

CC&Rs
Barton Creek Lakeside P.O.A., Inc.

SECOND AMENDED AND RESTATED DECLARATION OF

**CONSOLIDATED COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
BARTON CREEK LAKESIDE**

**THE RANCH SECTIONS ONE THROUGH TWELVE A AND THIRTEEN
AND
BARTON CREEK LAKESIDE PHASES ONE THROUGH SEVEN AND EVERY SECTION OF EACH,
EXCLUDING, HOWEVER, THE RANCH SECTION 4-A**

This Second Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside (the "Declaration") has been approved as set forth below and shall apply to the Property (as defined below):

Recitals

WHEREAS, each of the subdivisions listed in the title above have previously adopted one or more the covenants, conditions and restrictions listed in EXHIBIT "A" hereto (the "Prior Restrictions"), and on December 2, 2012 by a vote of more than 67% of the property owners in the subdivisions approved the Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside, which replaced all but The Ranch 12-A of the Prior Restrictions and became effective upon the filing of the document in the Official Public Records of Travis and Burnet Counties #2013002780 and #201300134, respectively on January 4, 2013 (the "First Consolidated Restrictions"),

WHEREAS, pursuant to Texas Property Code Section 209.0041 the owners of more than 67% of the lots in each of the following subdivisions on November 24th 2013 elected to amend and restate the First Consolidated Restrictions applicable to their subdivision with this Second Amended and Restated Declaration of Consolidated Covenants and Restrictions for Barton Creek Lakeside:

The Ranch Sections One – Travis County Plat Records Vol. 82, Pg. 228;

The Ranch Section Two – Travis County Plat Records Vol. 84, Pg. 41D through 42A, and Burnet Plat Records Cab. 1, Slides 186 A through 186 C.;

The Ranch Sections Three through Eleven – Travis County Plat Records Vol. 84, Pg. 111A and Vol. 87, Pg. 1A, and Burnet County Plat Records Cab. 2, Slides 17 B, C, D – 21 A - C;

The Ranch Section 12-A – Travis County Plat Records Vol. 89, Pg. 23;

The Ranch Section Thirteen – Travis County OPR #199900322;

Barton Creek Lakeside Phase One – Travis County Records Plat Records Vol. 93, Pg. 312, Vol. 100, Pg. 387; Travis County OPR #20000369, 401868 and Burnet County Plat Records Cab. 2, Slides 53A, 80A, 87A, 112B and 167A and Cab 4, Slide 34A, OPR #430199, #199606400, #19970638, #199800478 and #200001741;

Barton Creek Lakeside Phase Two – Burnet County Records Cab. 2, Slide 94 A, B, C and 189A; and Travis County Records Plat Records Vol. 99, Pg. 254 and OPR #402031, #431820;

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Barton Creek Lakeside Phase Three – Burnet County Records Cab. 2, Slides 112-C, 124-D, 130C, 147A, 147B, 172A, 188D and #199807087;

Barton Creek Lakeside Phase Four – Burnet County Records Cab. 2, Slides 119C-119D and OPR #199806198;

Barton Creek Lakeside Phase Five – Burnet County Records Cab. 2, Slides 120A & B, 124D-125A and 134C-D; and

Barton Creek Lakeside Phase Seven – Travis County OPR #200200026.

WHEREAS, the Owners of more than 67% of the Lots in The Ranch, Section 12-A have approved the of the "Restatement of the First Supplement" recorded in the Travis Count Property records at Vol. 11150, Pg. 1108 with the Declaration, particularly including Addendums 1 and 2 with this Declaration;

NOW, THEREFORE, it is hereby declared that: (i) the Property (as defined below), shall be held, sold, conveyed, used and occupied subject to the following covenants, conditions and restrictions which are for the purposes of protecting the value and desirability of the Property and which shall run with the Property and shall be binding upon all parties, their heirs, successors and assigns, having right, title or interest in or to the Property or any part thereof, and shall inure to the benefit of each owner thereof; (ii) all dedications, limitations, restrictions and reservations shown on a Plat (as defined below) and all grants and dedications of easements, rights-of-way, restrictions and related rights made prior to any portion of the Property becoming subject to this Declaration are hereby incorporated into this Declaration for all purposes as if fully set forth herein and shall be construed as adopted in each and every contract, deed or conveyance; (iii) each contract or deed conveying the Property shall conclusively be held to have been executed, delivered and accepted subject to this Declaration, regardless of whether the same is set out in full or by reference in said contract or deed; and (iv) upon the recording of this Declaration, the Ranch 1/2 Restrictions and Hidden Hills Restrictions, the Hilltop Restrictions and the Restatement of First Supplement To the Hidden Hills On Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Ranch, Sections Three Through Eleven [Cottage Property Deed Restrictions] [Encumbering A Portion of The Ranch Section 12] shall be amended, restated and replaced in their entirety by the terms and provisions of this Declaration.

ARTICLE 1

DEFINITIONS

As used in this Declaration, the terms set forth below shall have the meanings indicated:

1.1 Additional Land means the tract or tracts, parcel or parcels of land, other than the Property, made subject to the Restrictions by the Board in accordance with the provisions of Article 9 hereof.

1.2 Annual Maintenance Charge means the assessment made and levied by the Board against each Owner and such Owner's Lot in accordance with the Restrictions.

1.3 Architectural Review Committee or ARC means the committee formed and empowered pursuant to this Declaration to review and approve or deny plans for the construction, placement, modification, alteration, or remodeling of any Structure upon a Lot, to establish Design Guidelines, and to carry out its duties as set forth in the Restrictions and such other powers, authorities and duties delegated to it by the Board pursuant to the Restrictions.

1.4 Articles of Incorporation means the Articles of Incorporation of the Association, filed in the Secretary of State of Texas, as the same may be amended from time to time.

1.5 Association means the Barton Creek Lakeside P.O.A., Inc., a Texas nonprofit corporation, its successors and assigns, created for the purposes and possessing the rights, powers, authority and obligations set forth in the Restrictions and as otherwise permitted by applicable law, whose address for notice purposes is PO Box 598, Spicewood, Texas 78669, as may be changed by the Association from time to time.

1.6 Assessment or Assessments means assessments levied by the Association pursuant to the terms and provisions of this Declaration.

1.7 Ballot means a ballot cast by a Member given: (i) in person or by proxy at a meeting of the Association; (ii) by absentee ballot in accordance with Section 209.00592(b) of the Texas Property Code; or (iii) by electronic ballot in accordance with Section 209.00592(b) of the Texas Property Code.

1.8 Board or Board of Directors means the Board of Directors of the Association elected by the Members in accordance with the provisions of its Bylaws.

1.9 Bylaws means the Bylaws of the Association, as amended from time to time.

1.10 Certificate of Formation means the Certificate of Formation for the Association filed with the Secretary of State of Texas, as may be amended from time to time.

1.11 Commencement of Construction means the date on which foundation forms are set for a residence.

1.12 Common Areas means any property and facilities that the Association owns or in which it otherwise holds rights or obligations. Common Area includes any property that the Association holds under a lease, license or any easement in favor of the Association. The Common Areas may be owned by the Association for the use and enjoyment of the Members, including, but not limited to, the private streets or other private roadways shown on the Plats (whether labeled as "common area lots" or otherwise).

1.13 Declaration means this Second Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside.

1.14 Design Guidelines means the standards for design, construction, landscaping, and exterior items, 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 Property.

1.15 Exterior Area means the yard area of a Lot as determined by the Board.

1.16 First Consolidated Restrictions means the Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside, which replaced all but The Ranch 12-A of the Prior Restrictions and became effective upon the filing of the document in the Official Public Records of Travis and Burnet Counties #2013002780 and #201300134, respectively which occurred on January 4, 2013.

1.17 Golf Course Lots means a Lot which shares a common boundary with a golf course or is otherwise adjacent thereto as determined by the Board or the ARC.

1.18 Hilltop Property means Lots located within Barton Creek Lakeside Phase Two as shown on the map or plat thereof recorded as Volume 99, Page 27-29, in the Official Public Records of Travis County, Texas. Barton Creek Lakeside Phase Four was subsequently carved out of Phase Two and retained the pre-existing Restrictions. "Hilltop Property" and "Barton Creek Lakeside Phases Two and Four" are synonymous.

1.19 Lot or Lots means a subdivided lot shown on a Plat excluding Common Areas.

1.20 Maintenance Fund means Annual Maintenance Charges and other fees or sources of income received and/or otherwise collected by the Association in accordance with the Restrictions.

1.21 Member or Members means every person or entity that holds membership privileges in the Association.

1.22 Mortgage means any mortgage(s) or deed(s) of trust securing indebtedness and covering any Lot.

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

1.24 Owner or Owners means the person(s), entity or entities holding all or a portion of the fee simple interest in any Lot, but does not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot pursuant to foreclosure of the lien of its Mortgage.

1.25 Passenger Vehicle means passenger automobiles, passenger vans, motorcycles, SUVs (similar to a station wagon but built on a light truck chassis) and pick-up trucks that: (a) are in operating condition; (b) are qualified by current vehicle registration and inspection stickers; (c) are in daily use as a motor vehicle on streets and highways; (d) comply with current mandatory insurance under the laws of the State of Texas; and (e) have not been modified in such a way to look materially different from the factory version of the vehicle.

1.26 Plat or Plats means a subdivision plat of any portion of the Property as recorded in the Official Public Records of Travis or Burnet Counties, Texas, and any amendments thereto.

1.27 Plans means the final construction plans and specifications (including a related site and grading plan) for any Structure of any kind erected, placed, constructed, maintained, or altered on any Lot and the landscape for the Exterior Areas of such Lot.

1.28 Property means the property more particularly described in the documents listed in Exhibit "B", attached to this Declaration.

1.29 Ranch Section 12A means Lots located within The Ranch Section 12A as shown on the map or plat thereof recorded as Volume 89, Page 23 in the Official Public Records of Travis County, Texas.

1.30 Restrictions means the restrictions, covenants, and conditions contained in this Declaration, the Design Guidelines, Bylaws, or in any rules, regulations, and policies promulgated by the Association pursuant to this Declaration, as adopted and amended from time to time.

1.31 Rules and Regulations means rules adopted from time to time by the Board concerning the management and administration of the Property for the use, benefit and enjoyment of the Owners.

1.32 Signage means any signage, lettering, decorations, banners, advertising or marketing media, awnings, canopies, window covering, or any other form of expression on a Lot or in the interior of a Structure if the same is Visible.

1.33 Structure means every structure and all appurtenances of every type, whether temporary or permanent, including but not limited to cottages, custom villas, villas, buildings, outbuildings, sheds, patios, tennis courts swimming pools, garages, driveways, storage buildings, sidewalks, gazebos, fences, gates, screening walls, retaining walls, stairs, decks, landscaping, landscape improvements, poles, mailboxes, signs, antennae, exterior air conditioning equipment or fixtures, exterior lighting fixtures, water softener fixtures of equipment, playground equipment, and pumps, wells, tanks, reservoirs, pipes, lines, meters, towers, and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or utilities, or otherwise.

1.34 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.

1.35 Subdivision Fence means the decorative existing Kentucky style wood horse fence running along, adjacent to and/ or across the Property or portions thereof.

1.36 Supplemental Declaration means any Supplemental Declaration of Covenants, Conditions, and Restrictions hereafter recorded in the Official Public Records of Travis or Burnet Counties, Texas to bring Additional Land within the Restrictions in accordance with the provisions of Article 9 hereof.

1.37 Utility Company(ies) means any company which owns properties or facilities which properties or facilities are used for the purpose of providing utility services to the Property.

1.38 Visible means able to be seen from streets, adjacent Lots, or portions of the Common Area.

ARTICLE 2

USE AND OCCUPANCY

2.1 Conditions and Restrictions. All Lots within the Property will be owned, held, encumbered, leased, used, occupied and enjoyed subject to the Restrictions. Ordinances and requirements imposed by local governmental authorities are applicable to all Lots within the Property. Compliance with the Restrictions is not a substitute for compliance with such ordinances and regulations. Please be advised that the Restrictions do not purport to list or describe each restriction which may be applicable to a Lot located within the Property. Each Owner is advised to review all ordinances, requirements, regulations and encumbrances affecting the use and improvement of their Lot prior to submitting plans to the ARC for approval. Furthermore, approval by the ARC should not be construed by the Owner that any such improvement complies with the terms and provisions of any ordinances, requirements, regulations or encumbrances which may affect the Owner's Lot.

2.2 Single-Family Residential Use. Each Lot may only be used for single family residential purposes or other purposes which otherwise comply with the Restrictions and are not materially incompatible with and do not materially detract from the enjoyment of single family residential ownership by other Owners as determined by the Board.

- (a) **Prohibited Uses.** Notwithstanding any provision in the Restrictions to the contrary, no Lot or Structure thereon may be used or otherwise configured as a duplex apartment, garage apartment, or other apartment (except, however, the construction of servant's quarters will be allowed).
- (b) **Home Based Business.** Any business, commercial, and/or professional activity shall be prohibited on any Lot or in any Structure located thereon if such use, as determined by the Board: (i) creates disruptions or a nuisance to the neighborhood; (ii) can be seen, heard, or smelled by persons outside such Lot; (iii) involves the frequent visitation by clients, customers, suppliers or others; (iv) includes the Visible storing of supplies or equipment; or (iv) increases, beyond that which is typical of a residence within the Property, pedestrian or vehicular traffic, parking of vehicles, deliveries, emissions of dust, smoke, gasses, chemicals odors, lights, radio signals, or discharges of non-household wastes into the sewage system. If a business, commercial, and/or professional activity otherwise complies with this Section 2.2(b), an Owner may conduct a sales or promotional event within the Owner's residence only if the invitees of the Owner are limited to the Owner and the Owner's family and no more than two non-Members. Only one such event per each six (6) month period may be held by an Owner.
- (c) **Permitted Uses.** Notwithstanding any provision in the Restrictions to the contrary, the following business activities are permitted:
 - (i) Short Term Rentals. Nothing herein shall be deemed to preclude short term rental of residences constructed on Lots for residential purposes; however, such rentals shall be subject to reasonable Rules and Regulations adopted by the Board which will be applied on a uniform basis as between Lot Owners.
 - (ii) Estate and/or Moving Sales. An estate or moving sale conducted within ninety (90) days of the Owner's death or an Owner's date of departure from the Lot is allowed; provided, however, no such estate sale or moving sale shall last more than two (2) consecutive days and all activities of the sale shall be conducted within the residence or garage constructed on the Owner's Lot. The general public may be invited to such sale. The Board may adopt additional Rules and Regulations governing the conduct of estate or moving sales which may include permitted operation times and requirements regarding signage.

2.3 Adjacent Lots. Notwithstanding the provisions of Section 2.2,

- (a) In this subsection:
 - (i) "Adjacent lot" means:
 - (A) a lot that is contiguous to another lot which fronts on the same street;
 - (B) with respect to a corner lot, a lot which is contiguous to the corner lot by either a side property line or a back property line; or
 - (C) any lot which is contiguous to another lot at the back property line.

- (ii) "Residential purpose" with respect to the use of a lot:
 - (A) means the location on the lot of any building, structure, or other improvement customarily appurtenant to a residence, as opposed to use for a business or commercial purpose; and
 - (B) includes the location on the lot of a garage, sidewalk, driveway, parking area, children's swing or playscape, fence, septic system, swimming pool, utility line, or water well.
- (b) An owner must obtain the approval of the Board or ARC, based on criteria prescribed herein, including reasonable restrictions regarding size, location, shielding, and aesthetics of the residential purpose, before the owner begins the construction, placement, or erection of a building, structure, or other improvement for the residential purpose on an adjacent lot.
- (c) An owner who elects to use an adjacent lot for residential purposes under this section shall, on the sale or transfer of the lot containing the residence:
 - (i) include the adjacent lot in the sales agreement and transfer the lot to the new owner under the same dedicatory conditions; or
 - (ii) restore the adjacent lot to the original condition before the addition of the improvements allowed under this section before the addition of the improvements allowed under this section to the extent that the lot would again be suitable for the construction of a separate residence as originally platted and provided for in the conveyance to the owner.
- (d) An owner may sell the adjacent lot separately only for the purpose of the construction of a new residence that complies with existing requirements in these Restrictions unless the lot has been restored as described by Subsection (d)(ii).

2.4 Marina. Notwithstanding any provision in the Restrictions to the contrary, Lot 22, Block Two, of the Ranch Subdivision, Section 4, as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas and that portion of Lot 37, Block Two, Section 4, of the Ranch Subdivision as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas lying between the western extension of the common boundary line of Lots 22 and 23, Block Two, Section 4, as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas and the northern extension of the common boundary line between Lots 20 and 21, Block Two, Section 4, of the Ranch Subdivision as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas (the "Marina"), may be used for a marina. The Marina shall be restricted to private use by Owners and members of Barton Creek-Lakeside Country Club and Barton Creek Country Club and Resort. The operation of a Marina facility shall be limited to offering rental boats, boat and personal watercraft slips for rent or sale, and customary water recreational activities; provided however: (a) no commercial food or beverage preparation or sales may be conducted on any portion of the Marina except that non-alcoholic beverages and pre-packaged sandwiches or food which is not prepared on or upon the Marina may be offered for sale to individuals utilizing the Marina for recreational purposes; (b) in no event shall the Marina provide seating for the consumption of food or beverages for more than ten (10) individuals, unless advance

written approval is obtained from the Board; and (c) under no circumstances shall alcoholic beverages be sold on any portion of the Marina without the prior written consent of the Board.

