARING	DELTA
C1	425.00'	6.51'	6.51'	N30°17'15"W	0°52'40"
C2	20.00'	15.07'	14.72'	S12°02'47"W	43°10'22"
C3	20.00'	16.98'	16.47'	N57°53'19"E	48°38'36"
C4	175.00'	37.59'	37.43'	N59°12'25"W	12°16'45"
C5	225.00'	14.46'	14.46'	S54°54'30"E	3°40'54"
C6	20.00'	27.72'	25.56'	S17°02'28"E	79°24'58"
C7	175.00'	83.13'	82.35'	N52°10'18"E	27°13'05"
C8	20.00'	29.75'	27.08'	N04°02'50"W	85°13'11"
C9	20.00'	31.40'	28.27'	S66°54'48"E	89°57'40"
C10	428.92'	61.67'	61.61'	S02°12'37"W	8°14'15"
C11	20.28'	15.78'	15.39'	N22°46'44"E	44°35'18"
C12	475.71'	79.24'	79.15'	N04°31'29"E	9°32'39"
C13	475.00'	186.45'	185.26'	N22°23'11"E	22°29'25"
C14	925.00'	547.00'	539.06'	N16°41'26"E	33°52'54"
C15	275.00'	392.31'	359.88'	N41°07'09"W	81°44'16"
C16	20.00'	31.42'	28.28'	S53°00'43"W	90°00'00"
C17	975.00'	140.60'	140.48'	S03°52'51"W	8°15'44"
C18	525.00'	310.46'	305.95'	S16°41'26"W	33°52'54"
C19	475.00'	79.33'	79.24'	N28°50'48"E	9°34'09"
C20	20.00'	33.40'	29.65'	N23°46'33"W	95°40'33"
C21	175.00'	48.94'	48.78'	N63°36'06"W	16°01'27"
C22	20.00'	29.04'	26.56'	S82°48'45"W	83°11'45"
C23	85.00'	120.74'	110.84'	S81°54'30"W	81°23'15"
C24	85.00'	90.35'	86.15'	N26°56'54"W	60°53'56"
C25	85.00'	192.83'	154.06'	N68°29'32"E	129°58'58"
C26	85.00'	109.96'	102.45'	S09°27'18"E	74°07'22"
C27	20.00'	29.04'	26.56'	S13°59'30"E	83°11'45"
C28	125.00'	34.96'	34.85'	S63°36'06"E	16°01'27"
C29	20.00'	33.40'	29.65'	N60°32'54"E	95°40'33"
C30	475.00'	107.45'	107.22'	N06°13'48"E	12°57'38"
C31	1025.00'	147.81'	147.68'	N03°52'51"E	8°15'44"
C32	20.00'	31.42'	28.28'	N36°59'17"W	90°00'00"
C33	475.00'	324.67'	318.39'	S78°25'50"W	39°09'46"
C34	425.00'	165.19'	164.16'	S47°42'50"W	22°16'14"
C35	20.00'	29.35'	26.79'	S05°27'38"E	84°04'42"
C36	275.00'	218.76'	213.04'	S24°42'38"E	45°34'41"
C37	175.00'	156.22'	151.08'	S27°29'40"E	51°08'45"
C38	225.00'	200.85'	194.25'	N27°29'40"W	51°08'45"
C39	225.00'	178.98'	174.30'	N24°42'38"W	45°34'41"
C40	20.00'	27.72'	25.55'	N87°12'27"W	79°24'56"
C41	225.00'	223.67'	214.57'	S81°33'47"W	56°57'25"
C42	520.00'	124.71'	124.41'	N63°05'17"W	13°44'26"
C43	20.00'	29.75'	27.08'	S81°10'21"W	85°13'11"
C44	625.00'	72.71'	72.67'	N19°15'57"W	6°39'57"
C45	300.00'	234.67'	228.73'	S83°29'05"E	44°49'07"
C46	225.00'	300.40'	278.58'	S22°49'39"E	76°29'46"
C47	350.00'	141.37'	140.41'	S26°59'30"W	23°08'31"
C48	20.00'	33.42'	29.66'	S09°18'25"E	95°44'21"
C49	470.00'	104.85'	104.63'	S63°34'02"E	12°46'54"
C50	175.00'	224.38'	209.32'	N73°18'36"E	73°27'46"
C51	475.00'	184.63'	183.47'	N47°42'50"E	22°16'14"
C52	525.00'	358.85'	351.90'	N78°25'50"E	39°09'46"
C53	325.00'	463.64'	425.31'	S41°07'09"E	81°44'16"
C54	975.00'	576.56'	568.20'	S16°41'26"W	33°52'54"
C55	425.00'	186.99'	185.48'	S21°01'58"W	25°12'29"
C56	520.00'	218.35'	216.75'	N34°53'41"W	24°03'31"
C57	60.00'	219.26'	116.08'	N22°35'55"W	209°22'44"
C58	20.00'	36.54'	31.67'	N74°56'36"W	104°41'22"
C59	575.00'	65.90'	66.86'	N19°15'47"W	6°33'57"
C60	20.00'	31.42'	28.29'	N29°05'12"E	90°02'20"
C61	250.00'	195.56'	190.61'	S83°29'05"E	44°49'07"
C62	175.00'	233.64'	216.67'	S22°49'39"E	76°29'46"
C63	300.00'	121.17'	120.35'	S26°59'30"W	23°08'31"
C64	20.00'	33.42'	29.66'	S86°25'56"W	95°44'21"
C65	470.00'	189.49'	188.21'	N34°08'54"W	23°05'58"
C66	20.00'	36.54'	31.67'	N29°44'46"E	104°41'22"
C67	35.00'	37.20'	35.47'	N26°56'54"W	60°53'56"
C68	35.00'	79.40'	63.44'	N68°29'32"E	129°58'58"
C69	35.00'	49.44'	45.43'	S06°03'10"E	80°55'37"
C70	35.00'	53.87'	48.71'	S78°30'23"W	88°11'30"
C71	520.00'	30.43'	30.43'	S24°16'31"E	3°21'12"
C72	625.00'	40.51'	40.50'	S20°44'31"E	3°42'49"
C73	625.00'	32.20'	32.20'	S17°24'32"E	2°57'08"
C74	250.00'	96.56'	95.96'	S85°10'13"W	22°07'44"
C75	250.00'	99.00'	98.36'	N72°25'13"W	22°41'23"
C76	175.00'	73.30'	72.76'	N49°04'35"W	23°59'53"
C77	175.00'	144.03'	140.00'	N13°09'58"W	47°09'33"
C78	175.00'	16.22'	16.21'	N12°44'59"E	5°20'31"
C79	300.00'	83.08'	82.82'	N23°21'17"E	15°52'05"
C80	300.00'	38.09'	38.06'	N34°55'32"E	7°16'26"
C81	470.00'	157.59'	156.85'	S36°05'54"E	19°12'39"
C82	470.00'	31.90'	31.89'	S24°32'55"E	3°53'19"
C83	60.00'	41.00'	40.21'	N62°30'52"E	39°09'10"
C84	60.00'	46.13'	45.00'	N20°54'49"E	44°02'55"
C85	60.00'	45.00'	43.96'	N22°35'55"W	42°58'34"
C86	60.00'	46.13'	45.00'	N66°06'40"W	44°02'55"
C87	60.00'	41.00'	40.21'	S72°17'18"W	39°09'10"
C88	350.00'	17.63'	17.62'	N37°07'12"E	2°53'07"
C89	350.00'	56.82'	56.76'	N31°01'36"E	9°18'05"
C90	350.00'	56.82'	56.76'	N21°43'31"E	9°18'05"
C91	350.00'	10.10'	10.10'	N16°14'51"E	1°39'13"
C92	225.00'	29.49'	29.47'	N11°39'59"E	7°30'32"
C93	225.00'	55.24'	55.10'	N00°52'42"E	14°04'01"
C94	225.00'	55.24'	55.10'	N13°11'19"W	14°04'01"
C95	225.00'	55.24'	55.10'	N27°15'20"W	14°04'01"
C96	225.00'	55.24'	55.10'	N41°19'20"W	14°04'01"
C97	225.00'	49.95'	49.85'	N54°42'56"W	12°43'11"
C98	300.00'	33.42'	33.40'	N64°15'59"W	6°22'55"
C99	300.00'	56.33'	56.25'	N72°50'12"W	10°45'32"
C100	300.00'	56.33'	56.25'	N83°35'44"W	10°45'32"
C101	225.00'	84.01'	83.52'	N63°46'51"E	21°23'32"
C102	225.00'	53.14'	51.03'	N40°59'20"W	13°01'18"
C103	225.00'	127.71'	126.00'	N18°13'04"W	32°31'13"
C104	224.99'	0.14'	0.14'	N01°56'23"W	0°02'09"
C105	225.00'	31.10'	31.07'	S05°52'52"E	7°55'08"
C106	225.00'	64.51'	64.29'	S18°03'14"E	16°25'35"
C107	225.00'	64.51'	64.29'	S34°28'49"E	16°25'35"
C108	225.00'	55.20'	55.06'	S49°43'17"E	14°03'21"
C109	175.00'	169.44'	162.90'	S37°36'34"E	55°28'27"
C110	175.00'	24.28'	24.26'	S05°53'49"E	7°57'03"
C111	425.00'	32.90'	32.89'	S38°47'47"W	4°26'06"
C112	425.00'	91.72'	91.54'	S47°11'46"W	12°21'53"
C113	425.00'	40.58'	40.56'	S56°06'50"W	5°28'15"
C114	475.00'	56.06'	56.02'	S62°13'48"W	6°45'42"
C115	475.00'	88.80'	88.67'	S70°57'58"W	10°42'39"
C116	475.00'	88.80'	88.67'	S81°40'37"W	10°42'39"
C117	475.00'	88.80'	88.67'	N87°36'44"W	10°42'39"
C118	475.00'	2.23'	2.23'	N82°07'21"W	0°16'07"
C119	1025.00'	0.89'	0.89'	S07°59'13"W	0°03'00"
C120	1025.00'	23.03'	23.03'	S07°19'06"W	1°17'14"
C121	1025.00'	78.49'	78.47'	S04°28'51"W	4°23'14"
C122	1025.00'	45.40'	45.39'	S01°01'06"W	2°32'15"
C123	475.00'	16.51'	16.51'	S37°34'28"W	1°59'30"
C124	475.00'	67.23'	67.17'	S42°37'30"W	8°06'33"
C125	475.00'	67.23'	67.17'	S50°44'03"W	8°06'33"
C126	475.00'	33.66'	33.65'	S56°49'08"W	4°03'37"
C127	525.00'	54.20'	54.17'	S61°48'24"W	5°54'54"
C128	525.00'	67.48'	67.43'	S68°26'46"W	7°21'51"
C129	525.00'	67.48'	67.43'	S75°48'37"W	7°21'51"
C130	525.00'	67.48'	67.43'	S83°10'28"W	7°21'51"
C131	525.00'	67.48'	67.43'	N89°27'41"W	7°21'51"