2.5 Water Treatment. Notwithstanding the forgoing or any other provision of these Restrictions to the contrary, the Lot(s) 42-44, The Ranch Section Thirteen, a subdivision in Travis County, Texas, according to the map or plat recorded in Volume 89, Page 286, in the Official Public Records of Travis County, Texas, may be used for a wastewater treatment plant and pertinent facilities and related activities, and in no event shall the Restrictions prohibit or interfere with such use.

2.6 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 Structures and landscaping thereon in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times. The Board shall determine whether a violation of the maintenance obligations set forth in this Section 2.6 has occurred. The Association shall maintain the Common Area and the streets (landscaping, walls, and sprinkler systems within the Common Area), but shall have no obligation to maintain areas maintained by public authorities.

2.7 Hazardous Activities. No activities may be conducted on or within the Property and no Structures constructed on any portion of the Property which are or might be unsafe or hazardous to any person or property. No portion of the Property may be used for the takeoff, storage, or landing of aircraft (including, without limitation, helicopters) except for medical emergencies.

2.8 Antennas. Except as expressly provided below, no exterior radio or television antennae or aerial or satellite dish or disc, shall be erected, maintained or placed on a Lot without the prior written approval of the ARC; 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 multi-channel 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 or radio broadcast signals;

(collectively, (a) through (c) are referred to herein as the “**Permitted Antennas**”) will be permitted subject to reasonable requirements as to location and screening as may be set forth in rules adopted by the ARC, consistent with applicable law, in order to minimize visible obtrusiveness.

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

- (a) 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

- (b) 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.

2.10 Signage. Unless otherwise prohibited by applicable law, no sign of any kind may be displayed to the public view on any Lot without the prior written approval of the ARC, including specifically, but without limitation, signs offering property or Lots for sale, rent or lease, signs advertising goods, wares or services for sale or rent, and construction company or repair company signs except for:

- (a) 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 15th 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.
- (b) permits as may be required by legal proceedings or a governmental entity; and
- (c) 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; and
- (d) real estate sales brochure boxes not larger than 10" x 15" x 5" on Lots on which a residential structure exists.

Notwithstanding the foregoing, signs which include any of the following components or characteristics are prohibited: signs which contain roofing material, siding, paving materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component; signs which are attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object; signs which include the painting of architectural surfaces; signs which threaten the public health or safety; signs which are larger than four feet by six feet; signs which violate the law; signs which contain language, graphics, or any display that would be offensive to the ordinary person; or signs which are accompanied by music or other sounds or by streamers or is otherwise distracting to motorists.

2.11 Noise and Nuisances. No exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes) shall be located, used, or placed on any of the Property. Notwithstanding the foregoing, this paragraph shall not preclude the use of outdoor speakers for hi-fi, stereo, or radios if the sound level is maintained at a reasonably low level with respect to adjoining property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Property or to its residents.

2.12 Animals. No animals, including livestock, 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 upon any portion of the Property. Other than dogs and cats which are kept indoors at least 20 hour per day ("House Pets") when not under the direct control of the Owner, an Owner may keep on such Owner's Lot outside the residence: (a) not more than two (2) dogs or two

(2) cats; or (b) one (1) dog and one (1) cat. Owners may not keep within a residence more House Pets than can be kept without creating health hazards within the residence or upon any portion of the Property. No animal shall be allowed to make an unreasonable amount of noise, or otherwise to become a nuisance. No domestic pets will be allowed on the Property other than on the Lot of its Owner unless it is either confined to a leash or within a vehicle; provided, however, dogs may be off leash within specified areas and at specified times designated by the Board (referred to herein as a "Dog Run"). An exit by the dog from the area of the Dog Run will be a violation of the Restrictions. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Property, and no kennels or breeding operation will be allowed. Except as provided herein, no animal shall be allowed to run at large, and all animals which are permitted hereunder shall be kept within enclosed areas (effective invisible fences are acceptable enclosures for this purpose) which must be clean, safe, sanitary, and reasonably free of refuse, insects, and waste at all times. Such enclosed area which is Visible shall be constructed in accordance with plans approved by the ARC, shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be Visible.

2.13 Mining and Drilling. No portion of the Property 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 landscaping and Structures approved in advance by the ARC and/or the development of the Property by the Declarant.

2.14 Rubbish and Debris. No rubbish or debris of any kind may be placed or permitted to accumulate on or within the Property, and no odors will be permitted to arise therefrom so as to render all or any portion of the Property unsanitary, unsightly, offensive, or detrimental to any other property or Residents. 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 and may only be placed on the street no sooner than the evening before the day trash is picked-up from the Owner's Lot, and must be removed from the street by the evening of such day. Each Owner will 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.

2.15 Ownership and Maintenance of Fencing. Ownership of any wall, fence or hedge, with the exception of the Subdivision Fence, erected on a Lot shall pass with title to such Lot. The Owner of the Lot on which any wall, fence or hedge is located shall maintain such items in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times.

2.16 Subdivision Fence. Owners shall not damage, destroy, remove, paint or otherwise alter the Subdivision Fence in any manner and shall without limitation be prohibited from installing or constructing gates or openings in the Subdivision Fence. Owner shall be responsible for any damage, and cost attributable thereto, caused to any fence, including the Subdivision Fence, by said Owner or their respective assigns, agents, invitees and representatives. Subdivision Fence maintenance and repair shall be the responsibility of the Association. The Association reserves a permanent maintenance easement five feet (5') in width along a line generally parallel to the existing Subdivision Fence, and a working easement two (2') in width on both sides of and adjacent to the permanent maintenance easement, the intent and location regarding such easement being more particularly depicted documents listed in Exhibit "B," attached to this Declaration.

2.17 Unightly Articles. No Visible article deemed to be unsightly by the Board shall be permitted to remain on any Lot. Without limiting the generality of the foregoing, trailers, graders,

trucks other than 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 shall 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 Property except within enclosed structures or appropriately screened from view as approved by the ARC. 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 if visible.

Except in The Ranch 12-A, each residence constructed on a Lot shall have sufficient garage space, as approved by the Board, to house all vehicles to be kept on the Lot. No garage may be permanently enclosed or otherwise used for habitation unless approved in advance by the ACC.

2.18 Parking on Lots and Storage of Vehicles. Except in connection with a party, meeting or similar event, or with repair, remodel or maintenance work on Owner's Lot, no more than two Passenger Vehicles may be parked on a driveway on a Lot within the Property. The historical practice and the expectation of the Board and many Owners that vehicles parked in driveways should be few and rare. When practicable, Passenger Vehicles on Lots shall be stored in garages when not in use. With respect to the foregoing, be advised the Board will exercise its authority to grant waivers under this (and any other) provision of the Restrictions when it deems a waiver to be necessary or appropriate. With respect to this provision, waivers will be granted when the Board determines, in its sole discretion, that enforcement would impose an undue burden on an Owner. As examples, an undue burden might arise, without limitation, when: (a) a family requires a live-in healthcare provider; and (b) more driving age adults reside in a residence than the number of garage spaces. Enforcement of this provision shall occur only when a violation is reported to the Board by an Owner who can see the parked vehicle from such Owner's Lot and is further observed by a member of the Board. Parking on lawns, ditches, open space areas or other dirt, gravel or grassy areas is prohibited. No vehicle shall be parked so as to obstruct sightlines of street intersections. Notwithstanding the foregoing, commercial vehicles, machinery, or equipment temporarily parked and in use for the construction, repair, provisioning or maintenance of a house or fixed other property on a Lot are permitted. Every vehicle parked within the Property shall be maintained in a manner such that the appearance of the vehicle does not distract from the appearance (e.g., body panels and paint should be in a condition close to the original factory condition) of the Property as determined in the sole discretion of the Board. Streets and driveways may not be used to rebuild, repaint or repair (other than minor emergency repairs) vehicles. RVs, motor homes, trailers, recreational or other vehicles with no more than two axles, the parking of which is not expressly permitted by the above, and boats and other watercraft may be temporarily parked in front of or on the driveway of a Lot for loading and unloading only, and in no event for more than 24 hours at a time. Moving such vehicle for a purpose of avoiding violating this provision is prohibited and will not toll the permitted parking period.

2.19 Parking on Streets. Except in connection with a party, meeting or similar event, or with repair, remodel or maintenance work on Owner's Lot when Owner's driveway is too small to reasonably accommodate all the vehicles or trailers of the invitees for such event, Owners shall not park and will cause invitees to such events not to park on the streets within the Property. Vehicles shall not be parked overnight on streets within the Property.

2.20 Flags – 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 a sports team flag flown only on game day ("**Permitted Flag**") and permitted to install a flagpole no more than five feet (5') in length affixed to the front of the principal residence near the principal entry or affixed to the rear of a residence ("**Permitted Flagpole**"). Only one (1) permitted Flagpole is allowed per residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the ARC. Approval by the ARC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any Lot ("**Freestanding Flagpole**").

2.21 Flags – Installation and Display. Unless otherwise approved in advance and in writing by the ARC, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, must comply with the following:

- (i) No more than one (1) Permitted Flagpoles or Freestanding Flagpole is permitted per Lot, on which only Permitted Flags may be displayed;
- (ii) Any Permitted Flagpole must be no longer than five feet (5') in length and any Freestanding Flagpole must 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'x5');
- (iv) With the exception of flags displayed on Common Area, the flag of the United States of America must be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas must 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 must comply with all applicable zoning ordinances, easements and setbacks of record;
- (vi) Any flagpole must 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 must be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must 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 property; and
- (ix) Any external halyard of a flagpole must be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

2.22 Use of Private Roads. All private roads (excluding driveways serving on Owner's Lot exclusively) located within the Property, shall be for the use of the Owners of the Lots in the Property and their guests and invitees. The Board may adopt Rules and Regulations regarding access to and use of the private roads from time to time, which may include a sticker, permit, or guest access system.

2.23 Common Areas Exempt. Notwithstanding any provision herein to the contrary, the Common Areas shall not be subject to or burdened by the building and use restrictions set forth in

the Restrictions, except as to the extent the same are expressly made applicable to the Common Area by written resolution of the Board.

2.24 Compliance with Restrictions. Each Owner, his or her family, residents of a Lot, tenants, and the guests, invitees, and licensees of the preceding shall comply strictly with the provisions of the Restrictions as the same may be amended from time to time. Failure to comply with any of the Restrictions shall constitute a violation of the Restrictions and may result in a fine against the Owner in accordance with Section 6.8 of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Board on behalf of the Association or by an aggrieved Owner. 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 Restrictions, 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 ("Compliance Assessment") shall be secured by the liens reserved in this Declaration for assessments and may be collected and enforced by any means provided in this Declaration for the collection of assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s) as set forth in Article 6. Each such Owner 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 2.24 (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.

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

ARTICLE 3

CONSTRUCTION

3.1 Approval of Plans. No Structure or landscape element will be erected, placed, constructed, maintained, or altered on any Lot until the Plans for such building, landscape or improvement have been submitted to and approved in writing by the ARC. Upon completion of the proposed Structure or landscape element, the ARC reserves the right to conduct a final inspection to insure the proposed Structure(s) and/or landscape element(s) were erected, placed, constructed, maintained, etc. in accordance with approved Plans.

3.2 ARC. The ARC will be composed of not more than five (5) persons appointed by the Board. The Board may remove and replace a previously appointed member of the ARC from time to time and at any time. If the Board elects not to appoint members to the ARC, the Board shall serve as the ARC. The ARC will have the right to utilize consultants and advisors as it deems necessary or appropriate. A majority of the ARC shall constitute a quorum to transact business at any meeting of

the ARC, and the action of a majority present at a meeting at which there is a quorum shall constitute the action of the ARC.

- (a) **Approval Considerations.** In determining whether such Plans shall be approved, the ARC may take into consideration factors deemed appropriate by the ARC. Such factors may include, without limitation, the following:
 - (i) compliance with these Restrictions;
 - (ii) quality, texture and color of the building materials or improvements;
 - (iii) harmony of external design of such building or improvement with existing and proposed buildings and improvements and with the design or overall character and aesthetics of the Property;
 - (iv) location of such building or improvement within the Lot on which it will be constructed or placed;
 - (v) the number of square feet to be contained in such building or improvement;
 - (vi) installation of a pressure reducing valve if deemed necessary by the Owner or the Owner's representative on those Lots with water pressure in excess of eighty pounds per square inch (80 p.s.i.);
 - (vii) possible interference or conflict with the use or enjoyment of the Property or any amenities relating thereto, including specifically, but without limitation, any marina, golf course, clubhouse, tennis courts, or golf course paths; and
 - (viii) compliance with laws, ordinances, rules or regulations of any county, state municipal or other governmental authority (provided that approval by the ARC should not be construed by the Owner that any Structure complies with the terms and provisions of any such laws, ordinances, rules or regulations of any county, state municipal or other governmental authority).
- (b) **Submission and Approval of Plans.** The ARC shall approve or disapprove the Plans in accordance with the following procedures:
 - (i) Three (3) complete sets of Plans shall be delivered to the ARC at the address set forth in the Rules and Regulations.
 - (ii) If the Plans are approved by the ARC, a letter of approval, including a description of qualifications or required modifications, if any, will be prepared and dispatched, along with one complete set of Plans, to the owner. Such approval shall be dated and shall not be effective for construction commenced more than three hundred sixty (360) days after such approval. If construction is not commenced within three hundred sixty (360) days after such approval, the Owner shall not begin construction in accordance with the previously approved Plans until the Plans have been resubmitted and reapproved by the ARC in accordance with the provisions of this Section 3.2.

- (iii) If the Plans are disapproved by the ARC, one set of such Plans shall be returned marked "Disapproved."
 - (iv) Disapproved Plans shall be accompanied by a statement of reasons for disapproval.
 - (v) The Board may require payment by any party who submits Plans for approval of a cash fee to compensate for the expense of reviewing such Plans. If the Board considers that the circumstances so warrant, the Board may increase such fee without the joinder or consent of any other party.
 - (vi) The ARC may from time to time promulgate and publish Architectural Standards Bulletins. A copy of such Architectural Standards Bulletins in effect at the time will be furnished to Owners on request. Such Architectural Standards Bulletins will supplement the Restrictions and may make other and further provisions not inconsistent with the provisions of this Declaration as to the approval and disapproval of plans and specifications, ensuring compliance with approved plans and specifications, prohibited materials, and other matters relating to the appearance, design, and quality of improvements. Such Architectural Standards Bulletins, as they may be promulgated from time to time by the ARC, shall be recorded in the Official Public Records of Travis and Burnet Counties, Texas and upon recordation will be automatically incorporated into the Restrictions.
- (c) **Appeals.** Owners may appeal decisions of the ARC to the Board, in which case the determination of the Board shall be final and in its sole discretion. All decisions made by the ARC which are not appealed to the Board within thirty (30) days of their issuance shall become final and deemed to have been approved by the Board. In the event the Board is the ARC hereunder, the decision of the Board shall be final, conclusive, and non-appealable.
- (d) **No Liability.** No approval of Plans, and no publication of Architectural Standards Bulletins shall ever be construed as representing or implying that such Plans, specifications, or standards will, if followed, result in a properly designed structure. Such approvals and standards shall in no event be constructed as a representation or guarantee by the Board that any structure will be built in a good or workmanlike manner. Neither the members of the ARC nor the Board or its representatives, shall be liable in damages to anyone submitting Plans to the ARC for approval, or to any Owner or lessee of any part of the Property, by reason of or in connection with the approval or disapproval or failure to approve any Plans submitted. Every person who submits Plans to the ARC for approval agrees, by submission of such Plans, and every Owner or lessee of any portion of the Property, by acquiring title thereto or interest therein, that he will not bring any action or suit against the ARC or Board or the members of the either, or their representatives, for any damages arising from the approval of Plans or the design or construction of any residence or Structure.
- (e) **Grandfather Clause.** As of January 4, 2013 the Effective Date of the First Consolidated Declaration, each completed Structure on a Lot was approved and the prior approval thereof, if any, was ratified. Notwithstanding the foregoing, all existing Structures shall be subject to the Restrictions and modifications to existing Structures must be approved as set forth herein.

3.3 Decoration, Maintenance, Alteration, and Repairs. Subject to the provisions of this Section 3.3, and subject to the Rules and Regulations, each Owner shall have the right to maintain, repair and replace Structures and landscaping located upon such Owner's Lot provided the Structure or landscaping: (i) existed on the date this Declaration is recorded in the Official Public Records of Travis and Burnet and the Owner can provide reasonable evidence thereof; or (ii) was previously approved by the ARC. Any such permitted maintenance, repair or replacement shall be performed in a good and workmanlike manner and in a manner that causes minimum inconvenience to other Owners and does not constitute a nuisance. Notwithstanding the foregoing, the Board may require any Owner to remove or eliminate any Visible object situated on such Owner's Lot, if, in the Board's sole judgment, such object detracts from the visual attractiveness of the Property.

3.4 Construction Activity. No building material of any kind or character shall be placed or stored upon any Lot more than thirty (30) days before the construction of a Structure or improvements is commenced. All materials permitted to be placed on a Lot shall be placed within the property lines of the Lot. At the completion of such building or improvements, any unused materials shall be removed immediately from the Lot. After Commencement of Construction of any Structure or improvements on the Lots, the work thereon shall be prosecuted diligently, to the end that the Structure or improvements shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Unless otherwise approved in writing by the Board, the construction of any Structure or improvement on a Lot shall be completed within three hundred sixty (360) days from date of Commencement of Construction, excepting delays due to strikes, war, acts of God or other causes beyond the control of the Owner.

3.5 Temporary Structures. No Structure of a temporary character, trailer (with or without wheels), mobile home (with or without wheels), or modular or prefabricated home, tent, shack, barn, or any other out-building structure or building, other than the permanent residence to be built thereon, shall be placed on any Lot, either temporarily or permanently.

3.6 Construction Materials. Only new construction materials (except for used brick) shall be used in constructing any Structure or improvements situated on a Lot. Unless otherwise approved in writing by the Board, all residential Structures and related physical improvements such as a detached garage and/or cabana, if any, situated on any Lot shall have not less than seventy-five percent (75%) masonry construction, or its equivalent (at the discretion of the ARC), on the exterior wall area (plywood siding is not allowed). Detached garages may have wood siding of a type and design approved expressly by the ARC. All attached garage interiors must be sheetrocked and painted, but detached garages located sixty-five feet (65') or more from the front property line of a Lot are not required to have their interiors sheetrocked or painted. In determining whether any building has seventy five percent (75%) masonry construction, or its equivalent, on the exterior wall area, there shall be excluded from the exterior wall area measurements those portions of such exterior wall area which are doors, windows and covered porch walls.

3.7 Exterior Color Schemes.

- (a) Plans must include the designation of the color and material of all external surfaces of a Structure and are subject to ARC approval. With respect to Phase Two and Four (Hilltop Property) and the Lots therein only, the residential Structures and related physical improvements such as a detached garage and/or cabana, if any, constructed on any Lot shall have a common exterior appearance as determined by the ARC, including without limitation, concrete tile roofs, exterior masonry, exterior painting, and outdoor lighting of uniform design, material and color.

- (b) Further, to ensure that the exterior appearances remain uniform, the Association shall have the authority, but not the obligation, to maintain the Exterior Area of all such residences. There is hereby created and granted to the Association an easement upon, across, over and under all the Lots within Phase Two to exercise the power and authority granted under this Section 3.7. The cost of such maintenance will be paid by the Owner whose property is maintained and will be included in the Assessments, described below. **Each Owner 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 3.7 (including the cost, fees, expense, liability, claim of 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.**

3.8 Air Conditioners. No window, roof, or wall type air conditioner that is Visible shall be used, placed or maintained on or in any Structure.

3.9 Garbage Disposals. The kitchen in each residence shall be equipped with a garbage disposal unit, which garbage disposal unit shall at all times be kept in a serviceable condition.

3.10 Landscaping. 3.10 Prior to the occupancy of any Lot, the Exterior Area of the Lot must be landscaped in accordance with the landscape plan previously submitted to and approved by the ARC in accordance with the provisions of Section 3.2. Prior to occupancy of the Lot, the portions of the front yard of a Lot for which grass is specified by such approved plan must be completely sodded or hydromulched with grass; and must have shrubs or other landscaping planted adjacent to the front of the residence constructed thereon to screen from view the foundation of such residence. An underground sprinkler system sufficient to serve the grass and planted areas specified in the approved landscape plan is mandatory. The above restrictions with respect to front yards will also apply to any back or side yard of a Lot which abuts the golf course. Not less than 25% of any front or side yard of a Lot must be covered with grass. Lots which abut portions of the golf course lying adjacent to the Property shall be required to landscape areas thereof which abut the golf course in a manner which provides an aesthetically pleasing visual effect from the golf course. Lots which abut two or more street right of ways may be required by the ARC to plant upright, non-spreading trees which are appropriate for close proximity to the streets, together with groundcover, shrubs, flowers, plants and other landscaping that enhance the beauty of the Lot and result in the continuity of landscape design and integrity throughout the Property. Any proposed alteration to landscaping which differs significantly from the plan approved by the ARC shall be submitted to the ARC for review and approval. The use of rock, gravel or cacti must be reviewed and approved by the ARC. Nothing contained herein shall be interpreted as restricting the use of drought-resistant landscaping or water conserving natural turf, subject to the submission to the ARC of a detailed plan or description for its installation to ensure, to the extent practicable, maximum aesthetic compatibility with other landscaping in the Property. The ARC shall not unreasonably deny or withhold approval of a proposed installation of drought-resistant landscaping or water conserving natural turf or unreasonably determine that the proposed installation is aesthetically incompatible with other landscaping in the Property. If requirements of this section 3.10 are not satisfied, the Board, at its discretion may cause said maintenance, repair, and good order to be maintained, in which case the cost of same shall be billed by the Association to the Owner of the Lot, and same shall be paid by the Owner. Any such charges shall be due immediately and shall be secured and bear interest in the same manner as Assessments.

3.11 Walls, Fences, and Hedges. No fence, wall or other improvement shall be erected, placed, or altered on any Lot at any point nearer to any street than the building setback lines as shown on the Plat, or as provided below. No fence, wall, hedge, or similar structure or growth shall be constructed or permitted to grow higher than the lower of: (i) eight feet in height, or (ii) in excess of any applicable governmental restriction regarding the same. All fences and walls, with the exception of the Subdivision Fence, wherever located on a Lot must be of ornamental iron or masonry construction, except chain link fences shall be permitted to enclose swimming pools if such fence is not Visible. All fences, with the exception of the Subdivision Fence, are subject to Section 3.15 hereof.

3.12 Roofing. Roofs shall be constructed only as follows: built-up flat roofs, concrete or ceramic tile, wood shake, wood shingle, or approved metal; provided, only concrete tile may be used for Lots within the Hilltop Property of a color approved in writing by the ARC. If wood shingle is used, only "Number 1 Perfection" wood shingle shall be used, unless otherwise approved in writing by the ARC, if metal is used, the metal surface must have a dull finish upon installation, and must meet ARC approval as to type and finish. No composition shingles shall be allowed. Any other type of roofing material shall be permitted only with the advance written approval of the ARC. In addition, roofs may be constructed with "**Energy Efficiency Roofing**" with the advance written approval of the ARC. For the purpose of this Section 3.12, "**Energy Efficiency Roofing**" means shingles that are designed primarily to: (i) be wind and hail resistant; (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (iii) provide solar generation capabilities. The ARC will not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (A) resemble the shingles used or otherwise authorized for use within the community; (B) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (C) 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 in the Restrictions. In conjunction with any such approval process, the Owner should submit information which will enable the ARC to confirm the criteria set forth in this Section 3.12.

3.13 Solar Energy Device. Solar Energy Devices may be installed by an Owner on such Owner's Lot with the advance written approval of the ARC.

- (a) Application. To obtain ARC approval of a Solar Energy Device, the Owner shall provide the ARC 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**"). The Solar Application shall be submitted in accordance with the provisions of Section 3.2 of this Declaration.
- (b) Approval Process. The ARC will review the Solar Application in accordance with the terms and provisions of Section 3.2 of this Declaration. The ARC will approve a Solar Energy Device if the Solar Application complies with this Section 3.13 **UNLESS** the ARC makes a written determination that placement of the Solar Energy Device, despite compliance with this Section 3.13, will create a condition that substantially interferes with the use and enjoyment of property within the Property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The ARC'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.

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

- (i) The Solar Energy Device must be located on the roof of the residence, detached garage or cabana 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 will be located on the roof of the residence, detached garage or cabana, the ARC 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 10 percent above the energy production of the Solar Energy Device if installed in the location designated by the ARC. If the Owner desires to contest the alternate location proposed by the ARC, the Owner should submit information to the ARC which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device will 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 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 must conform to the slope of the roof and the top edge of the Solar Device must be parallel to the roofline; (c) the color of the frame, support brackets, or piping or wiring associated with the Solar Energy Device's Visible exterior must be silver, bronze or black.

3.14 Rainwater Harvesting Systems. Rain barrels or rainwater harvesting systems (a "Rainwater Harvesting System") may be installed with the advance written approval of the ARC.

- (a) **Application.** To obtain ARC approval of a Rainwater Harvesting System, the Owner shall provide the ARC with the following information: (a) the proposed installation location of the Rainwater Harvesting System; and (b) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the "**Rain System Application**").
- (b) **Approval Process.** The decision of the ARC will be made in accordance with **Section 3.2** of this Declaration.
- (c) **Approval Conditions.** Unless otherwise approved in advance and in writing by the ARC, each Rain System Application and each Rainwater Harvesting System to be installed in accordance therewith must comply with the following:
 - (i) The Rainwater Harvesting System must be consistent with the color scheme of the residence constructed on the Owner's Lot, as determined by the ARC.
 - (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 determined by the ARC.
 - (v) If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be Visible, the ARC may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. See Section 3.14(d) for additional guidance.
- (d) Guidelines. If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be Visible, the ARC 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, the application should describe methods proposed by the Owner to shield the Rainwater Harvesting System from the view of any street, Common Area, or another Owner's Lot. When reviewing a Rain System Application for a Rainwater Harvesting System that will be installed on or within the side yard of a Lot, or would otherwise be Visible, any additional requirements imposed by the ARC 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 determined by the ACC.

3.15 Sight Lines. No fence, hedge or shrub, with the exception of the Subdivision Fence, that obstructs sight lines at elevations between two (2) and six (6) feet above any roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in case of a rounded property corner, from the intersection of a street property line with the intersection of a driveway or alley pavement. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at a sufficient height to prevent obstruction of such sight lines.

3.16 Slabs. Not more than two feet (2') of vertical surface of concrete slab of any residence or other Structure shall be Visible, unless otherwise approved in writing by the Board, and landscaping, as required by Section 3.10 above shall be used to screen such exposed slab. Any slab in excess of two feet (2') in height above finished grade shall have at least that excess in height covered with siding or masonry used in constructing the residence or other Structure. Any residence or other Structure with a pier and beam foundation shall have all mechanical, electrical, plumbing lines and fixtures located thereunder screened from view from any Common Area, public or private street and from adjacent Lots. Any residence or other Structure with an elevated deck shall have its open space below such deck screened from public view and view from adjacent Lots. The ARC, in its sole discretion, will determine the adequacy of any screening technique employed.

3.17 Driveways. No driveways or roadways may be constructed on any Lot to provide any access to any adjoining Lot or other portion of the properties unless otherwise approved in writing by the ARC. Each Lot must be accessible to any adjoining street by a driveway suitable for such purposes before the residential structure located on any such Lot may be occupied or used. No Owner may block any drainage ditch (including road ditches) or drainage gutters on curb and cuter streets. Specifications for and construction of all drain tiles, culverts in or over any drainage ditch, or driveway transitions to the public streets and the material used therefore, whether to be installed in

connection with a driveway or otherwise, must be approved by the Board. Each residence must include off-street parking space for a minimum of two (2) Passenger Vehicles. Driveways are to be constructed out of concrete or other surface specifically approved by the ARC.

3.18 Garages. Except on Lots in the Ranch Section 12A, each residence shall have, either as an integral part of or attached to the residence or as a separate detached structure, a garage capable of accommodating at least two (2) but not more than four (4) standard-size passenger automobiles. Each such garage shall be connected to the adjacent street by means of a driveway. All garages shall have a minimum width of twenty (20) feet and a minimum length of twenty-two (22) feet as measured from the inside wall of the garage. All garages must have either a single overhead door with a minimum door width of sixteen (16) feet for a two-car garage, or two (2) sixteen (16) foot doors for a four car garage, or two (2), three (3), or four (4) individual overhead doors, each a minimum of ten (10) feet in width, and a service door. All overhead doors shall be electrically operated and shall be kept closed when not in use. No Front Entry Garages (as hereinafter defined) shall, except as hereinafter provided, be constructed within the Property. The term "Front Entry Garage" shall refer to any garage the plane of the entry way to which is not rotated on an axis at the middle of such entry way at least ninety degrees (90°) from each position at which such garage would be located if it were located in such manner that the plane of the entry way is parallel to the street abutting such Lot (if the abutting street right of way is a straight line) or is parallel to each tangent on the curve of the street abutting such Lot (if the abutting street right-of-way is not a straight line). If the Lot abuts two streets, separate tests shall be applied with respect to each street. Notwithstanding anything contained herein to the contrary, it shall be permissible to construct a Front Entry Garage if the doors of such Front Entry Garage are completely obscured from view from any street abutting the Lot in question by a residence or improvement otherwise permissible under and approved in accordance with the Restrictions. In addition, the ARC, in its discretion, may approve the construction of a Front Entry Garage pursuant to the procedure for the approval of plans set forth in Section 3.2 of this Declaration.

3.19 Central Water. Each residence situated on a Lot shall be connected to the central potable water supply system constructed by the Board or by any successor entity. The Rules and Regulations shall provide general requirements for the elevation and connection to such utilities as the ARC may from time to time require.

3.20 Above Ground Swimming Pools. Moveable above ground-swimming pools are strictly prohibited within the Property, except for pools less than six feet (6') in diameter.

3.21 Trees. No live trees with a circumference larger than twenty-eight (28) inches may be removed from any Lot or destroyed without the prior written consent of the ARC. For the purpose of determining the size of the tree, the circumference will be measured one foot above the average natural level of the ground at the base of the tree, and the ARC ruling on the circumference of any tree is final and binding on all parties. No concrete, asphalt, or impervious cover of any kind shall be placed within the drip line of any tree twenty-eight (28) inches or larger in circumference without the prior written consent of the ARC. The drip line is defined as the line on the ground directly below the farthest extremities of the branches of the tree. The ARC's determination of the location of the drip line shall be final and binding on all parties. Parking areas located within the drip line of any tree twenty-eight (28) inches or larger in circumference shall be constructed of a pervious or porous cover such as porous asphalt, grass create, or other similar material, unless the use of other materials is approved in writing by the ARC prior to construction.

3.22 Boat Docks, etc. Boat docks, boat houses, piers, bulkheads and other similar structures shall be constructed from materials which are and shall be architecturally designed to be harmonious with the environment and must be lighted in accordance with applicable laws and

regulations. All boat houses and boat slips (not including personal water craft slips) must be covered and contain no more than two slips (not including slips for personal water craft), unless a greater number is approved by the ARC. The foregoing provisions of this paragraph shall not apply to any Lot or Lots on which the ARC shall permit the construction of a marina or similar facility which will be available to all Members.

3.23 Wells. No water or other wells may be drilled on any Lots.

3.24 Size of Residences and Location on Lot. No residence shall have more than the number of stories reflected for such Lot in Exhibit "C", or exceed a maximum height reflected for such Lot in Exhibit "D". No residence with an interior area of less than the applicable minimum number of square feet set forth on Exhibit "E", exclusive of the attached garages, porches, or other appurtenances or appendages, shall be erected on any Lot. No Structure or Improvements shall be located on any Lot between the building setback lines shown on the Plat pertaining to such Lot and the street right-of-ways on which such Lot fronts or which are adjacent to any side Lot line of such Lot. In addition, no Structure or Improvements shall be located nearer to a Lot line than the distance indicated for such Lot on Exhibit "F" attached hereto and incorporated by reference. The Plat sets forth certain setback lines for each Lot and no Structure or Improvements shall be erected closer to the front, side or rear Lot lines than such setback lines. For the purposes of this Section 3.24, eaves, steps, and open porches shall not be considered to be a part of the Structure or improvement; provided, however, that the foregoing shall not be construed to permit any portion of a Structure or Improvement or any such eave, step, or open porch on a Lot to encroach upon another Lot. For the purposes of the Restrictions, the front Lot line of each Lot shall coincide with and be the property line having the smallest or shortest dimension abutting any street right-of-way. Unless otherwise approved in writing by the ARC, each residence shall face the front Lot line of the Lot upon which it is constructed, and each detached garage shall be provided with a driveway access from the front of the Lot. Such access into the garage must comply with the terms stated in Section 3.18 and with all requirements established by the ARC. During original construction, the ARC, at its sole discretion, is hereby permitted to approve deviations in the location of improvements upon the Lot, subject to setback shown on the recorded Plat and previous recorded instruments.

3.25 Resubdivisions/Replatting. No splitting or combining of Lots ("resubdivision" or "replatting") of Lots in BCL shall be effective, unless the same is approved the ARC and by the appropriate governmental entity in accordance with applicable law, and duly recorded in the Official Public records of Travis or Burnet County, Texas, as applicable.

3.26 Party Walls. Party walls, as defined in Addendum 2 hereto, are permitted in The Ranch, Section 12-A and in BCL Phases Two and Four subdivisions. Special provisions pertaining to Party Walls are contained in Addendum 2 hereto, which addendum is hereby incorporated herein in its entirety.

3.27 Irrigation and Solid Waste Composting. Anything in the Restrictions to the contrary notwithstanding, the Restrictions do not restrict the: (i) installation of measures promoting solid-waste composting or vegetation, including grass clippings, leaves, or brush, or leaving grass clipping uncollected on grass; or (ii) implementing efficient irrigation systems, including underground drip or other drip systems; provided, however, prior to the installation of such devices, the Owner must obtain approval of the ARC with respect to the size, type, shielding, and materials, for or the location of any such device and any other appurtenance thereto. See Section 3.14 for the procedures associated with the review and approval of Rainwater Harvesting Systems.

3.28 Additional Restrictions. The terms, provisions, and restrictions of that certain variance applicable to the Lots 29 and 30 of Barton Creek Lakeside, Phase One as set forth in that certain Variance recorded as Document 1999013403 in the Official Records of Travis County, Texas are not affected by this Declaration and remain in full force and effect.