CURVE	RADIUS	ARC	CHORD	BEARING	DELTA
C132	525.00'	34.74'	34.73'	N83°53'01"W	3°47'28"
C133	975.00'	36.13'	36.13'	N00°48'40"E	2°07'23"
C134	925.00'	40.89'	40.89'	N32°21'54"E	2°31'58"
C135	925.00'	56.07'	56.06'	N29°21'43"E	3°28'23"
C136	925.00'	56.07'	56.06'	N25°53'20"E	3°28'23"
C137	925.00'	56.07'	56.06'	N22°24'58"E	3°28'23"
C138	925.00'	56.07'	56.06'	N18°56'35"E	3°28'23"
C139	925.00'	56.07'	56.06'	N15°28'12"E	3°28'23"
C140	925.00'	56.07'	56.06'	N11°59'49"E	3°28'23"
C141	925.00'	56.07'	56.06'	N08°31'26"E	3°28'23"
C142	925.00'	56.07'	56.06'	N05°03'04"E	3°28'23"
C143	925.00'	56.07'	56.06'	N01°34'41"E	3°28'23"
C144	925.00'	1.48'	1.48'	N00°12'16"W	0°05'31"
C145	275.00'	60.31'	60.19'	N75°42'20"W	12°33'55"
C146	275.00'	78.84'	78.57'	N61°12'35"W	16°25'35"
C147	275.00'	78.84'	78.57'	N44°46'39"W	16°25'35"
C148	275.00'	78.84'	78.57'	N28°21'24"W	16°25'35"
C149	275.00'	78.84'	78.57'	N11°55'49"W	16°25'35"
C150	275.00'	16.64'	16.64'	N01°59'01"W	3°28'00"
C151	975.00'	34.81'	34.81'	S00°46'21"W	2°02'44"
C152	975.00'	89.69'	89.66'	S04°25'49"W	5°16'14"
C153	975.00'	15.21'	15.21'	S07°30'45"W	0°53'38"
C154	975.00'	0.89'	0.89'	S07°59'08"W	0°03'09"
C155	475.00'	69.17'	69.10'	N03°55'16"E	8°20'35"
C156	475.00'	38.28'	38.27'	N10°24'05"E	4°37'04"
C157	85.00'	66.44'	64.76'	N63°36'27"E	44°47'07"
C158	85.00'	54.30'	53.38'	S75°41'56"E	36°36'07"
C159	85.00'	39.28'	38.93'	S44°09'39"E	26°28'27"
C160	85.00'	51.07'	50.31'	S13°42'41"E	34°25'29"
C161	85.00'	2.41'	2.41'	S04°18'43"W	1°37'19"
C162	85.00'	66.44'	64.76'	S27°30'57"W	44°47'07"
C163	85.00'	66.44'	64.76'	S72°18'04"W	44°47'07"
C164	85.00'	57.55'	56.45'	N65°54'40"W	38°47'24"
C165	85.00'	43.52'	43.05'	N31°50'52"W	29°20'14"
C166	85.00'	66.44'	64.76'	N05°12'49"E	44°47'07"
C167	175.00'	108.19'	106.48'	S87°40'10"E	35°25'20"
C168	175.00'	116.19'	114.07'	N55°35'57"E	38°02'26"
C169	520.00'	20.00'	20.00'	S27°03'14"E	2°12'14"
C170	225.00'	17.39'	17.38'	S72°10'20"E	4°25'39"
C171	225.00'	20.16'	20.15'	S76°57'09"E	5°07'58"
C172	225.00'	102.12'	101.24'	N87°28'43"E	26°00'14"
C173	325.00'	2.87'	2.87'	N00°30'13"W	0°30'23"
C174	475.00'	4.86'	4.86'	S33°20'17"W	0°35'12"
C175	525.00'	57.67'	57.64'	N02°53'48"E	6°17'58"
C176	525.00'	77.13'	77.06'	N10°15'10"E	8°25'05"
C177	525.00'	77.13'	77.06'	N18°40'14"E	8°25'05"
C178	525.00'	77.13'	77.06'	N27°05'19"E	8°25'05"
C179	525.00'	21.38'	21.38'	N32°27'52"E	2°20'02"
C180	475.00'	10.00'	10.00'	N24°39'55"E	1°12'23"
C181	475.00'	69.33'	69.27'	N29°27'00"E	8°21'46"
C182	520.00'	16.88'	16.88'	S69°01'42"E	1°51'36"
C183	520.00'	57.81'	57.78'	S64°54'49"E	6°22'10"
C184	520.00'	50.02'	50.00'	S58°58'24"E	5°30'41"
C185	475.00'	50.02'	50.00'	S30°01'39"W	6°02'02"
C186	975.00'	50.01'	50.00'	N03°20'31"E	2°56'19"
C187	975.00'	50.01'	50.00'	N06°16'50"E	2°56'19"
C188	975.00'	50.01'	50.00'	N09°13'09"E	2°56'19"
C189	975.00'	50.01'	50.00'	N12°09'28"E	2°56'19"
C190	975.00'	50.01'	50.00'	N15°05'47"E	2°56'19"
C191	975.00'	50.01'	50.00'	N18°02'06"E	2°56'19"
C192	975.00'	50.01'	50.00'	N20°58'24"E	2°56'19"
C193	975.00'	50.01'	50.00'	N23°54'43"E	2°56'19"
C194	975.00'	50.01'	50.00'	N26°51'02"E	2°56'19"
C195	975.00'	50.01'	50.00'	N29°47'21"E	2°56'19"
C196	975.00'	40.38'	40.38'	N32°26'42"E	2°22'23"
C197	325.00'	18.89'	18.88'	N80°19'24"W	3°19'47"
C198	325.00'	50.05'	50.00'	N74°14'48"W	8°49'24"
C199	325.00'	50.05'	50.00'	N65°25'24"W	8°49'24"
C200	325.00'	50.05'	50.00'	N56°35'59"W	8°49'24"
C201	325.00'	50.05'	50.00'	N47°46'35"W	8°49'24"
C202	325.00'	50.05'	50.00'	N38°57'10"W	8°49'24"
C203	325.00'	50.05'	50.00'	N30°07'46"W	8°49'24"
C204	325.00'	50.05'	50.00'	N21°18'21"W	8°49'24"
C205	325.00'	50.05'	50.00'	N12°28'57"W	8°49'24"
C206	325.00'	41.49'	41.46'	N04°24'50"W	7°18'50"
C207	13.46'	4.73'	4.70'	S56°50'07"W	20°06'44"
C208	2.09'	1.92'	1.85'	N37°00'03"W	52°43'52"
C209	44.88'	9.37'	9.35'	N18°47'52"E	11°57'26"