ARTICLE 4 **RESERVATIONS AND EASEMENTS**

4.1 Reservations of and Right to Grant Easements. The Board on behalf of the Association reserves the right to grant utility easements within the Lots, Common Area, private roads and rights-of-way shown on the Plat to utility providers or other parties designated by the Board for the construction, addition, maintenance, and operation of all utility systems (which systems shall include systems for drainage purposes) now or hereafter deemed necessary by Board for all utility purposes, including systems of electric light and power supply, drainage, telephone service, cable television service, gas supply, water supply, and wastewater services, including systems for utilization of services resulting from advances in science and technology. There is hereby created an easement upon, across, over, and under all of the Property for ingress and egress for the purpose of installing, replacing, repairing, and maintaining all utilities. By virtue of this easement, it shall be expressly permissible for the utility providers and other entities supplying services to install and maintain pipes, wires, conduits, service lines, or other utility facilities (which facilities shall include drainage facilities) or appurtenances thereto, on, above, across, and under the Property within the drainage and utility easements now or from time to time existing and from service lines situated within such easements to the point of service on or in any structure. Notwithstanding anything contained in this Section 4.1, no utilities (including drainage) or appurtenances thereto may be installed or relocated on the Property until approved by the Board. The Utility Companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the Plat, and to trim overhanging trees and shrubs located on portions of the Property abutting such easements. There is also reserved, for the use of all utility providers, an unobstructed aerial easement ten feet (10') wide from a plane fifteen feet (15') above the ground upward, located adjacent to the said easements reserved hereby, and all easements shown on the Plat for electric facilities. The Common Areas may be used for utility and drainage purposes.

4.2 Modification of Easements. The Board reserves the right to make changes in and additions to all easements for the purpose of aiding in the most efficient and economic installation of utility systems. Any such amendment shall be made in accordance with applicable state, county and municipal law.

4.3 Notice. The Association hereby expressly reserves the right to maintain, repair, sell, or lease such lines, utilities, drainage facilities, and appurtenances located within the Common Area to any municipality or other governmental agency or to any public service corporation or to any other person.

4.4 Conservation Easements. All reservations of conservation easements filed of record by applicable to any portion of the Property for the purpose of compliance with the Lower Colorado River Authority Nonpoint Source Pollution Control Ordinance are hereby ratified and the Association will have the authority to exercise such easements to the extent necessary to comply with such ordinance.

4.5 Easement of Enjoyment to the Common Areas. An easement is hereby granted to each Owner in and to the Common Area as such for each such Owner's use and enjoyment of the Common Area and for access to each such Owner's Lot, such easement being subject to the Rules and Regulations adopted from time to time by the Board and to the Board's right to control the use

and operation of the Common Areas pursuant to the Restrictions and applicable law. No Owner shall construct any improvements on any of the Common Areas without the express prior written consent of the Board.

4.6 Maintenance Easement. An easement is hereby granted to the Association to enter upon the Exterior Areas of all of the Lots for the purposes of landscaping, maintaining and repairing the Common Areas in accordance with the terms and provisions of these Restrictions.

ARTICLE 5

MANAGEMENT AND OPERATION OF THE ASSOCIATION

5.1 Management by Association. The affairs of the Property shall be administered by the Association. The Association shall have the right, power, and obligation to provide for the management, construction, maintenance, repair, replacement, administration, insuring, and operation of the Property as provided for in the Restrictions and pursuant to applicable law. The Association, acting through the Board, shall be entitled to enter into such contracts and agreements, concerning the Property as the Board deems reasonably necessary or appropriate to maintain and operate the Property as contemplated by these Restrictions, including without limitation, the right to grant utility and other easements for uses the Board shall deem appropriate and the right to enter into agreements with adjoining or nearby land owners or governmental entities on matters of maintenance, trash pick-up, repair, administration, security, traffic, operation of recreational facilities, or other matters of mutual interest.

5.2 Membership in Association. Each Owner shall be a Member of the Association and such membership shall terminate automatically when such ownership ceases. Upon the transfer of ownership of a Lot, howsoever achieved, the new Owner thereof shall, concurrently with such transfer, become a Member in the Association.

5.3 Voting Rights. The right to cast votes by Ballot and the number of votes which may be cast for election of members of the Board and on all other matters to be voted on by the Members shall be calculated as follows:

- (a) The Owner of each Lot shall have one (1) vote for each Lot so owned. In the event of the resubdivision (aka "replatting") of any Lot into a greater number of Lots, the number of votes to which such resulting Lots are entitled and the number of Assessments chargeable to such Lots shall be increased to one (1) vote and one (1) Assessment for each Lot resulting from such resubdivision. In the event of a resubdivision which consolidates two (2) or more Lots, voting rights and Assessments attributable to such resulting combined Lot shall be reduced to one (1) vote and one (1) Assessment for the Lot resulting from such combination. Nothing herein shall be construed as authorization for any resubdivision or consolidation of Lots; such actions are subject to and require the prior approval of the ARC.
- (b) In the event that ownership interests in a Lot are owned by more than one Member of the Association, such Members shall exercise their right to vote in such manner as they may among themselves determine, but in no event shall more than one vote be cast for each Lot. Such Owners shall appoint one of them as the Member who shall be entitled to exercise the vote of that Lot at any meeting of the Association. Such designation shall be made in writing to the Board and shall be revocable at any time by actual written notice to the Board. The Board shall be entitled to rely on any such designation until written notice revoking such

designation is received by the Board. In the event that a Lot is owned by more than one Member of the Association and no single Member is designated to vote on behalf of the Members having an ownership interest in such Lot, then none of such Members shall be allowed to vote. All Members of the Association may attend meetings of the Association and all voting Members may exercise their vote at such meetings either in person or by proxy. The Board may exercise the voting rights with respect to Lots owned by it.

5.4 Meetings of the Members. Annual and special meetings of the Members of the Association shall be held at such place and time and on such dates as shall be specified in the Bylaws.

5.5 Election and Meetings of the Board of Directors. The Board of Directors shall be elected and shall meet in the manner set forth in the Bylaws.

5.6 Disputes. In addition to its other powers conferred by law, the Bylaws or hereunder, the Board shall be empowered to create procedures for resolving disputes between Owners and the Board or the Association, including appointment of committees to consider and recommend resolutions of any such disputes.

5.7 Professional Management. The Board may retain, hire, employ, or contract with such professional management as the Board deems appropriate to perform the day to day functions of the Association and to provide for the construction, maintenance, repair, landscaping, Insuring, administration, and operation of the Property as provided for herein and as provided for in the Bylaws.

5.8 Board Actions in Good Faith. Any action, inaction, or omission by the Board made or taken in good faith shall not subject the Board or any individual member of the Board to any liability to the Association, its Members, or any other person.

5.9 Ratification of Assignment of Declarant's Rights. In the then applicable Declarations of Covenants, Conditions and Restrictions ("CCRs") covering various subdivisions within Barton Creek Lakeside the Declarant had retained unto itself certain rights under and with respect to such CCRs. Pursuant to assignments recorded in the Official Public Records of both Travis and Burnet Counties, Texas, Declarant assigned to the Association all of Declarant's rights under such CCRs. Those assignments are hereby ratified and the powers vested in the Association, and the delegation of some of those powers to the Board is hereby ratified and affirmed, provided, however, neither the Association nor the Board shall have the unilateral right to amend these Restrictions as the Declarant had in the covenants, conditions and restrictions these Restrictions supplant.

5.10 Administration of Common Area. The Board shall have the exclusive right to control the use, maintenance, and operation of the Common Area. Such right includes, without limitation, the following:

- (a) The right to charge reasonable admission, rental, and other fees for the use of any facility comprising a portion of the Common Area.
- (b) The right to permit non-Owners to use the Common Area on terms acceptable to the Board.
- (c) Subject to the limitations set forth in this Section 5.10(g) below, the right to borrow money for the purpose of maintaining, operating, constructing, or installing improvements and/or landscaping and sprinkler systems in the Common

Areas of all of the Lots and, in connection with any such borrowing, to grant a lien against the Common Areas to secure the Association's obligation to repay such money.

- (d) The right to restrict the rights of an Owner who violates any of the provisions of these Restrictions to use the Common Area in accordance with the provisions of this Section 5.10.
- (e) Subject to the limitations set forth in Section 5.10(g) below, the right to dedicate or transfer all or any part of the Common Area that have been conveyed to the Association to any public agency, authority, or utility, and to sell, lease, or pledge those Common Area to any third party, if the Board deems such action to be in the best interests of the Association; provided, such dedication, transfer, sale, lease or pledge does not prevent the Owners from using the Common Area.
- (f) The right to contract for and cause to be built and maintained in the Common Area swimming pools, tennis courts, boat docks, a golf course, and such other recreational facilities as the Board may, in its discretion, deem to be in the best interests of the Association.
- (g) Any lien or other security interest encumbering the Common Areas to secure Indebtedness as provided under Section 5.10(c) and any dedication or transfer, sale, lease or pledge of any of the Common Area as provided under Section 5.10(e) shall be made subject to the covenants, conditions, restrictions and easements set forth in, or granted pursuant to, this Instrument, or set forth of record at the time this Instrument is recorded, including, without limitation, the easement granted to each Owner in and to the Common Area for each such Owner's use and enjoyment thereof as such and the easement granted under Section 4.5; and no foreclosure sale or deed in lieu thereof, nor any dedication, transfer, sale, lease or pleading, covering or affecting all or any of the Common Areas shall operate to cut off, affect, diminish or impair (i) the right of the Owners hereunder (or by separate Instrument granted pursuant to any authority therefor set forth in this instrument) to use any enjoy the Common Areas as such, or (ii) the easement granted under Section 5.10(a). The Board's rights to control the operation of the Common Areas as set forth in the Restrictions are not a warranty or representation that any of such rights are contemplated or will be exercised by the Board. Furthermore, Board shall have no responsibility whatsoever to construct any improvements in the Common Area.

5.11 Sub-association. With the intent to preserve, authorize and if necessary reauthorize, the rights, privileges, powers and responsibilities of the Cottage Owners Sub-Association, Inc. established by that certain Restatement of First Supplement To the Hidden Hills On Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Ranch, Sections Three Through Eleven [Cottage Property Deed Restrictions] [Encumbering A Portion of The Ranch Section 12], Addendum 1 is hereby incorporated into this Declaration in its entirety. The provisions of the preceding sentence are hereby made retroactive to the effective date of the First Consolidated Declaration. .

5.12 Indemnification. To the fullest extent permitted by applicable law, but without duplication of (and subject to) any rights or benefits arising under the Articles 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 attorney's fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court that such person: (i) acted in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. The termination of any action, suit, or proceeding by settlement, or upon a plea of Nolo Contender or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner 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 such conduct was unlawful. The Board may purchase and maintain insurance on behalf of any person who is or was 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 any such capacity, or arising out of the status of such person as such, whether or not the Association would have the power to indemnify such person against such liability hereunder or otherwise.

ARTICLE 6

MAINTENANCE EXPENSE CHARGE AND MAINTENANCE FUND

6.1 Payment of Annual Maintenance Charge. Each Lot shall be subject to an Annual Maintenance Charge of \$700.00 per year. The amount of the Annual Maintenance Charge for each Lot may be increased or decreased by the Board from time to time, but not more often than once per year. However, if any such change increases the Annual Maintenance Charge by more than twenty percent (20%) of the amount of the Annual Maintenance Charge in the preceding calendar year, the change must be approved by a vote of at least a majority of the votes of Members, by vote taken not less than ten (10) days prior to the first day of January of the year in which such increase is scheduled to become effective.

6.2 Payment of Annual Maintenance Charge by The Association. Notwithstanding anything to the contrary herein, all Lots while owned by the Association shall be exempt from the payment of an Annual Maintenance Charge.

6.3 Maintenance Fund. The Annual Maintenance Charges collected by the Association shall be paid into the Maintenance Fund and shall be held, managed, invested, and expended by the Board, at its discretion, for the benefit of the Property and the Owners of Lots therein. The Board shall, by the way of illustration and not by way of limitation, expend the Maintenance Fund for the administration, management, and operation of the Property and for the landscaping maintenance, insuring, repair, and operation of, and the construction of improvements on, the Common Area; for the enforcement of these Restrictions by action at law or in equity, or otherwise, and the payment of court costs as well as reasonable and necessary legal fees; and for all other purposes that are, in the discretion of the Board, desirable in order to maintain the character and value of the Property and the Lots therein. The Board and its individual Members shall not be liable to any person as a result of actions taken by the Board with respect to the Maintenance Fund, except for willful misdeeds.

6.4 Special Assessments. The Association may levy and collect Special Assessments to pay in whole or in part the cost of any major replacement, repair or maintenance of a capital improvement on Common Area without the approval or concurrence of the Members to the extent

that the Board determines that the projected funds in the Maintenance Fund after the payment of the costs of such major replacement, repair or maintenance would be insufficient to prudently provide for the continued fulfillment of the Associations obligations hereunder. A "major replacement, repair or maintenance of a capital improvement" means any replacement, repair or maintenance of an existing capital improvement the cost of which would exceed \$300.00 per Lot. The Association may levy or collect a Special Assessment for the acquisition of a new capital improvement provided the Special Assessment is approved by a vote of at least sixty percent (60%) of the votes of Members.

6.5 Enforcement of Assessments.

- (a) The Annual Maintenance Charge assessed against each Owner shall be due and payable on the second (2nd) day of each January thereafter. Any such amount not paid and received by the thirty first (31st) day of each January thereafter shall be deemed delinquent, and, without notice, shall bear interest at the lower of (i) one and one half percent (1.5%) per month, or (ii) the highest contract rate per annum allowed by law from the date originally due until paid.
- (b) To secure payment of the Annual Maintenance Charge, Special Assessments and Compliance Assessments (see Section 2.24) levied hereunder, and any other sums due hereunder (including without limitation interest, late fees, fines or delinquency charges), a continuing assessment lien shall be and hereby is reserved in and to each Lot and is hereby assigned and transferred to the Association, which lien shall be enforceable as hereinafter set forth by the Association or the Board on behalf of the Association.
- (c) Each Owner, by acceptance of a deed to a Lot on which a lien has been imposed, hereby expressly recognizes the existence of such lien as being prior to his ownership of such Lot and hereby vests in the Association the right and power to bring all actions against such Owner or Owners personally for the collection of all sums assessed in the manner provided in this Article 6 or this Declaration. The payment of all sums assessed in the manner provided in this Article 6 is, together with late charges and interest as provided in this Declaration and all costs of collection, including attorney's fees as herein provided, secured by the continuing Assessment lien granted and reserved to the Association, and will bind each Owner's Lot(s), and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien will be superior to all other liens and charges against such Lot, except only for: (i) tax liens; (ii) all sums secured by a first mortgage lien or first deed of trust lien of record, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot in question and (iii) home equity loans or home equity lines of credit which are secured by a second mortgage lien or second deed of trust lien of record; provided that, in the case of subparagraphs (ii) and (iii) above, such Mortgage was recorded before the delinquent Assessment was due. The Association will have the power to subordinate the aforesaid Assessment lien to any other lien. Such power will be entirely discretionary with the Board, and such subordination may be signed by an 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 or Owners of the Lot covered by such lien and a description of the Lot. Such notice may be signed by one of the officers of the Association and will be recorded. Each Owner, by accepting a deed or

ownership interest to a Lot subject to this Declaration, will be deemed conclusively to have granted a power of sale to the Association to secure and enforce the Assessment lien granted or reserved hereunder. The Assessment liens and rights to foreclosure thereof will be in addition to and not in substitution of any other rights and remedies the Association may have by law and under this Declaration, including the rights of the Association to institute suit against such Owner or Owners personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien. In any foreclosure proceeding, such Owner or Owners will be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association will 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 will report to said Mortgagee any unpaid Assessments remaining unpaid for longer than sixty (60) days after the same are due. The lien hereunder will not be affected by the sale or transfer of any Lot; 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 will be extinguished, provided that past-due Assessments will 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 will 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 6.5, the Association will upon the request of the Owner execute a release of lien relating to any lien for which written notice has been filed as provided above, except in circumstances in which the Association has already foreclosed such lien. Such release will be signed by an officer of the Association. Except as otherwise provided by applicable law, the sale or transfer of a Lot will not relieve the Owner of such Lot 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 and on the date of such conveyance Assessments against the Lot remain unpaid, or said Owner owes other sums or fees under this Declaration to the Association, the Owner will pay such amounts to the Association out of the sales price of the Lot, and such sums will be paid in preference to any other charges against the Lot other than liens superior to the Assessment lien and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot which are due and unpaid. The Owner conveying such Lot will remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the expenses associated with updating the Association's records upon the transfer of a Lot to a third party.

It is the Intent of the provisions of this Section 6.5 to comply with the provisions of Article 3810, Texas Revised Civil Statutes, relating to non-judicial sales by power of sale and, in the event of the amendment of said Article 3810 hereafter, which amendment is applicable hereto, the President of the Association, acting without joinder of any other Member or Owner or Mortgagee or other person may, by amendment to these Restrictions filed in the Official Public Records of Travis County or Burnet, Texas, as applicable, amend the provisions hereof so as to comply with said amendments to Article 3810.

6.6 Equality of Assessments and Charges. Any Assessments or charges under this Article 6, whether annual or special, payable by each Lot shall be determined by dividing the total Assessment or charge fixed by the Association by the total number of Lots in the Property (excluding Common Area). Notwithstanding any provision hereof to the contrary, any Fine (as defined in Section 6.8 below) or amount assessed pursuant to Section 6.8, which is specifically attributable to fewer than all of the Owners and/or attributable to a specific Owner, shall be borne, pro-rata if applicable, by the Owners(s) to whom the Fine or amount is specifically attributable.

6.7 Maintenance of Non-Source Point Pollution "Controls and Transfer of Maintenance Obligations Upon Dissolution." The owner of the facility shall assume the obligation to maintain the non-point source pollution controls required under the Lake Travis Non-Point Source Pollution Control Ordinance (the "LCRA Ordinance") to operate the Wastewater Treatment Plant located in Section Thirteen. The Association shall maintain the non-point source pollution controls in accordance with best management practices required by the LCRA Ordinance. Upon dissolution of the Association, the maintenance obligations shall be transferred to an appropriate non-profit entity. The Association shall not be dissolved until such time as an entity, acceptable to the Lower Colorado River Authority, accepts the maintenance obligations.

6.8 Fines. The Board of the Association shall have the right at any time and from time to time to establish, impose or collect fines ("Fines"), which Fines may be imposed on a daily basis. The Fines may be imposed in the discretion of the Board against Owners who or which are in violation of any provision of these Restrictions or the Rules and Regulations; provided, prior to imposing Fines, the Board shall provide the Owner(s) with notice of the violation and a reasonable opportunity to cure the same. Notice of Fines imposed upon an Owner shall be provided by written notice to the Owner at her, his or its last known address on the books and records of the Association. All Fines shall be also secured by a lien reserved for Assessments and may be collected in the same manner as Assessment to the extent permitted by applicable law.

6.9 Fines Are Owner's Obligations. The amount of any Fine or assessment with respect to any Lot shall be the personal obligation of the Owner of such Lot. Notwithstanding anything to the contrary, suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the Owner's obligation hereunder. No Owner may avoid or diminish such personal obligation by the abandonment of such Owner's Lot or any building or improvements thereon.

ARTICLE 7 **INSURANCE**

The Association will not be required to maintain insurance on the Structure or improvements constructed upon any Lot. The Association may, however, obtain such 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 will be a common expense to be included in the Assessments levied by the Association. The acquisition of insurance by the Association will be without prejudice to the right and obligation of any Owner to obtain additional individual insurance.

ARTICLE 8 **FIRE AND CASUALTY: REBUILDING**

8.1 Rebuilding. In the event of a fire or other casualty causing damage or destruction to a Lot or the Structure or improvements located thereon, the Owner thereof shall within three (3) months after such fire or casualty contract to repair or reconstruct the damaged portion of such

Structure or improvements and shall cause such Structure or improvements to be fully repaired or reconstructed in accordance with the original Plans therefor, or in accordance with new Plans presented to and approved by the ARC, and shall promptly commence repairing or reconstructing such Structure or Improvements, to the end that the Structure or improvements shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Alternatively, such damaged or destroyed Structure or improvements shall be razed and the Lot restored as nearly as possible to its prior condition.

8.2 Payment of Insurance Proceeds. All insurance proceeds and other funds received by the Association from policies acquired pursuant to these Restrictions as a result of fire or other casualty loss causing damage or destruction to Common Area shall be applied toward the cost of repair, restoration, or rebuilding of the damaged Common Area. Any funds remaining after the repair, restoration, or rebuilding of such damaged Common Area shall be retained by the Board as part of the Maintenance Fund.

8.3 Indemnity of Association. Each Owner shall be responsible for any costs incurred as a result of such Owner's negligence or misuse or the negligence or misuse of: (i) his family, tenants, guests, invitees, agents, or employees; or (ii) any other resident or occupant of his Lot, and shall indemnify the Association and all other Owners against any such costs.

ARTICLE 9

ANNEXATION OF ADDITIONAL LAND

9.1 Addition by Board. Situations may arise in the future in which it would be advantageous to expand the Property (but the Board does not hereby obligate itself to expand the Property) by adding, from time to time, Additional Land. These Restrictions, subject to any special covenants, conditions or restrictions which may be imposed on the Additional Land as approved by the Board shall become effective with respect to any such annexed Additional Land on the date on which there is filed for record in the Official Public Records of the county or counties in which the same are located, a Supplemental Declaration to that effect signed and acknowledged by the Board and the Owner of the Additional Land. Such Supplemental Declaration shall describe the Additional Land and list the Lots that then constitute the Property, shall refer to these Restrictions, and shall declare that the Restrictions shall apply to and affect such Additional Land that Board intends to add to the Property. The Supplemental Declaration shall specify the number of Lots that are being annexed to the Property. Upon the filing of the Supplemental Declaration, each Lot comprising the Additional Land shall be included within the definition of Lots as set forth in Article 1 hereof. The Board may cause to be recorded as many separate Supplemental Declarations as may be desired from time to time and at any time, to effect the annexation of Additional Land.

9.2 Encompassing Nature of the Restrictions. Upon the filing of a Supplemental Declaration in compliance with the provisions of Section 9.1 annexing Additional Land, the Restrictions shall further apply to and affect all of the property described in these Restrictions and the property described in any such Supplemental Declaration and shall also bind all Owners of any part of such property with the same effect as if the property described in the Supplemental Declaration were originally: (i) subject to and described in these Restrictions and (ii) included within the definition of Property hereunder.

9.3 Board's Power-of-Attorney. Each Owner hereby appoints the Board as its attorney-in-fact for the purpose of effecting the provisions of this Article 9, and the power hereby granted to the Board shall be, and is, a power coupled with an interest and is irrevocable.

9.4 **Additional Land Not Subject to Restrictions Until Annexation.** These Restrictions, including but not limited to this Article 9, do not presently create any interest in or with respect to the Additional Land, and these Restrictions shall not affect in any manner all or any part of such Additional Land unless and until a Supplemental Declaration is filed with respect thereto or to a portion thereof in accordance with this Article 9.

ARTICLE 10
AMENDMENT TO DECLARATION AND SUBDIVISION AND
DURATION OF RESTRICTIONS

10.1 **Amendment by Board.** Notwithstanding anything to the contrary contained in these Restrictions, the Board shall have the right at any time, with the consent of a majority of the Members as evidenced by a duly called vote of the Members, to amend these Restrictions by an instrument in writing duly signed, acknowledged by the Board and filed for record in the Official Public Records of Travis County and Burnet County, Texas. The Bylaws of the Association may be amended as therein set forth.

10.2 **Amendment.** These Restrictions may be amended by an instrument in writing signed by Members having not less than two-thirds (2/3rds) of the total votes in the Association that may be cast thereupon, but no such amendment shall be effective until a written notice thereof is duly recorded in the Official Public Records of each county in which the Property or portion thereof affected is located. The Bylaws of the Association may be amended as set forth in the Bylaws.

10.3 **Duration.** These Restrictions shall remain in full force and effect until January 1, 2026, and shall be extended automatically for successive ten (10) year periods; provided, however, that these Restrictions may be terminated on January 1, 2026, or on the commencement of any successive ten (10) year period; by filing for record in the Official Public Records of each county, in which the Property or portion thereof affected is located, an instrument in writing signed by Members having not less than two-thirds (2/3rds) of the total votes in the Association that may be cast thereupon.

ARTICLE 11
MISCELLANEOUS

11.1 **Severability.** In the event of the invalidity or partial invalidity or partial unenforceability of any provision or a portion of these Restrictions, the remainder of these Restrictions shall remain in full force and effect. Notwithstanding the foregoing, in the event some or all of these Restrictions are declared to be invalid or partially unenforceable to an extent that the Board determines that reverting to the covenants, conditions and restrictions which these Restrictions restated and replaced ("Prior CCRs") is preferable to continuing with these Restrictions as judicially modified, then the Board may declare these Restrictions nullified, in which event: (i) the Prior CCRs shall be reinstated; and (ii) any actions taken by the Board or the ARC in reliance on these Restrictions shall, if necessary to sustain their legitimacy, be automatically ratified by the Members and deemed to have been validly adopted by the Prior CCRs.

11.2 **Rules and Regulations.** The Rules and Regulations may be amended from time to time by the Board. The Rules and Regulations are of equal dignity with, and shall be enforceable in the same manner as, the provisions of these Restrictions, but in the event of a conflict, these Restrictions shall control. Each owner, by accepting conveyance of a Lot, agrees to comply with and abide by the Rules and Regulations, as the same may be amended from time to time.

11.3 Exhibits. The exhibits attached hereto are hereby incorporated by reference into these Restrictions for all purposes as if set out verbatim herein.

11.4 Number and Gender. Pronouns, whenever used herein, and of whatever gender, shall include natural persons and corporations, entities, and associations of every kind or character, and the singular shall include the plural, and vice versa, whenever and as often as may be appropriate.

11.5 Articles, Sections and Interpretation. Article and section headings in these Restrictions are for convenience of reference and shall not affect the construction or interpretation of these Restrictions. Unless the context otherwise requires, references herein to Articles and Sections are to Articles and Sections of these Restrictions. The inclusion of phrases like "unless approved by the Board," "without the prior approval of the Board," "without the prior written approval of the ARC," etc. shall be interpreted as adding emphasis, and shall not be interpreted to mean that the Board or ARC does not have the right to grant variances, approvals, exceptions, waivers and the like with respect to Sections hereof in which such language does not appear. The terms, provisions, and standards set forth in this Declaration shall be determined by the Board.

11.6 Delay in or Failure of Enforcement. No delay in enforcing the provisions of these Restrictions with respect to any breach or violation thereof shall impair, damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time or times. No provision in these Restrictions, articles of the Association, Bylaws or the Rules and Regulations is abrogated or waived by reason of any failure to enforce same, irrespective of the number of violations or breaches that may occur.

11.7 Limitation of Liability. Without limiting or modifying any other disclaimer, standard or limitation of liability set forth in these Restrictions, the Board, as well as its partners, agents, employees, officers, directors, partners, and their respective officers, directors, agents, and employees, shall not be liable to any Owner or lessee of the Property or any portion thereof or to any other party for any loss, claim, or demand in connection with a breach of any provision of these Restrictions by any party other than Board.

11.8 Enforceability. The covenants, conditions and restrictions adopted and established for the Property by these Restrictions are imposed upon and made applicable to the Property and shall run with the Property and shall be binding upon and inure to the benefit of and be enforceable by the Board, the Association, each Owner, purchaser, grantee, owner, and lessee in the Property, or any portion thereof, and the respective heirs, legal representatives, successors, and assigns of the Property, the Association and each such purchaser, grantee, Owner, and lessee.

11.9 Remedies. In the event any one or more persons, firms, corporations, or other entities shall violate or attempt to violate any of the provisions of these Restrictions, the Board, the Association, each Owner, purchaser, grantee, owner, or lessee of the Property, or any portion thereof, may institute and prosecute any proceeding at law or in equity (i) to abate, prevent, or enjoin any such violation or attempted violation or (ii) to recover monetary damages caused by such violation or attempted violation.

[signature page follows]

EXECUTED to be effective on the date this instrument is recorded which was ^{JANUARY} ~~December~~ 28, 2014 *John*

THE COTTAGE OWNERS SUB-ASSOCIATION, INC. (THE RANCH, SECTION 12-A HOA):

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF THE COTTAGE OWNERS SUB-ASSOCIATION, INC. TO ATTEST TO THE FACT THAT THIS AMENDMENT WAS APPROVED BY A VOTE OF MORE THAN 67 PERCENT OF THE TOTAL VOTES ALLOCATED TO PROPERTY OWNERS IN THE RANCH HOMEOWNERS ASSOCIATION, INC.

By: *Robert Driver*
Robert Driver
President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this ^{28th} ~~day of December, 2013~~ ^{JANUARY, 2014} by Robert Driver, President of The Cottage Owners Sub-Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

By: *Art Adams*
Print Name, Secretary of The Cottage Owners
Sub-Association, Inc. - *ARTHUR W ADAMS*

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this ^{28th} ~~day of December, 2013~~ ^{JANUARY, 2014} by, Secretary of The Cottage Owners Sub-Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

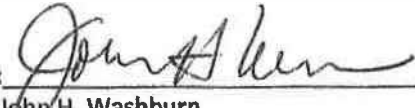
(SEAL)



Jay Arch Ballou
Notary Public Signature

BARTON CREEK LAKESIDE P.O.A., INC.:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF BARTON CREEK LAKESIDE P.O.A., INC. TO AFFIRM ITS ACCEPTANCE OF THE RIGHTS, DUTIES, PRIVILEGES AND RESPONSIBILITIES ASSIGNED AND DELEGATED TO IT BY THESE RESTRICTIONS.

By: 
John H. Washburn
President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 28th JANUARY, 2014 day of ~~December~~, 2013 by John H. Washburn, President of Barton Creek Lakeside P.O.A., Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.




Notary Public Signature

By: 
Sandra L. Williams
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 28th JANUARY, 2014 day of ~~December~~, 2013 by Sandra L. Williams Secretary of the Barton Creek Lakeside P.O.A., Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.




Notary Public Signature

EXHIBIT "A"

PRIOR RESTRICTIONS

The Ranch Section One: Restated and Amended Declaration of Covenants, Conditions and Restrictions recorded in Vol. 8457, Pg. 620 of the Real Property Records of Travis County, Texas; and Vol. 321, Pg. 680 of the Real Property Records of Burnet County;

The Ranch Section Two: Supplemental Declaration Subjecting Additional Property to Declaration and Additional Covenants, Conditions and Restrictions for Additional Property, recorded in Vol. 8467, Pg. 65, of the Real Property Records of Travis County, Texas; and Vol. 322, Pg. 21 of the Real Property Records of Burnet County, Texas;

The Ranch Sections Three through Twelve A and Thirteen, except, however, The Ranch Section 4-A, and Barton Creek Phases One through Five and Seven and all sections, if any, thereof: Hidden Hills on Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Ranch, Sections Three through Eleven, recorded at Vol. 10755, Pg. 240 of the Real Property Records of Travis County, Texas and in Vol. 435, Pg. 830 of the Real Property Records of Burnet County, Texas, and supplements thereto filed at Vol. 11150, Pg. 1108 and Vol. 11267 Pg. 0624 of the Real Property Records of, and OPR #2005189845 of Travis County, Texas;

Phases One through Five and all sections, if any, of each: Barton Creek Lakeside Phase One Supplemental Declaration Subjecting Additional Property to Declaration and Additional Covenants, Conditions and Restrictions for Additional Property, recorded in Vol. 12261, Pg. 917, of the Real Property Records of Travis County, Texas, and recorded in Vol. 618, Pg. 865 of the Deed Records of Burnet County, Texas;

Barton Creek Lakeside Phases Two and Four: Barton Creek Lakeside Declaration of Covenants, Conditions and Restrictions for the Hilltop Property dated April 18, 1997, recorded in Vol. 12928, Pg. 1143, of the Real Property Records of Travis County, Texas, and in Vol. 745, Pg. 294 of the Official Public Records of Burnet County, Texas;

Barton Creek Lakeside Phase Three: Ratification and Adoption of Declarations of Covenants, Conditions and Restrictions for Barton Creek Lakeside Phase Three Sections 1 through 6 recorded at Vol. 0782, Pg. 0076; Vol. 0830, Pg. 0313; Vol. 0830, Pg. 0313; Vol. 0881, Pg. 0170; Vol. 0912, Pg. 0462; and Vol. 0943, Pg. 0093 of the Official Public Records of Burnet County, Texas; and

Barton Creek Lakeside Phase Five: Ratification and Adoption of Declarations of Covenants, Conditions and Restrictions Barton Creek Lakeside Phases Five Sections 1 - 3 recorded at Vol. 0806, Pg. 0134; Vol. 0811, Pg. 0960; and Vol. 0843, Pg. 0782 Official Public Records of Burnet County, Texas; and Vol. 13380, Pg. 4088; of the Real Property Records of Travis, County, Texas. (With respect to BCL Phase Five Section 3 see also the plat for that section listed above).

EXHIBIT "B"

PROPERTY

[Note to Lot owner/voters: Any subdivisions which do not approve the adoption of the Consolidated CCRS may be stricken from the list in this exhibit.]

The Property subject to the Restrictions is each residential lot depicted in each of the following Plats:

<u>The Ranch Sections One</u>	Travis County Plat Records Vol. 82, Pg. 228; and
<u>The Ranch Section Two</u>	Travis County Plat Records Vol. 84, Pg. 41D through 42A, and Burnet Plat Records Cab. 1, Slides 186 A through 186 C
<u>The Ranch Sections Three through Eleven</u>	Travis County Plat Records Vol. 84, Pg. 111A and Vol. 87, Pg. 1A, and Burnet County Plat Records Cab. 2, Slides 17 B, C, D – 21 A - C;
<u>The Ranch Section 12-A</u>	Travis County Plat Records Vol. 89, Pg. 23;
<u>The Ranch Section Thirteen</u>	Travis County OPR #199900322;
<u>Barton Creek Lakeside Phase One</u>	Travis County Records Plat Records Vol. 93, Pg. 312, Vol. 100, Pg. 387; Travis County OPR #20000369, 401868 and Burnet County Plat Records Cab. 2, Slides 53A, 80A, 87A, 112B and 167A and Cab 4, Slide 34A, OPR #430199, #199606400, #19970638, #199800478 and #200001741;
<u>Barton Creek Lakeside Phase Two</u>	Burnet County Records Cab. 2, Slide 94 A, B, C and 189A; and Travis County Records Plat Records Vol. 99, Pg. 254 and OPR #402031, #431820;
<u>Barton Creek Lakeside Phase Three</u>	Burnet County Records Cab. 2, Slides 112-C, 124-D, 130C, 147A, 147B, 172A, 188D and #199807087;
<u>Barton Creek Lakeside Phase Four</u>	Burnet County Records Cab. 2, Slides 119C-119D and OPR #199806198;
<u>Barton Creek Lakeside Phase Five</u>	Burnet County Records Cab. 2, Slides 120A & B, 124D-125A and 134C-D; and
<u>Barton Creek Lakeside Phase Seven</u>	Travis County OPR #200200026.