LINE	BEARING	DISTANCE
L1	N56°22'07"W	69.49'
L2	S33°37'53"W	50.00'
L3	S33°37'53"W	25.00'
L4	N33°37'53"E	28.15'
L5	N33°20'47"E	9.68'
L6	N56°54'57"W	32.35'
L7	N20°45'40"E	39.70'
L8	S36°55'57"W	50.00'
L9	N30°58'34"W	18.62'
L10	S58°51'10"W	11.52'
L11	S22°37'50"W	61.57'
L12	S67°20'26"E	8.56'
L13	N60°05'08"W	28.61'
L14	S51°50'23"E	13.46'
L15	S34°24'28"W	19.34'
L16	S34°16'09"W	60.01'
L17	S34°15'47"W	60.03'
L18	S72°05'52"W	33.37'
L19	N76°05'17"W	33.39'
L20	N02°58'09"W	43.97'
L21	N87°12'30"E	50.26'
L22	N03°00'11"W	32.36'
L23	N52°59'01"W	43.76'
L24	S82°57'33"W	20.56'
L25	N09°19'17"W	59.95'
L26	N16°23'14"W	72.87'
L27	N23°24'36"W	53.83'
L28	N26°35'11"W	48.66'
L29	N26°35'11"W	59.89'
L30	N27°10'24"W	32.38'
L31	N65°39'24"W	52.68'
L32	N24°24'08"E	60.91'
L33	N39°57'13"W	64.48'
L34	N84°06'19"W	88.75'
L35	S68°09'57"W	84.95'
L36	S07°54'51"E	59.99'
L37	S82°17'27"W	41.96'
L38	S02°28'56"W	60.36'
L39	N38°33'45"E	7.55'
L40	N51°26'15"W	50.00'
L41	N38°33'45"E	5.02'
L42	N74°06'21"E	54.03'
L43	S00°44'58"W	12.00'
L44	S08°20'59"W	15.13'
L45	S06°45'31"W	19.10'
L46	S10°12'43"W	6.08'
L47	S19°11'04"W	3.16'
L48	S17°08'21"W	17.72'
L49	S17°44'25"W	37.64'
L50	S17°08'21"W	17.72'
L51	S17°00'35"W	25.00'
L52	S17°08'21"W	35.44'
L53	S16°00'17"W	11.40'
L54	S30°29'40"W	8.06'
L55	S15°52'25"W	38.33'
L56	S13°59'24"W	17.46'
L57	S10°12'43"W	24.33'
L58	S16°00'17"W	11.40'
L59	S14°47'09"W	20.62'
L60	S09°06'56"W	34.27'
L61	S06°36'10"E	31.26'
L62	S12°23'04"E	30.81'
L63	S25°48'56"E	8.94'
L64	S71°39'22"W	27.51'
L65	S38°54'24"W	53.41'
L66	S27°57'56"W	39.36'
L67	S08°14'44"W	38.33'
L68	S05°43'10"W	23.09'
L69	S00°44'58"W	39.00'
L70	S08°42'46"E	6.08'
L71	S74°03'01"W	10.44'
L72	S58°24'08"W	35.51'
L73	S57°46'49"W	44.10'
L74	S49°33'49"W	42.52'
L75	S47°23'10"W	24.76'
L76	S40°53'19"W	23.43'
L77	S33°29'05"W	33.29'
L78	S27°18'53"W	26.83'
L79	S24°29'57"W	21.89'
L80	N25°57'07"W	18.88'
L81	N18°53'06"W	24.31'
L82	N18°53'06"W	21.35'
L83	N15°55'58"W	44.08'
L84	N20°35'52"W	60.20'
L85	S13°38'46"W	28.73'
L86	N11°08'28"E	15.81'
L87	N57°23'52"W	47.10'
L88	N03°30'04"E	95.53'
L89	S46°30'59"E	97.36'
L90	S38°33'45"W	5.02'
L91	N15°55'58"W	31.23'
L92	N21°04'37"W	55.77'
L93	N15°55'58"W	43.22'
L94	S38°33'45"W	52.89'
L95	S08°25'24"W	15.72'
L96	N15°55'58"W	40.00'
L97	N74°06'21"E	58.97'
L98	S38°33'45"W	52.80'
L99	N57°23'52"W	47.10'
L100	N03°30'04"E	95.53'
L101	S46°30'59"E	97.36'
L102	S34°24'38"W	65.12'
L103	N15°55'58"W	4.46'
L104	N15°55'58"W	26.77'
L105	N18°53'06"W	45.66'
L106	N48°41'14"E	50.41'
L107	N48°41'14"E	49.24'
L108	N23°28'23"E	36.21'
L109	N88°58'30"W	40.02'
L110	N78°12'58"W	80.04'
L111	N67°27'27"W	63.71'
L112	N48°21'21"W	82.19'
L113	N34°17'20"W	86.36'
L114	N20°13'19"W	86.36'
L115	S78°12'58"E	40.02'
L116	S78°12'58"E	40.02'
L117	S67°27'27"E	40.02'
L118	S67°27'27"E	23.69'
L119	N74°06'21"E	56.50'
L120	N74°06'21"E	2.47'
L121	S61°04'32"E	1.01'
L122	S79°24'05"E	2.61'
L123	S79°24'05"E	46.67'
L124	N79°24'05"W	49.29'
L125	S40°52'13"E	66.02'