EXHIBIT "C"
Stories

Residential Structures on any Lot within the Section or Phase listed below shall have not more floors than the number of floors indicated for such Section of Phase or Lots therein. The ARC shall have the right to impose additional requirement with respect to stories and grant variances to these requirements when it determines a variance is warranted.	
The Ranch Section One:	No maximum
The Ranch Section Two:	
General	No maximum
Additional Property	One and Two stories are permitted
The Ranch Section Three through Eleven:	Two and one-half (2-1/2) stories
BCL Phase One:	Two (2) stories
BCL Phase Two: (Hilltop Property)	Same as Section 3 - 11
BCL Phase Three:	Two (2) stories
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	Same as Section 3-11
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "D"
Height Restrictions

No Structure on any Lot within the Section or Phase listed below shall be of a height which exceeds height indicated for such Section or Phase or Lots therein. The height of each residence shall be measured from the average elevation of the finished ground grade; front to rear of the residence, to the highest point of the structure, excluding chimneys, ventilators and antennae, as more particularly shown on <u>Exhibit "D-1"</u> attached hereto and incorporated herein by reference. Chimneys, ventilators and antennae shall be no higher than six (6) feet above the residence on which they are located. The ARC shall have the right to impose additional setback requirement with respect to height of Structures and grant variances to these requirements when it determines a variance is warranted.	
The Ranch Section One:	As determined by the ARC to preserve lines of sight and views enjoyed by neighboring Lots.
The Ranch Section Two:	As determined by the ARC to preserve lines of sight and views enjoyed by neighboring Lots.
The Ranch Section Three through Eleven:	Thirty Five Feet (35')
BCL Phase One:	
All Lots except the following:	Thirty Feet (30'),
Lots 3, 4, 5, 6 and 7	The lower of Thirty Feet (30') or 910 feet above sea level
Lots 8 and 10	The lower of Thirty Feet (30') or 915 feet above sea level
Lots 26, 27, 28 and 29	Twenty-Five Feet (25')
BCL Phase Two: (Hilltop Property)	Thirty Five Feet (35')
BCL Phase Three:	
Section 1	Twenty Five Feet (25')
Section 2, except Lot 9	Twenty Five Feet (25')
Section 2, Lot 9	Thirty Five Feet (35')
Sec. 3 Lots 6, 7, 8, 10, 11 & 12	Twenty Five Feet (25')
Sec. 3 Lots 1 – 5 and Lot 9	Thirty Five Feet (35')
Section 4	Thirty Five Feet (35')
Section 5	Thirty Five Feet (35')
Sec. 6 Lots 1 & 4	Thirty Feet (30')
Sec. 6 Lots 2 & 5	Twenty Five Feet (25')
Sec. 6 Lot 3	Twenty Three Feet (23')
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	
General	Same as Section 3-11
Section Two, Lot One	Twenty Five feet (25')
Section Two Lots 9-14	See Plat
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "D-1"

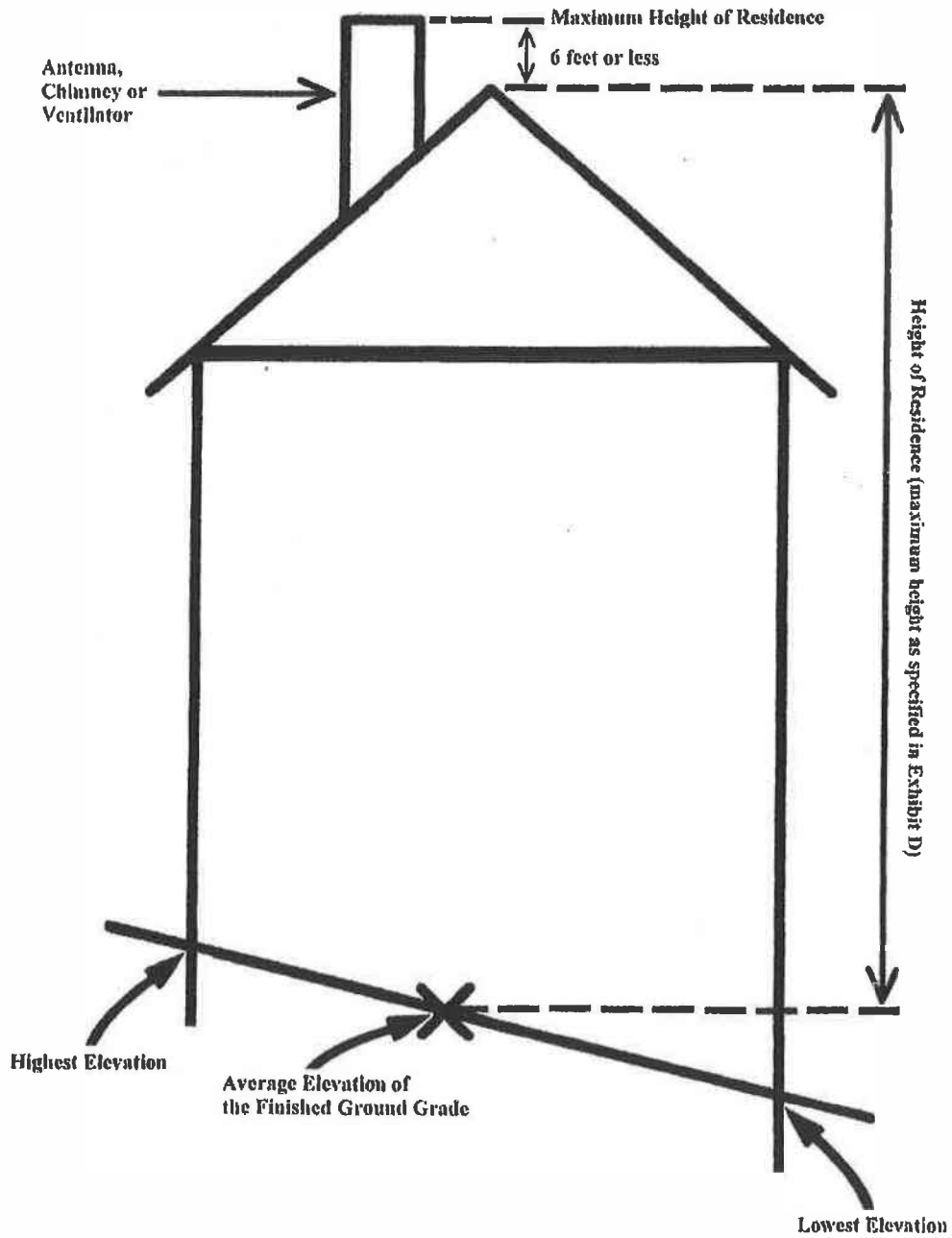


EXHIBIT "E"
Minimum Floor Area

All single family residential structures constructed on any Lot within the Section or Phase listed below shall have a floor area of not less than the number of square feet indicated for such Section of Phase or Lots therein. Such floor area shall be exclusive of porches (open and closed), patios, garages, carports, balconies, and decks. The ARC shall have the right to impose additional floor area requirement and grant variances to these requirements when it determines a variance is warranted.	
The Ranch Section One:	3000 square feet
The Ranch Section Two:	
General	3000 square feet
Additional Property	1,700 square feet
The Ranch Section Three through Eleven:	
One (1) story	2,200 square feet
One and one-half (1-1/2) story	2,400 square feet
Two (2), and two and one-half (2-1/2) story	At least 1,500 square on the first floor
BCL Phase One:	2,600 square feet
BCL Phase Two: (Hilltop Property)	
Villas	2200 square feet
Custom Homes	2200 square feet
Cottages	1800 square feet
BCL Phase Three:	Same as Section 3-11
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	Same as Section 3-11
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "F"

Set Backs

No part of the Structure located on any Property within the Section or Phase listed below shall be constructed within the Indicated number of feet of the listed line for such Section or Phase or Lots therein. Notwithstanding the setbacks listed below, the location of all Structures shall comply with the minimum setbacks shown on the Plat for such Property. The ARC shall have the right to impose additional setback requirement and grant variances to these requirements when it determines a variance is warranted.

In all event all county and plat setback requirements, if any, will be observed. In addition to the extent the following setback requirements call for a greater setback than the county or plat requirements, the following setbacks will be observed:

All Golf Course Lots	
Rear Setback:	Forty Feet (40') unless a different rear set-back is specified below.
The Ranch Section One:	
Rear Setback:	Twenty feet (20') or the Bluff Line, whichever is farther from the lot line
Front Setback:	Twenty-Five Feet (25')
Side Setback:	Seven and One Half Feet (7.5')
The Ranch Section Two:	
	Except as set forth below, the set-backs prescribed for The Ranch Section One shall apply to the Lots in this section.
	The "left side Lot line" shall be the side Lot line of the Lot that will be to a person's left if that person is facing the Lot and standing at the middle of the street Lot line for that Lot, and the "right side Lot line" of that Lot shall be the other side Lot line of that Lot.
Garden Property	"Garden Property" consists of Lots Fifteen (15) through Forty (40) of The Ranch Section Two. All plat and county set back requirements, if any, shall be observed.
Rear Setback:	Twenty Feet (20')
Front Setback:	No closer than Twenty Five Feet (25') from the street.
Lots 19 through 25	Seven and One Half Feet (7.5') from right side Lot line
Lots 15 through 18 and Lots 26 through 40	Seven and One Half Feet (7.5') from left side Lot line
The Ranch Section Three through Eleven:	
General	
Rear Setback:	As Indicated on the Plat
Front Setback:	As Indicated on the Plat
Interior/ Side Setback:	Ten Feet (10').
BCL Phase One:	
General	For Lots not listed in the table below

Rear Setback:	Twenty-Five Feet (25')
Front Setback:	Twenty-Five Feet (25')
Interior/ Side Setback:	Ten Feet (10')
From any major thoroughfare or collector street	Twenty-Five Feet (25')
From Waterfall Hill Parkway	Fifteen (15')

(all setbacks are in feet)

<u>LOT NO.*</u>	<u>LEFTSIDE**</u>	<u>RIGHTSIDE**</u>	<u>BACK</u>
3	15	15	25
4	15	15	25
5	15	15	40
6	20	10	40
7	15	20	40
8	10	15	40
9	16	15	40
10	10	15	40
11	10	10	40
12	10	10	40
13	25	20	15
14	10	10	40
15	10	10	40
16	10	10	25
17	10	10	25
18	10	10	25
19	10	10	25
20 ¹	25	10	10
21	25	25	10
24 ²	15	16	15
25	10	10	25
26	10	10	25
27	10	10	25
28	20	10	60
29	50	25	30
39	15	15	15
40	15	15	15
41	10	10	15
42	10	10	15

* All Lot references are to Lots in Phase One.

**The left side and right side refer to the respective sides of the Lot viewed when standing in the front of the Lot (the street side) and facing the Lot. Except as expressly provided herein, where a Lot has more than one side that abuts a street, the side of the Lot with the greatest street frontage is the front of the Lot.

1. In addition, no building structure, tennis court, or swimming pool shall be located nearer than twenty-five (25) feet from Cloudland Court without the express prior written approval of ARC.

2. In addition, no building structure, tennis court, or swimming pool shall be located nearer than fifteen (15) feet from Waterfall Hill Parkway without the express prior written approval of ARC.	
BCL Phase Two: Hilltop Property	
General:	
Rear Setback:	Twenty Five Feet (25')
Front Setback:	Twenty Five Feet (25')
Side Setback:	Ten Feet (10')
Villas, Custom Villas, and Cottages	Same as General and no building structure, tennis court or swimming pool shall be located nearer than twenty five feet (25') from any major thoroughfare or collector street.
BCL Phase Three:	Same as The Ranch Section 3 – 11
BCL Phase Four:	Same as Phase BCL Two
BCL Phase Five:	
General	Same as The Ranch Section 3 – 11
Section One, Lots 1-4	
Rear Setback:	One hundred seventy five foot (175') on the northwest sides of the Lots as depicted on the Setback Line Sketch prepared by James E. Garon and attached as Exhibit A to a document filed in Volume 855, Page 0147 of the Official Public Records of Burnet County, Texas
Section Two, Lot 1	All as depicted on the Survey Plat prepared by James E. Garon and attached as Exhibit A to a document filed in Volume 855, Page 0147 of the Official Public Records of Burnet County, Texas
South & West	Twenty five foot (25') on the south and west sides of the Lot
Northeast	Ten foot (10') on the northeast side of the Lot
Rear Setback	Ten foot (10') on the southeast side of the Lot
BCL Phase Seven:	Same as The Ranch Section 3-11

ADDENDUM 1

The Ranch, Section 12-A [The Cottage Property] Deed Restrictions

WHEREAS, in 2012 The Ranch Section 12-A adopted the Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside (the "Consolidated CCRs");

WHEREAS, the Consolidated CCRs replaced the Restatement of First Supplement To the Hidden Hills On Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Ranch, Sections Three Through Eleven [Cottage Property Deed Restrictions] [Encumbering A Portion of The Ranch Section 12],

WHEREAS, the Cottage Property Deed Restrictions imposed on The Ranch Section 12-A covenants, conditions and restrictions which were in addition to the "Master Declaration Declarations" (defined therein) which too were replaced by the Consolidated CCRs and also created and authorized a "Sub-Association" (herein called the "Cottage Association") to manage particular affairs which were peculiar to The Ranch Section 12-A and to impose and collect certain assessments therefore,

WHEREAS, the language of Section 5.11 of the Consolidated CCRs was intended to preserve and empower the Cottages Association to continue to exercise the rights, powers and authorities which it had under the Cottage Property Supplement to the Master Declarations, and

WHEREAS, certain questions have been raised as to the effectiveness of Section 5.11 of the Consolidated CCRs to preserve certain provisions of said Cottage Property Supplement and the Members desire to eliminate all such questions and confirm that it was and is the intent of the Members that Consolidated CCRs to preserve the Cottage Association and certain of the covenants, conditions and restrictions contained in said Supplement to the Master Declarations and that they be made part of the Consolidated CCRs effective as of the date that the Consolidated CCRs became effective;

NOW THEREFORE, the following provisions are applicable to all Lots within The Ranch Section 12 – A effective as of the date the Consolidated CCRs became effective.

ARTICLE I DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in this Addendum 1 shall have the meanings hereinafter specified. Capitalized terms which do not appear in the definitions below will have the meaning ascribed to them in the Consolidated CCRs.

1.01 Articles. "Articles" shall mean the Articles of Incorporation of the Cottage Owners Sub-Association, Inc., which shall be filed in the office of the Secretary of State of the State of Texas, as from time to time amended.

1.02 Assessment. "Assessment" or "Assessments" shall mean such assessments as may be levied by the Cottage Association under the terms and provisions of this Addendum 1.

1.03 Cottage Association. "Cottage Association" shall mean Cottage Owners Sub-Association, Inc., a Texas non-profit corporation.

1.04 Cottage Board. "Cottage Board" shall mean the Board of Directors of the Cottage Association.

1.05 Bylaws. "Bylaws" shall mean the Bylaws of the Cottage Association adopted by the Cottage Board, and as from time to time amended.

1.06 Common Area. "Common Area" shall mean all real property, if any, including the Structures thereto, conveyed to the Cottage Association by duly recorded deed. The Common Area, if any, shall be owned by the Cottage Association for the common use and enjoyment of the Owners. No Owner shall have any interest in any property depicted on a Plat of the Subdivision and designated as Common Areas, "Open Space," or other similar designation.

1.07 Consolidated CCRs. "Consolidated CCRs" shall mean the Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside, and any amendments and restatements thereof.

1.08 Cottage Property. The Cottage Property consists of that certain real property situated in Travis County, Texas, more fully described Lots 1 through 26, inclusive, Block One, The Ranch, Section 12, a subdivision of record in Travis County, Texas, according to the plat thereof in Volume 88, Page 353, of the Plat Records of Travis County, Texas, as that property may be replatted, and any additional property added to The Ranch, Section 12-A. Structure. Structure

1.09 Lot. "Lot" or "Lots" shall mean any parcel or parcels of land within the Cottage Property shown as a subdivided lot on a Plat of a Subdivision, together with all Structures located thereon.

1.10 Member. "Member" or "Members" shall mean any person, persons, entity or entities holding membership rights in the Cottage Association.

1.11 Owner. "Owner" or "Owners" shall mean a person or persons, entity or entities holding a fee simple interest in any portion of the Cottage Property, but shall not include a Mortgagor.

1.12 Person. "Person" or "Persons" shall mean any individual, individuals, entity or entities having the legal right to hold title to real property.

1.10 Plat. "Plat" shall mean a subdivision plat of any portion of the Cottage Property and any amendments and replats thereof.

1.11 Subdivision. "Subdivision" shall mean all or any portion of the Cottage Property which is subdivided for residential purposes as shown on a map or plat of record in the Plat Records of Travis County, Texas.