LINE	BEARING	DISTANCE
L126	S40°52'13"E	22.06'
L127	S40°52'13"E	43.96'
L128	N23°28'23"E	60.60'
L129	N23°28'23"E	78.41'
L130	N23°28'23"E	54.01'
L131	N15°25'15"E	6.52'
L132	N15°25'15"E	23.13'
L133	N15°25'15"E	16.62'
L134	N09°09'46"E	43.64'
L135	N69°57'31"W	4.01'
L136	N38°33'45"E	12.57'
L137	N30°58'34"W	15.22'
L138	N31°01'09"W	86.94'
L139	N18°13'04"W	56.00'
L140	N48°12'33"W	64.34'
L141	N37°44'10"W	46.72'
L142	N02°20'08"W	66.54'
L143	N05°07'23"E	2.97'
L144	N58°50'57"E	70.00'
L145	N60°55'47"E	67.05'
L146	N70°57'58"E	65.33'
L147	N81°40'37"E	65.33'
L148	S87°38'44"E	65.33'
L149	S81°59'29"E	69.88'
L150	N08°54'51"W	28.16'
L151	N72°07'42"E	41.83'
L152	N72°07'42"E	41.83'
L153	N32°42'56"E	48.89'
L154	N29°21'43"E	48.48'
L155	N25°53'20"E	48.48'
L156	N22°24'58"E	48.48'
L157	N18°56'35"E	48.48'
L158	N15°28'12"E	48.48'
L159	N11°59'49"E	48.48'
L160	N08°31'26"E	48.48'
L161	N05°03'04"E	48.48'
L162	N01°34'41"E	48.48'
L163	N00°34'21"W	48.80'
L164	S11°55'49"W	42.86'
L165	S28°21'24"E	42.86'
L166	S44°46'59"E	42.86'
L167	S61°12'35"E	42.86'
L168	S77°21'38"E	44.53'
L169	N81°59'17"W	50.00'
L170	N81°59'17"W	50.00'
L171	N81°59'17"W	60.00'
L172	S81°59'17"E	160.00'
L173	S04°25'49"W	78.16'
L174	S00°08'26"W	79.37'
L175	S00°15'01"E	80.00'
L176	N02°17'14"E	69.52'
L177	N06°40'29"E	44.05'
L178	N02°17'14"E	25.47'
L179	N02°17'14"E	44.05'
L180	S00°15'01"E	80.00'
L181	S02°31'47"W	76.36'
L182	S85°18'22"E	86.52'
L183		
L184	N57°23'52"W	14.67'
L185	N57°23'52"W	32.43'
L186	N03°30'04"E	18.56'
L187	N03°30'04"E	77.03'
L188	S46°30'59"E	10.80'
L189	S46°30'59"E	20.00'
L190	S46°30'59"E	20.00'
L191	S46°30'59"E	19.15'
L192	S46°30'59"E	27.41'
L193		
L194	S69°57'31"E	20.00'
L195	S69°57'31"E	2.63'
L196	N20°02'29"E	75.19'
L197	N20°02'29"E	135.12'
L198	N20°02'29"E	135.48'
L199	N20°02'29"E	136.51'
L200	N14°09'19"E	122.06'
L201	N20°02'29"E	11.51'
L202	N20°02'29"E	125.00'
L203	N14°09'19"E	61.03'
L204	N16°01'14"W	50.34'
L205	S00°14'57"E	50.00'
L206	N00°44'04"W	1.90'
L207	S33°37'53"W	48.50'
L208	S33°02'41"W	3.07'
L209	N00°15'01"W	20.18'
L210	N00°15'01"W	20.00'
L211	S36°39'05"W	84.60'
L212	S31°17'51"W	48.20'
L213	N22°52'47"E	48.20'
L214	N22°52'47"E	48.20'
L215	N14°27'42"E	48.20'
L216	N14°27'42"E	48.20'
L217	N06°02'37"E	48.20'
L218	N06°02'37"E	16.31'
L219	N06°15'19"W	56.20'
L220	N00°19'36"W	80.16'
L221	S06°02'37"W	84.22'
L222	N33°37'53"E	10.00'
L223	N33°37'53"E	80.00'
L224	N33°37'53"E	10.00'
L225	N33°37'53"E	9.99'
L226	N31°34'40"E	0.58'
L227	S61°43'44"E	76.65'
L228	S61°43'44"E	35.89'
L229	S68°05'54"E	35.89'
L230	S68°05'54"E	10.47'
L231	S69°57'31"E	52.94'
L232	N68°05'54"W	46.36'
L233	N61°43'44"W	112.54'
L234	S33°02'41"W	34.70'
L235	S27°09'38"W	31.62'
L236	S33°02'41"E	31.62'
L237	S04°48'41"W	29.35'
L238	S07°45'00"W	56.43'
L239	S10°41'19"W	56.43'
L240	S13°37'37"W	56.43'
L241	S16°33'56"W	56.43'
L242	S19°30'15"W	56.43'
L243	S22°26'34"W	56.43'
L244	S25°22'53"W	56.43'
L245	S28°19'12"W	56.43'
L246	S31°15'30"W	51.00'
L247	N04°48'41"E	26.90'
L248	N01°52'22"E	49.04'
L249	N00°15'01"W	34.26'
L250	S01°50'48"W	20.64'