ARTICLE I
CUMULATIVE NATURE OF RESTRICTIONS

This Addendum 1 shall in no way alter or amend the terms and conditions of the Consolidated CCRs it being expressly understood that the provisions of the Consolidated CCRs and this Addendum 1 are cumulative and that all lands, Structures, and uses in and on the Cottage Property are subject to both the Consolidated CCRs and this Addendum 1. All assessments provided for hereunder shall be in addition to and not in lieu of the prior assessments levied under the terms of the Consolidated CCRs. In case of conflict between any provision of the Consolidated CCRs and this Addendum 1, the Consolidated CCRs shall control. Unless otherwise expressly provided herein, all terms used herein shall have the same meaning as those terms have in the Consolidated CCRs.

ARTICLE II
GENERAL PROVISIONS RELAYING TO USB AND
OCCUPANCY OF THE COTTAGE PROPERTY

2.01 Protective Covenants. The Cottage Property shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to all of the covenants, conditions, and restrictions contained in the Consolidated CCRs, which said covenants, conditions, and restrictions are hereby incorporated herein by reference as if set forth in full, and any violation of any provision of the Consolidated CCRs shall also be a violation of this Addendum 1.

2.02 Size and Appearance of Residences. All residential structures constructed on any Lot within the Cottage Property shall have a floor area of not less than 1,670 square feet, exclusive of porches (open and closed), patios, garages, carports, balconies, and decks. The residential structures constructed on any Lot within the Cottage Property shall have a uniform exterior appearance, including tile roofs, exterior masonry, exterior painting, and outdoor lighting of uniform design, material and color. Further, to ensure that exterior appearances remain uniform, the Cottage Association shall have the authority, but not the obligation, to maintain the exterior of all residences and an easement to perform such maintenance is hereby transferred to the Cottage Association. The cost of such maintenance will be paid by the Owner whose property is maintained and will be included in this Assessment, described below.

2.03 Master Irrigation System and Landscape Maintenance. To ensure uniform maintenance of all landscaping within the Cottage Property, there shall be one common irrigation system operated and maintained by the Cottage Association. Further, all landscaping shall be maintained by the Cottage Association and an easement to perform such landscape maintenance shall be hereby transferred to the Cottage Association. The cost of such maintenance shall be included in the Assessment, described below.

ARTICLE III
COTTAGE OWNER'S SUB-ASSOCIATION, INC.

3.01 Organization. The Cottage Owner's Sub-Association, Inc. was incorporated as

contemplated by the Cottage Deed Restrictions and has carried out the functions of the Cottage Association as set forth in the Cottage Deed Restrictions for many years. The Cottage Owner's Cottage Association is a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers prescribed by law or set forth in its Articles and Bylaws and in the Cottage Deed Restrictions and as prescribed herein. Neither the Articles nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with the Addendum 1 or the Consolidated CCRs.

3.02 Membership. Any Person, upon becoming an Owner of a Lot within the Cottage Property, shall automatically become a Member of the Cottage Association. Membership shall be appurtenant to and shall run with the property interest which qualifies the Owner thereof for membership, and membership may not be severed from, or in any way transferred, pledged, mortgaged or alienated, except together with the title to the said property interest

3.03 Voting Rights. The voting rights of Members are the same as those set forth in Section 5.3 of the Consolidated CCRs, but shall be limited to Members of the Association.

3.04 Powers and Authority of the Cottage Association. The Cottage Association shall have the powers of a Texas nonprofit corporation. It shall further have the power and perform any and all acts which may be necessary or proper or incidental to the exercise of any of the express powers to it by the laws of Texas or by this Addendum 1. Without in any way limiting the generality of preceding sentences, and without in any way imposing requirements or duties, or affirmative obligations upon the Association or the Cottage Association and the Cottage Board, acting on behalf of the Cottage Association, shall have the power and authority at all times as follows:

- (A) Rules and Bylaws. To make, establish and promulgate and in its discretion to amend or repeal and/or replace such rules and bylaws not in conflict with the Consolidated CCRs or this Addendum 1, as it deems proper covering any and every aspects of its functions.
- (B) Maintenance. To paint, repair, replace, or otherwise care for all exterior Structures on all Lots, including, but not limited to roofs and exterior walls or other surfaces visible from any Common Area, Lot, or rights of way; provided that the Cottage Association shall expend no funds to maintain garage door opening equipment, air conditioning equipment, windows, gates, door fixtures, hardwood, fences, utility meters, utility lines, cable or other utility facilities. The cost of maintenance, as provided in this paragraph, shall be allocated to and paid for by Owner whose property is being maintained and the charge therefor shall constitute an "Assessment." Further, in order to ensure that repair and maintenance of properties are done in a timely manner, the Cottage Association shall be entitled to perform repairs and maintenance on any Lot, as set out in this subsection (B), when the Cottage Board deems the repair or maintenance work to be necessary and the work may be done without the need to notify or seek approval from the Owner of the Lot on which the work is being done. In addition, as more fully set out in Section 3.08 below, the Cottage Association shall have the power to maintain all lawns, shrubs, trees, and other landscaping, and sprinkler and irrigation systems.
- (C) Insurance. To obtain and maintain in effect policies of insurance which, in the opinion of

the Cottage Board, are reasonably necessary or appropriate to carry out the Cottage Association's functions.

- (D) Records. To keep books and records of the Cottage Association's affairs as is prudent and in conformity with the requirements of the Texas Property Code.
- (E) Assessments. To levy assessments as provided in Article IV below in the manner and against the property set forth in Article IV hereof in order to raise the total amount for which the levy in question is being made.
- (F) Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Cottage Association.
- (G) Conveyances. To grant and convey to any person or entity the real property and/or other interest therein, including fee title, leasehold estates, easements, rights-of-way or mortgages out of, in, on, over, or under any of the Cottage Association's property for the purpose of constructing, erecting, operating or maintaining the following:
 - a. Parks, parkways or other recreational facilities or structures;
 - b. Roads, streets, street lights, walks, driveways, trails and paths;
 - c. Lines, cables, wires, conduits, pipelines or other devices for utility purposes;
 - d. Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines, and/or
 - e. Any similar public, quasi-public or private Structures or facilities.

Nothing above contained, however, shall be construed to permit use or occupancy of any Structure or other facility in a way which would violate applicable use and occupancy restrictions imposed thereon by other provisions of this Addendum 1 or the Consolidated CCRs.

- (H) Manager. To retain and pay for the services of a person or firm (the "Manager") to Manage and operate the Cottage Association, including its property, to the extent deemed advisable by the Cottage Board. Additional personnel may be employed directly by the Cottage Association or may be furnished by the Manager. To the extent permitted by law, the Cottage Association and the Cottage Board may delegate any other duties, powers and functions to the Manager or to the Association. The members of the Cottage Association hereby release the Cottage Association, the Association and the members of the boards of both from liability for any omission or improper exercise by the Manager of any such duty, power or function so delegated.
- (I) Property Services. To pay for water, sewer, garbage removal, landscaping, gardening and all other utilities, services and maintenance for the property of the Cottage Association; to maintain and repair easements, roads, roadways, rights-of-way, parks, parkways, median strips, sidewalks, paths, trails, ponds, and other areas of the Cottage Property, as appropriate; and to own and operate any and all types of facilities for both active and passive recreation.
- (J) Other Services and Properties. To obtain and pay for any other property and services, and to

pay any other taxes or assessments which the Cottage Association or the Cottage Board is required to secure or to pay for pursuant to applicable law, the terms of this Addendum 1, the Consolidated CCRs, or the Articles or Bylaws of either the Master Association or the Cottage Association.

- (K) Construction on Cottage Association Property. To construct new Structures or additions to Cottage Association properties, subject to the approval of the Architectural Committee as required by the Consolidated CCRs.
- (L) Property Ownership. To acquire, own and dispose of all manner of real and personal property, whether by grant, lease, gift or otherwise.

3.06 Common Area. Subject to and in accordance with this Addendum 1, the Cottage Association, acting through the Cottage Board, shall have the duty to accept, own, operate and maintain all Common Area, together with all Structures of whatever kind and for whatever purpose which may be located in said areas. Notwithstanding anything herein or elsewhere to the contrary, no Member shall have any right, title, or interest in or to Lots 28 or 29, Block One, The Ranch, Section 12, by virtue of this Addendum 1.

3.07 Indemnification. Each and every director, officer, committee member, employee, servant or agent of the Cottage Association shall be indemnified by the Cottage Association to the same extent and manner as specified for the Association in Section 5.12 of the Consolidated CCRs.

3.08 Landscape Maintenance Program. To ensure uniform and proper maintenance of landscaping, the Cottage Association shall maintain all lawns, shrubs, trees, and other landscaping, and all sprinkler or irrigation systems located on the Cottage Property (which includes all Lots and any Common Area). The Cottage Association shall develop and implement a landscape and irrigation system maintenance program ("Landscape Program"). All estimated costs and expenses for the Landscape Program shall be reflected on the Cottage Association's annual budget. The costs and expenses of implementing the Landscape Program shall be paid for by all Owners on a uniform and prorata basis and shall be included in the Assessments.

ARTICLE IV FUNDS AND ASSESSMENTS

4.01 Assessments. Assessments established by the Cottage Board pursuant to the provisions of this Article IV shall be levied on a uniform basis against each Lot within the Property. The amount of the Assessment shall be determined by dividing the total amount determined by the Cottage Board to be necessary pursuant to Section 3.03 hereof by the total number of Lots within the Property at the time the Assessment is levied, as determined by reference to each Plat or a portion of the Property which is of record at the time the Assessment is levied. Each unpaid Assessment, together with such interest thereon and costs of collection thereof, as hereinafter provided shall be the personal obligation of the Owner of the Property against which the Assessment fell due, and shall become a lien against each such Lot and all Structures thereon. The Cottage Association may enforce payment of such Assessments in accordance with the provisions of this Article pursuant to the procedures set forth in Article 6 of

the Consolidated CCRs.

4.02 Maintenance Fund. The Cottage Board shall establish a maintenance fund into which shall be deposited all monies paid to the Cottage Association and from which disbursements shall be made in performing the functions of the Cottage Association under this Addendum 1. The funds of the Cottage Association must be used solely for purposes authorized by this Addendum 1, as it may from time to time be amended.

4.03 Regular Annual Assessments. Prior to the beginning of each fiscal year, the Cottage Board shall estimate the expense to be incurred by the Cottage Association during such year in performing its functions under the Addendum 1, including, but not limited to, the cost of all maintenance, the cost of enforcing the Addendum 1, and a reasonable provision for contingencies and appropriate replacement reserves less any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied as herein provided and the level of Assessments set by the Cottage Board 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, the Cottage Association may at any time, and from time to time, levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to The Cottage 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 Cottage Board may designate in its sole and absolute discretion.

4.04 Owners Personal Obligation for Payment of Assessments. The Regular and Special Assessments provided for herein and any repair and maintenance assessments assessed pursuant to this Article or Article III shall be the personal and individual debt of the Owner of the Lot covered by such Assessments. No Owner may exempt himself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Lot shall be obligated to pay such Assessments pursuant to the procedures set forth in Article 6 of the Consolidated CCRs.

54.05 Assessment Lien and Foreclosure. All sums assessed in the manner provided in this Article and Article III, but unpaid, shall bear the interest and expense reimbursement obligations specified in Article 6 of the Consolidated CCRs and the Cottage Association may impose liens on Lots of defaulting Owners and use the other methods of collection specified in Article 6 of the Consolidated CCRs.

ADDENDUM 2

PARTY WALL AGREEMENTS

Party Walls, Encroachment and Protrusion Easements. Some Structures constructed, or to be constructed, on the Lots in The Ranch Section 12-A and Barton Creek Lakeside Phase Two, the "Hilltop Property," adjoin or shall adjoin, the structure on the adjacent Lot by a wall located on or near the boundary line of two Lots. The wall or other structure separating such structures shall be and remain a party wall and shall be subject to the following provisions:

- (A) Each Owner of a Structure having a party wall covenants to do nothing to disturb the integrity and support provided by the wall or other Structure by means of penetration or otherwise and affirmatively covenants to protect such party wall from the elements. If any Owner, or such Owner's family member guests, tenants, or invitees causes any such damage or injury or fails to protect the party wall from the elements, the Owner shall be liable for the restoration thereof and for any other costs or expenses incurred in connection therewith. The Owner's liability shall be limited to the types of damages for which the Owner would be liable under Texas law.
- (B) If damage or injury is caused to a party wall by someone other than such Owners who make use of the party wall or persons for whom they are responsible or is caused by some catastrophe, such as fire, which was not the result of negligence or the willful misconduct of such Owner or persons for whom the Owner is responsible, then the restoration and other costs and expenses shall be borne equally by both such Owners, except to the extent insurance proceeds may be available.
- (C) The cost of reasonable repair and maintenance of a party wall shall be shared equally by both Owners who make use of the wall in equal proportions.
- (D) The right of any Owner to contribution from any other Owner hereunder shall be appurtenant to the land and shall pass to such Owner's successors in title.
- (E) Each Lot within the Cottage Property or the "Hilltop Property" is hereby declared to have an easement over all adjoining Lots for the purpose of accommodating any encroachment and/or protrusion due to engineering errors, errors in original construction, settlement shifting of any of the Structures constructed upon the Lot. There shall be valid easements for the maintenance of said encroachment and/or protrusions as long as they shall exist; provided, however, that in no event shall a valid easement for encroachment or protrusion be created in favor of an Owner or owners if said encroachment protrusion occurred due to the willful misconduct of said Owner or Owners.
- (F) In the event a structure is partially or totally destroyed and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments and/or protrusions over adjoining Lots shall be permitted and that there shall be a valid easement for the maintenance of said encroachments and/or protrusions so long as they shall exist. Such encroachments or protrusions shall not be considered to be encumbrance either on the Common Area or on a Lot for purposes of marketability title or otherwise.
- (G) Each Owner shall at all times maintain in full force and effect casualty insurance in the amount sufficient, giving effect to any applicable deductible, to pay all costs of restoring all party walls on such Owner's Lot(s).

- (H) Restoration shall be commenced as soon as reasonably possible, and in no event more than 6 months, after the event giving rise to the need for restorations and shall be diligently pursued to completion.



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dana Debeauvoir

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

January 28 2014 03:51 PM

FEE: \$ 234 00 2014012804



**AMENDED AND RESTATED DECLARATION OF
CONSOLIDATED COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
BARTON CREEK LAKESIDE**

**THE RANCH SECTIONS ONE THROUGH TWELVE A AND THIRTEEN
AND
BARTON CREEK LAKESIDE PHASES ONE THROUGH SEVEN AND EVERY SECTION OF EACH,
EXCLUDING, HOWEVER, THE RANCH SECTION 4-A**

This Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside (the "**Declaration**") has been approved as set forth below and shall apply to the Property (as defined below):

Recitals

WHEREAS, each of the subdivisions listed in the title above have previously adopted one or more the covenants, conditions and restrictions listed in EXHIBIT "A" hereto (the "Prior Restrictions"),

WHEREAS, pursuant to Texas Property Code Section 209.0041 the owners of more than 67% of the lots in each of the following subdivisions have elected to replace the Prior Restrictions applicable to their subdivision with this Amended and Restated Declaration of Consolidated Covenants and Restrictions for Barton Creek Lakeside:

The Ranch Sections One – Travis County Plat Records Vol. 82, Pg. 228;

The Ranch Section Two – Travis County Plat Records Vol. 84, Pg. 41D through 42A, and Burnet Plat Records Cab. 1, Slides 186 A through 186 C.;

The Ranch Sections Three through Eleven – Travis County Plat Records Vol. 84, Pg. 111A and Vol. 87, Pg. 1A, and Burnet County Plat Records Cab. 2, Slides 17 B, C, D – 21 A - C;

The Ranch Section 12-A – Travis County Plat Records Vol. 89, Pg. 23;

The Ranch Section Thirteen – Travis County OPR #199900322;

Barton Creek Lakeside Phase One – Travis County Records Plat Records Vol. 93, Pg. 312, Vol. 100, Pg. 387; Travis County OPR #20000369, 401868 and Burnet County Plat Records Cab. 2, Slides 53A, 80A, 87A, 112B and 167A and Cab 4, Slide 34A, OPR #430199, #199606400, #19970638, #199800478 and #200001741;

Barton Creek Lakeside Phase Two – Burnet County Records Cab. 2, Slide 94 A, B, C and 189A; and Travis County Records Plat Records Vol. 99, Pg. 254 and OPR #402031, #431820;

Barton Creek Lakeside Phase Three – Burnet County Records Cab. 2, Slides 112-C, 124-D, 130C, 147A, 147B, 172A, 188D and #199807087;

Barton Creek Lakeside Phase Four – Burnet County Records Cab. 2, Slides 119C-119D and OPR #199806198;

Barton Creek Lakeside Phase Five – Burnet County Records Cab. 2, Slides120A & B, 124D-125A and 134C-D; and

Barton Creek Lakeside Phase Seven – Travis County OPR #200200026.

NOW, THEREFORE, it is hereby declared that: (i) the Property (as defined below), shall be held, sold, conveyed, used and occupied subject to the following covenants, conditions and restrictions which are for the purposes of protecting the value and desirability of the Property and which shall run with the Property and shall be binding upon all parties, their heirs, successors and assigns, having right, title or interest in or to the Property or any part thereof, and shall inure to the benefit of each owner thereof; (ii) all dedications, limitations, restrictions and reservations shown on a Plat (as defined below) and all grants and dedications of easements, rights-of-way, restrictions and related rights made prior to any portion of the Property becoming subject to this Declaration are hereby incorporated into this Declaration for all purposes as if fully set forth herein and shall be construed as adopted in each and every contract, deed or conveyance; (iii) each contract or deed conveying the Property shall conclusively be held to have been executed, delivered and accepted subject to this Declaration, regardless of whether the same is set out in full or by reference in said contract or deed; and (iv) upon the recording of this Declaration, the Ranch 1/2 Restrictions and Hidden Hills Restrictions, and the Hilltop Restrictions shall be amended, restated and replaced in their entirety by the terms and provisions of this Declaration.