LINE	BEARING	DISTANCE
L251	S01°53'31"W	28.40'
L252	S04°48'41"W	28.03'
L253	S04°48'41"W	28.21'
L254	S07°45'00"W	28.21'
L255	S07°45'00"W	28.21'
L256	S10°41'19"W	28.21'
L257	S10°41'19"W	28.21'
L258	S13°37'37"W	28.21'
L259	S13°37'37"W	28.21'
L260	S16°33'56"W	28.21'
L261	S16°33'56"W	28.21'
L262	S19°30'15"W	28.21'
L263	S19°30'15"W	28.21'
L264	S22°26'34"W	28.21'
L265	S22°26'34"W	28.21'
L266	S25°22'53"W	28.21'
L267	S25°22'53"W	28.21'
L268	S28°19'12"W	28.21'
L269	S28°19'12"W	28.21'
L270	S31°15'30"W	28.21'
L271	S31°15'30"W	22.78'
L272	S33°37'53"W	32.41'
L273	S33°37'53"W	50.00'
L274	N00°15'01"W	14.13'
L275	N00°15'01"W	34.00'
L276	N33°37'53"E	49.34'
L277	N33°37'53"E	50.00'
L278	N33°37'53"E	9.62'
L279	S33°37'53"W	40.00'
L280	N53°25'17"W	75.00'
L281	N36°34'43"E	50.00'
L282	S53°25'17"E	75.00'
L283	S81°50'30"E	49.82'
L284	S11°20'17"E	8.71'
L285	S08°44'07"W	7.23'
L286	S32°04'52"W	15.12'
L287	S00°00'00"E	3.79'
L288	S05°10'41"W	10.51'
L289	S07°58'33"W	9.57'
L290	S13°38'15"W	6.44'
L291	S11°42'30"E	7.38'
L292	S71°27'45"E	13.62'
L293	S74°27'00"E	15.55'
L294	S61°07'55"E	6.28'
L295	S72°18'47"E	7.92'
L296	S54°55'55"E	5.90'
L297	S10°28'56"W	10.15'
L298	S58°15'40"W	9.99'
L299	S53°41'41"W	16.01'
L300	S50°12'58"W	8.89'
L301	S42°54'03"W	7.24'
L302	S28°48'10"W	6.33'
L303	S45°57'41"W	8.18'
L304	S74°03'59"W	4.14'
L305	S51°11'31"W	9.98'
L306	S35°29'09"W	7.26'
L307	S37°55'34"W	11.96'
L308	S18°27'48"W	11.11'
L309	S10°18'47"E	6.86'
L310	S09°28'10"E	5.60'
L311	S49°12'36"E	5.55'
L312	S40°37'23"E	12.19'
L313	S31°26'58"E	11.95'
L314	S25°06'43"E	5.64'
L315	S26°19'56"E	9.09'
L316	S21°38'47"E	11.78'
L317	S28°49'48"E	8.62'
L318	S16°57'05"E	18.80'
L319	S10°24'57"E	9.41'
L320	S17°39'47"W	8.72'
L321	S30°09'58"W	17.69'
L322	S31°05'03"W	7.13'
L323	S25°34'57"W	3.89'
L324	S10°19'08"W	5.41'
L325	S03°48'05"E	4.44'
L326	S07°07'56"W	1.78'
L327	S06°55'09"E	2.45'
L328	S00°00'00"E	2.80'
L329	S01°07'30"W	3.75'
L330	S02°46'23"W	4.57'
L331	S12°08'33"W	1.76'
L332	S13°30'32"W	1.89'
L333	S17°39'43"W	3.40'
L334	S29°18'36"W	3.46'
L335	S30°02'16"W	3.82'
L336	S38°33'07"W	5.08'
L337	S60°26'03"W	5.25'
L338	S52°37'50"W	6.73'
L339	S57°11'51"W	5.68'
L340	S52°40'21"W	30.60'
L341	S44°12'14"W	16.84'
L342	S60°26'34"W	10.41'
L343	S73°

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AREA TABLES

BLOCK 'C'
RESIDENTIAL LOTS

Lot #	Acres	Sq. Feet
78	0.29	12656
79	0.24	10481
80	0.24	10424
81	0.22	9506
82	0.20	8753
83	0.27	11679
84	0.23	9900
85	0.24	10638
86	0.25	10689
87	0.31	13291
88	0.36	15728
89	0.17	7500
90	0.17	7500
91	0.17	7500
92	0.17	7500
93	0.17	7500
94	0.17	7500
95	0.17	7500
96	0.18	7673
97	0.19	8118
98	0.24	10601
126	0.18	7816
127	0.17	7500
128	0.17	7500
129	0.17	7500
130	0.17	7500
131	0.17	7500
132	0.17	7500
133	0.18	7852
134	0.18	7783
135	0.17	7514
Total	6.40	278604

BLOCK 'C'
NON-RESIDENTIAL

Lot #	Acres	Sq. Feet
99	19.72	859064
900	1.15	50142
Total	20.87	909206

BLOCK 'D'
RESIDENTIAL LOTS

Lot #	Acres	Sq. Feet
8	0.14	6250
9	0.15	6578
10	0.15	6658
11	0.15	6658
12	0.15	6658
13	0.15	6658
14	0.15	6658
15	0.15	6658
16	0.15	6658
17	0.15	6658
18	0.15	6658
19	0.15	6658
20	0.15	6575
22	0.14	6250
23	0.14	6250
24	0.14	6250
25	0.14	6250
26	0.14	6250
27	0.14	6250
28	0.14	6250
29	0.14	6250
30	0.14	6308
31	0.17	7490
32	0.17	7490
33	0.17	7490
34	0.17	7490
35	0.17	7490
36	0.17	7490
37	0.17	7490
38	0.17	7490
39	0.15	6707
40	0.14	6250
41	0.14	6250
42	0.14	6250
43	0.20	8750
44	0.20	8750
45	0.20	8750
46	0.21	9099
47	0.22	9476
48	0.22	9476
49	0.22	9476
50	0.22	9476
51	0.21	9323
52	0.20	8750
53	0.20	8750
54	0.22	9552
55	0.22	9552
56	0.21	8936
57	0.20	8750
58	0.20	8750
59	0.23	9802
61	0.17	7500
62	0.17	7500
63	0.17	7500
64	0.17	7500
65	0.17	7500
66	0.17	7500
67	0.25	10762
68	0.19	8411
69	0.19	8411
70	0.17	7500
71	0.17	7500
72	0.17	7500
73	0.19	8215
74	0.20	8899
75	0.20	8899
76	0.20	8899
77	0.20	8899
78	0.20	8753
79	0.17	7500
80	0.17	7500
81	0.19	8107
82	0.20	8559
83	0.20	8559
Total	13.11	570953

BLOCK 'D'
NON-RESIDENTIAL

Lot #	Acres	Sq. Feet
21	47.71	2078102
7	0.65	28467
60	0.09	3750
TOTAL	48.45	2110328

BLOCK 'E'
RESIDENTIAL LOTS

Lot #	Acres	Sq. Feet
6	0.16	7093
7	0.15	6367
8	0.14	6250
9	0.15	6468
10	0.15	6547
11	0.15	6547
12	0.15	6547
13	0.15	6547
14	0.15	6547
15	0.15	6547
16	0.15	6547
17	0.15	6547
18	0.15	6547
19	0.14	6263
20	0.14	6250
21	0.14	6250
22	0.14	6250
23	0.14	6250
24	0.14	6250
25	0.14	6250
26	0.14	6250
27	0.15	6579
28	0.18	7659
29	0.18	7659
30	0.18	7659
31	0.18	7659
32	0.17	7335
33	0.14	6250
34	0.14	6250
35	0.17	7414
36	0.24	10539
37	0.23	10217
38	0.23	10000
39	0.23	10000
40	0.23	10000
41	0.23	10000
42	0.23	10200
43	0.25	11073
44	0.26	11326
45	0.26	11326
46	0.26	11326
47	0.24	10410
48	0.23	10000
49	0.23	10000
Total	7.94	345995

BLOCK 'E'
NON-RESIDENTIAL

Lot #	Acres	Sq. Feet
50	0.03	1250
51	6.41	279328
Total	6.44	280578

BLOCK 'F'
RESIDENTIAL LOTS

Lot #	Acres	Sq. Feet
7	0.23	10000
8	0.23	10000
9	0.23	10000
10	0.25	10868
12	0.35	15346
13	0.32	14111
14	0.29	12758
15	0.32	13804
16	0.23	10150
17	0.35	15346
18	0.35	15346
19	0.29	12741
20	0.31	13557
21	0.34	14609
22	0.30	13121
23	0.35	15346
24	0.25	10773
25	0.23	10000
26	0.23	10000
27	0.23	10000
28	0.23	10000
29	0.23	10000
30	0.24	10241
31	0.24	10434
32	0.23	9914
33	0.20	8750
34	0.20	8772
35	0.22	9706
36	0.22	9706
37	0.22	9706
38	0.21	9358
39	0.20	8750
40	0.23	9854
41	0.21	9139
42	0.20	8750
43	0.20	8750
44	0.20	8750
45	0.20	8750
46	0.26	11119
47	0.22	9419
48	0.32	13811
Total	10.37	451555

BLOCK 'F'
NON-RESIDENTIAL

Area	Acres	Sq. Feet
11	8.28	360826
49	0.03	1265
50	0.45	19623
Total	8.76	381714

BLOCK 'G'
RESIDENTIAL LOTS

Lot #	Acres	Sq. Feet
1	0.33	14546
2	0.24	10245
3	0.19	8209
4	0.18	7702
5	0.17	7603
6	0.20	8773
7	0.28	12322
8	0.24	10243
9	0.17	7579
10	0.17	7500
11	0.22	9647
12	0.23	9924
13	0.24	10299
14	0.27	11909
15	0.28	12220
16	0.29	12660
17	0.28	12046
18	0.36	15511
Total	4.34	188939

Delta Survey Group Inc.
8213 Brodie Lane Ste. 102 Austin, TX. 78745
office: (512) 282-5200 fax: (512) 282-5230
TBPLS FIRM NO. 10004700

HEADWATERS AT
BARTON CREEK, PHASE 2

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PHASE 2 IC AND PARKLAND TRACKING

HEADWATERS DEVELOPMENT IMPERVIOUS COVER SUMMARY

ENGINEERING PLANS FOR HEADWATERS COMMERCIAL
(ROADWAY IMPROVEMENTS - PLATED WITH LOT 3 BLOCK "A")
COMMERCIAL PROJECT (EXISTING)

IMPERVIOUS COVER SUMMARY
TOTAL PROPOSED IMPERVIOUS COVER[1] = 0.79 AC.
HEADWATERS COMMERCIAL (ROADWAY IMPROVEMENTS) IMPERVIOUS COVER = 0.79 AC.

NOTES:
1. IMPERVIOUS COVER CALCULATED BY ADDING THE IMPERVIOUS COVER FROM DRAINAGE AREAS
"DA 2" AND "DA 7" OF THE DEVELOPED DRAINAGE AREA MAP FROM THE ENGINEERING PLANS FOR HEADWATERS COMMERCIAL, ISSUED BY AUSTIN CIVIL ENGINEERING, INC., SEALED BY HUNTER SHADBURNE, P.E., DATED 5/10/18. IMPERVIOUS COVER OF FUTURE DEVELOPMENT AREAS TO BE INCLUDED AT THE TIME OF FINAL PLAT.

SITE PLANS FOR HEADWATERS APARTMENTS
COMMERCIAL PROJECT (EXISTING)

IMPERVIOUS COVER SUMMARY
TOTAL PROPOSED IMPERVIOUS COVER[1] = 4.82 AC.
HEADWATERS APARTMENTS IMPERVIOUS COVER = 4.82 AC.

NOTES:
1. FROM THE APPROVED SITE PLANS FOR HEADWATERS APARTMENTS, ISSUED BY AUSTIN CIVIL ENGINEERING, INC., SEALED BY HUNTER SHADBURNE, P.E. DATED 07/09/18.

PHASE 1 OF HEADWATERS AT BARTON CREEK SUBDIVISION
RESIDENTIAL SUBDIVISION PROJECT (EXISTING)

IMPERVIOUS COVER SUMMARY

STREETS/SIDEWALKS[1] = 12.42 AC.
RESIDENTIAL LOTS[1] = 20.66 AC.
PHASE 1 IMPERVIOUS COVER = 33.08 AC.

AVERAGE RESIDENTIAL LOT SIZE (209 RES. LOTS)[2] = 8,628 SF

NOTES:
1. FROM RECORD DRAWINGS FOR THE PHASE 1 OF HEADWATERS AT BARTON CREEK SUBDIVISION, ISSUED BY DOUCET & ASSOCIATES, INC., SEALED BY JAMES BREWER, P.E. DATED 03/16/15.
2. FROM RECORDED FINAL PLAT, HEADWATERS AT BARTON CREEK, PHASE 1, ISSUED BY DOUCET & ASSOCIATES, INC., SEALED BY SYDNEY XINOS, R.P.L.S. DATED 03/08/16.

PHASE 2 OF HEADWATERS AT BARTON CREEK SUBDIVISION
RESIDENTIAL SUBDIVISION PROJECT (PROPOSED)

IMPERVIOUS COVER SUMMARY
STREETS/SIDEWALKS = 7.85 AC.
RESIDENTIAL LOTS = 21.12 AC.
PHASE 2 IMPERVIOUS COVER =28.97 AC.

AVERAGE RESIDENTIAL LOT SIZE (208 RES. LOTS) = 8,827 SF

HEADWATERS DEVELOPMENT AGREEMENT - IMPERVIOUS COVER SUMMARY

ALLOWABLE IMPERVIOUS COVER

TOTAL AREA[1] = 1509.68 AC.
TOTAL ALLOWABLE IMPERVIOUS COVER (15%)[2] =226.45 AC.

COMMERCIAL AREA[1] = 166.13 AC.
COMMERCIAL ALLOWABLE IMPERVIOUS COVER (50% OF AREA)[2,3] = 83.07 AC.

RESIDENTIAL AREA[1] = 1343.55 AC.
RESIDENTIAL ALLOWABLE IMPERVIOUS COVER[2] =143.38 AC.

NOTES:
1. ACREAGE ON ABOVE TABLE COME FROM THE HEADWATERS AT BARTON CREEK DEVELOPMENT AGREEMENT, DATED JANUARY 11, 2005 RECORDED IN VOLUME 2675, PAGE 649 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TX.
2. IMPERVIOUS COVER CALCULATIONS ARE BASED ON THE REQUIREMENTS OF THE HEADWATERS AT BARTON CREEK DEVELOPMENT AGREEMENT.
3. IMPERVIOUS COVER OF COMMERCIAL TRACT IS ASSUMED TO BE 50% OF COMMERCIAL AREA PER THE HEADWATERS AT BARTON CREEK DEVELOPMENT AGREEMENT.

TOTAL SITE SUMMARY

COMMERCIAL IMPERVIOUS COVER SUMMARY
COMMERCIAL ALLOWABLE IMPERVIOUS COVER (50% OF AREA)2,3 = 83.07 AC.
HEADWATERS COMMERCIAL (ROADWAY IMPROVEMENTS) IMPERVIOUS COVER = 0.79 AC.
HEADWATERS APARTMENTS IMPERVIOUS COVER = 4.82 AC.
REMAINING COMMERCIAL IMPERVIOUS COVER =77.46 AC.

RESIDENTIAL IMPERVIOUS COVER SUMMARY
RESIDENTIAL ALLOWABLE IMPERVIOUS COVER = 143.38 AC.
PHASE 1 IMPERVIOUS COVER = 33.08 AC.
PHASE 2 IMPERVIOUS COVER =28.97 AC.
REMAINING RESIDENTIAL IMPERVIOUS COVER =81.33 AC.

AVERAGE RESIDENTIAL LOT SIZE = 8,727 SF

HEADWATERS DEVELOPMENT LUE AND PARKLAND SUMMARY

RATHGEBER NATURAL RESOURCES PARK AND BSA WILDERNESS CAMP

PROVIDED PARKLAND
RATHGEBER TRACT PARKLAND AND OPEN SPACE = 300 AC.

PHASE 1 OF HEADWATERS AT BARTON CREEK SUBDIVISION
RESIDENTIAL SUBDIVISION PROJECT (EXISTING)

LIVING UNIT EQUIVALENCY (LUES)
PHASE 1 LUES = 214 LUES

PARKLAND/OPEN SPACE SUMMARY
REQUIRED PARKLAND (214 LUES @ 1 AC. PER 25 LUES) = 8.56 AC.

PROVIDED PARKLAND
DRAINAGE, WATER QUALITY, M.U.D. UTILITY & OPEN SPACE LOTS[1,2] = 69.82 AC.
PHASE 1 PROVIDED PARKLAND AND OPEN SPACE = 69.82 AC.

NOTES:
1. PARKLAND IS ACCOUNTED IN ACCORDANCE TO THE PARKS AND OPEN SPACE PLAN.
2. PARKLAND AND OPEN SPACE FROM THE RECORDED FINAL PLAT FOR HEADWATERS AT BARTON CREEK, PHASE 1, ISSUED BY DOUCET & ASSOCIATES, INC., SEALED BY SYDNEY XINOS, R.P.L.S. DATED 03/08/16.

PHASE 2 OF HEADWATERS AT BARTON CREEK SUBDIVISION
RESIDENTIAL SUBDIVISION PROJECT (PROPOSED)

LIVING UNIT EQUIVALENCY (LUES)
RESIDENTIAL LOTS AT 1 LUE/LOT = 208 LUES
PHASE 2 LUES = 208 LUES

PARKLAND/OPEN SPACE SUMMARY
REQUIRED PARKLAND (208 LUES @ 1 AC. PER 25 LUES) = 8.32 AC.

PROVIDED PARKLAND
DRAINAGE, WATER QUALITY, M.U.D. UTILITY & OPEN SPACE LOTS = 84.52 AC.
PHASE 2 PROVIDED PARKLAND AND OPEN SPACE =84.52 AC.

HEADWATERS LUE AND PARKLAND SUMMARY

LUE SUMMARY
PHASE 1 LUES = 214 LUES
PHASE 2 LUES = 208 LUES
TOTAL LUES = 422 LUES

REQUIRED PARKLAND (422 LUES @ 1 AC. PER 25 LUES) = 16.88 AC.

PROVIDED PARKLAND
RATHGEBER TRACT PARKLAND AND OPEN SPACE = 300 AC.
PHASE 1 PROVIDED PARKLAND AND OPEN SPACE = 69.82 AC.
PHASE 2 PROVIDED PARKLAND AND OPEN SPACE = 84.52 AC.
TOTAL PROVIDE PARKLAND AND OPEN SPACE = 454.34 AC.

NOTES:
1. PARKLAND IS ACCOUNTED IN ACCORDANCE TO THE PARKS AND OPEN SPACE PLAN.

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HEADWATERS AT
BARTON CREEK, PHASE 2