ARTICLE 1

DEFINITIONS

As used in this Declaration, the terms set forth below shall have the meanings indicated:

1.1 Additional Land means the tract or tracts, parcel or parcels of land, other than the Property, made subject to the Restrictions by the Board in accordance with the provisions of Article 9 hereof.

1.2 Annual Maintenance Charge means the assessment made and levied by the Board against each Owner and such Owner's Lot in accordance with the Restrictions.

1.3 Architectural Review Committee or ARC means the committee formed and empowered pursuant to this Declaration to review and approve or deny plans for the construction, placement, modification, alteration, or remodeling of any Structure upon a Lot, to establish Design Guidelines, and to carry out its duties as set forth in the Restrictions and such other powers, authorities and duties delegated to it by the Board pursuant to the Restrictions.

1.4 Articles of Incorporation means the Articles of Incorporation of the Association, filed in the Secretary of State of Texas, as the same may be amended from time to time.

1.5 Association means the Barton Creek Lakeside P.O.A., Inc., a Texas nonprofit corporation, its successors and assigns, created for the purposes and possessing the rights, powers, authority and obligations set forth in the Restrictions and as otherwise permitted by applicable law, whose address for notice purposes is PO Box 598, Spicewood, Texas 78669, as may be changed by the Association from time to time.

1.6 Assessment or Assessments means assessments levied by the Association pursuant to the terms and provisions of this Declaration.

1.7 Ballot means a ballot cast by a Member given: (i) in person or by proxy at a meeting of the Association; (ii) by absentee ballot in accordance with Section 209.00592(b) of the Texas

Property Code; or (iii) by electronic ballot in accordance with Section 209.00592(b) of the Texas Property Code.

1.8 Board or Board of Directors means the Board of Directors of the Association elected by the Members in accordance with the provisions of its Bylaws.

1.9 Bylaws means the Bylaws of the Association, as amended from time to time.

1.10 Certificate of Formation means the Certificate of Formation for the Association filed with the Secretary of State of Texas, as may be amended from time to time.

1.11 Commencement of Construction means the date on which foundation forms are set for a residence.

1.12 Common Areas means any property and facilities that the Association owns or in which it otherwise holds rights or obligations. Common Area includes any property that the Association holds under a lease, license or any easement in favor of the Association. The Common Areas may be owned by the Association for the use and enjoyment of the Members, including, but not limited to, the private streets or other private roadways shown on the Plats (whether labeled as "common area lots" or otherwise).

1.13 Declaration means this Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside.

1.14 Design Guidelines means the standards for design, construction, landscaping, and exterior items, 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 Property.

1.15 Exterior Area means the yard area of a Lot as determined by the Board.

1.16 Golf Course Lots means a Lot which shares a common boundary with a golf course or is otherwise adjacent thereto as determined by the Board or the ARC.

1.17 Hilltop Property means Lots located within Barton Creek Lakeside Phase Two as shown on the map or plat thereof recorded as Volume 99, Page 27-29, in the Official Public Records of Travis County, Texas. Barton Creek Lakeside Phase Four was subsequently carved out of Phase Two and retained the pre-existing Restrictions. "Hilltop Property" and "Barton Creek Lakeside Phases Two and Four" are synonymous.

1.18 Lot or Lots means a subdivided lot shown on a Plat excluding Common Areas.

1.19 Maintenance Fund means Annual Maintenance Charges and other fees or sources of income received and/or otherwise collected by the Association in accordance with the Restrictions.

1.20 Member or Members means every person or entity that holds membership privileges in the Association.

1.21 Mortgage means any mortgage(s) or deed(s) of trust securing indebtedness and covering any Lot.

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

1.23 Owner or Owners means the person(s), entity or entities holding all or a portion of the fee simple interest in any Lot, but does not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot pursuant to foreclosure of the lien of its Mortgage.

1.24 Passenger Vehicle means passenger automobiles, passenger vans, motorcycles, SUVs (similar to a station wagon but built on a light truck chassis) and pick-up trucks that: (a) are in operating condition; (b) are qualified by current vehicle registration and inspection stickers; (c) are in daily use as a motor vehicle on streets and highways; (d) comply with current mandatory insurance under the laws of the State of Texas; and (e) have not been modified in such a way to look materially different from the factory version of the vehicle.

1.25 Plat or Plats means a subdivision plat of any portion of the Property as recorded in the Official Public Records of Travis or Burnet Counties, Texas, and any amendments thereto.

1.26 Plans means the final construction plans and specifications (including a related site and grading plan) for any Structure of any kind erected, placed, constructed, maintained, or altered on any Lot and the landscape for the Exterior Areas of such Lot.

1.27 Property means the property more particularly described in the documents listed in Exhibit "B", attached to this Declaration.

1.28 Ranch Section 12A means Lots located within The Ranch Section 12A as shown on the map or plat thereof recorded as Volume 89, Page 23 in the Official Public Records of Travis County, Texas.

1.29 Restrictions means the restrictions, covenants, and conditions contained in this Declaration, the Design Guidelines, Bylaws, or in any rules, regulations, and policies promulgated by the Association pursuant to this Declaration, as adopted and amended from time to time.

1.30 Rules and Regulations means rules adopted from time to time by the Board concerning the management and administration of the Property for the use, benefit and enjoyment of the Owners.

1.31 Signage means any signage, lettering, decorations, banners, advertising or marketing media, awnings, canopies, window covering, or any other form of expression on a Lot or in the interior of a Structure if the same is Visible.

1.32 Structure means every structure and all appurtenances of every type, whether temporary or permanent, including but not limited to cottages, custom villas, villas, buildings, outbuildings, sheds, patios, tennis courts swimming pools, garages, driveways, storage buildings, sidewalks, gazebos, fences, gates, screening walls, retaining walls, stairs, decks, landscaping, landscape improvements, poles, mailboxes, signs, antennae, exterior air conditioning equipment or fixtures, exterior lighting fixtures, water softener fixtures of equipment, playground equipment, and pumps, wells, tanks, reservoirs, pipes, lines, meters, towers, and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or utilities, or otherwise.

1.33 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.

1.34 Subdivision Fence means the decorative existing Kentucky style wood horse fence running along, adjacent to and/ or across the Property or portions thereof.

1.35 Supplemental Declaration means any Supplemental Declaration of Covenants, Conditions, and Restrictions hereafter recorded in the Official Public Records of Travis or Burnet Counties, Texas to bring Additional Land within the Restrictions in accordance with the provisions of Article 9 hereof.

1.36 Utility Company(ies) means any company which owns properties or facilities which properties or facilities are used for the purpose of providing utility services to the Property.

1.37 Visible means able to be seen from streets, adjacent Lots, or portions of the Common Area.

ARTICLE 2

USE AND OCCUPANCY

2.1 Conditions and Restrictions. All Lots within the Property will be owned, held, encumbered, leased, used, occupied and enjoyed subject to the Restrictions. Ordinances and requirements imposed by local governmental authorities are applicable to all Lots within the Property. Compliance with the Restrictions is not a substitute for compliance with such ordinances and regulations. Please be advised that the Restrictions do not purport to list or describe each restriction which may be applicable to a Lot located within the Property. Each Owner is advised to review all ordinances, requirements, regulations and encumbrances affecting the use and improvement of their Lot prior to submitting plans to the ARC for approval. Furthermore, approval by the ARC should not be construed by the Owner that any such improvement complies with the terms and provisions of any ordinances, requirements, regulations or encumbrances which may affect the Owner's Lot.

2.2 Single-Family Residential Use. Each Lot may only be used for single family residential purposes or other purposes which otherwise comply with the Restrictions and are not materially incompatible with and do not materially detract from the enjoyment of single family residential ownership by other Owners as determined by the Board.

- (a) **Prohibited Uses.** Notwithstanding any provision in the Restrictions to the contrary, no Lot or Structure thereon may be used or otherwise configured as a duplex apartment, garage apartment, or other apartment (except, however, the construction of servant's quarters will be allowed).
- (b) **Home Based Business.** Any business, commercial, and/or professional activity shall be prohibited on any Lot or in any Structure located thereon if such use, as determined by the Board: (i) creates disruptions or a nuisance to the neighborhood; (ii) can be seen, heard, or smelled by persons outside such Lot; (iii) involves the frequent visitation by clients, customers, suppliers or others; (iv) includes the Visible storing of supplies or equipment; or (v) increases, beyond that which is typical of a residence within the Property, pedestrian or vehicular traffic, parking of vehicles, deliveries, emissions of dust, smoke, gasses, chemicals odors, lights, radio signals, or discharges of non-household wastes into the sewage system. If a business, commercial, and/or professional activity otherwise complies with this Section 2.2(b), an Owner may conduct a promotional event within the Owner's residence only if the invitees of the Owner are limited to the Owner and the Owner's family and no more than two non-Members. Only one promotion event per each six (6) month period may be held by an Owner.

(c) **Permitted Uses.** Notwithstanding any provision in the Restrictions to the contrary, the following business activities are permitted:

- (i) Short Term Rentals. Nothing herein shall be deemed to preclude short term rental of residences constructed on Lots for residential purposes; however, such rentals shall be subject to reasonable Rules and Regulations adopted by the Board which will be applied on a uniform basis as between Lot Owners.
- (ii) Estate and/or Moving Sales. An estate or moving sale conducted within ninety (90) days of the Owner's death or an Owner's date of departure from the Lot is allowed; provided, however, no such estate sale or moving sale shall last more than two (2) consecutive days and all activities of the sale shall be conducted within the residence or garage constructed on the Owner's Lot. The general public may be invited to such sale. The Board may adopt additional Rules and Regulations governing the conduct of estate or moving sales which may include permitted operation times and requirements regarding signage.

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

2.4 Marina. Notwithstanding any provision in the Restrictions to the contrary, Lot 22, Block Two, of the Ranch Subdivision, Section 4, as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas and that portion of Lot 37, Block Two, Section 4, of the Ranch Subdivision as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas lying between the western extension of the common boundary line of Lots 22 and 23, Block Two, Section 4, as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas and the northern extension of the common boundary line between Lots 20 and 21, Block Two, Section 4, of the Ranch Subdivision as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas (the "**Marina**"), may be used for a marina. The Marina shall be restricted to private use by Owners and members of Barton Creek-Lakeside Country Club and Barton Creek Country Club and Resort. The operation of a Marina facility shall be limited to offering rental boats, boat and personal watercraft slips for rent or sale, and customary water recreational activities; provided however: (a) no commercial food or beverage preparation or sales may be conducted on any portion of the Marina except that non-alcoholic beverages and pre-packaged sandwiches or food which is not prepared on or upon the Marina may be offered for sale to individuals utilizing the Marina for recreational purposes; (b) in no event shall the Marina provide seating for the consumption of food or beverages for more than ten (10) individuals, unless advance written approval is obtained from the Board; and (c) under no circumstances shall alcoholic beverages be sold on any portion of the Marina without the prior written consent of the Board.

2.5 Water Treatment. Notwithstanding the forgoing or any other provision of these Restrictions to the contrary, the Lot(s) 42-44, The Ranch Section Thirteen, a subdivision in Travis County, Texas, according to the map or plat recorded in Volume 89, Page 286, in the Official Public Records of Travis County, Texas, may be used for a wastewater treatment plant and pertinent facilities and related activities, and in no event shall the Restrictions prohibit or interfere with such use.

2.6 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 Structures and landscaping thereon in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times. The Board shall determine whether a violation of the maintenance obligations set forth in this Section 2.6 has occurred. The Association shall maintain the Common Area and the streets (landscaping, walls, and sprinkler systems within the Common Area), but shall have no obligation to maintain areas maintained by public authorities.

2.7 Hazardous Activities. No activities may be conducted on or within the Property and no Structures constructed on any portion of the Property which are or might be unsafe or hazardous to any person or property. No portion of the Property may be used for the takeoff, storage, or landing of aircraft (including, without limitation, helicopters) except for medical emergencies.

2.8 Antennas. Except as expressly provided below, no exterior radio or television antennae or aerial or satellite dish or disc, shall be erected, maintained or placed on a Lot without the prior written approval of the ARC; 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 multi-channel 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 or radio broadcast signals;

(collectively, (a) through (c) are referred to herein as the “**Permitted Antennas**”) will be permitted subject to reasonable requirements as to location and screening as may be set forth in rules adopted by the ARC, consistent with applicable law, in order to minimize Visible obtrusiveness.

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

- (a) 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
- (b) 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.

2.10 Signage. Unless otherwise prohibited by applicable law, no sign of any kind may be displayed to the public view on any Lot without the prior written approval of the ARC, including specifically, but without limitation, signs offering property or Lots for sale, rent or lease, signs advertising goods, wares or services for sale or rent, and construction company or repair company signs except for:

- (a) 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 15th 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.

- (b) permits as may be required by legal proceedings or a governmental entity; and
- (c) 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; and
- (d) real estate sales brochure boxes not larger than 10" x 15" x 5" on Lots on which a residential structure exists.

Notwithstanding the foregoing, signs which include any of the following components or characteristics are prohibited: signs which contain roofing material, siding, paving materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component; signs which are attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object; signs which include the painting of architectural surfaces; signs which threaten the public health or safety; signs which are larger than four feet by six feet; signs which violate the law; signs which contain language, graphics, or any display that would be offensive to the ordinary person; or signs which are accompanied by music or other sounds or by streamers or is otherwise distracting to motorists.

2.11 Noise and Nuisances. No exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes) shall be located, used, or placed on any of the Property. Notwithstanding the foregoing, this paragraph shall not preclude the use of outdoor speakers for hi-fi, stereo, or radios if the sound level is maintained at a reasonably low level with respect to adjoining property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Property or to its residents.

2.12 Animals. No animals, including livestock, 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 upon any portion of the Property. Other than dogs and cats which are kept indoors at least 20 hour per day ("**House Pets**") when not under the direct control of the Owner, an Owner may keep on such Owner's Lot outside the residence: (a) not more than two (2) dogs or two (2) cats; or (b) one (1) dog and one (1) cat. Owners may not keep within a residence more House Pets than can be kept without creating health hazards within the residence or upon any portion of the Property. No animal shall be allowed to make an unreasonable amount of noise, or otherwise to become a nuisance. No domestic pets will be allowed on the Property other than on the Lot of its Owner unless it is either confined to a leash or within a vehicle; provided, however, dogs may be off leash within specified areas and at specified times designated by the Board (referred to herein as a "**Dog Run**"). An exit by the dog from the area of the Dog Run will be a violation of the Restrictions. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Property, and no kennels or breeding operation will be allowed. Except as provided herein, no animal shall be allowed to run at large, and all animals which are permitted hereunder shall be kept within enclosed areas (effective invisible fences are acceptable enclosures for this purpose) which must be clean, safe, sanitary, and reasonably free of refuse, insects, and waste at all times. Such enclosed area which is Visible shall be constructed in accordance with plans approved by the ARC,

shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be Visible.

2.13 Mining and Drilling. No portion of the Property 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 landscaping and Structures approved in advance by the ARC and/or the development of the Property by the Declarant.

2.14 Rubbish and Debris. No rubbish or debris of any kind may be placed or permitted to accumulate on or within the Property, and no odors will be permitted to arise therefrom so as to render all or any portion of the Property unsanitary, unsightly, offensive, or detrimental to any other property or Residents. 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 and may only be placed on the street no sooner than the evening before the day trash is picked-up from the Owner's Lot, and must be removed from the street by the evening of such day. Each Owner will 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.

2.15 Ownership and Maintenance of Fencing. Ownership of any wall, fence or hedge, with the exception of the Subdivision Fence, erected on a Lot shall pass with title to such Lot. The Owner of the Lot on which any wall, fence or hedge is located shall maintain such items in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times.

2.16 Subdivision Fence. Owners shall not damage, destroy, remove, paint or otherwise alter the Subdivision Fence in any manner and shall without limitation be prohibited from installing or constructing gates or openings in the Subdivision Fence. Owner shall be responsible for any damage, and cost attributable thereto, caused to any fence, including the Subdivision Fence, by said Owner or their respective assigns, agents, invitees and representatives. Subdivision Fence maintenance and repair shall be the responsibility of the Association. The Association reserves a permanent maintenance easement five feet (5') in width along a line generally parallel to the existing Subdivision Fence, and a working easement two (2') in width on both sides of and adjacent to the permanent maintenance easement, the intent and location regarding such easement being more particularly depicted documents listed in Exhibit "B," attached to this Declaration.

2.17 Unsightly Articles. No Visible article deemed to be unsightly by the Board shall be permitted to remain on any Lot. Without limiting the generality of the foregoing, trailers, graders, trucks other than 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 shall 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 Property except within enclosed structures or appropriately screened from view as approved by the ARC. 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 if Visible.

Except in The Ranch 12-A, each residence constructed on a Lot shall have sufficient garage space, as approved by the Board, to house all vehicles to be kept on the Lot. No garage may be permanently enclosed or otherwise used for habitation unless approved in advance by the ACC.

2.18 Parking on Lots and Storage of Vehicles. Except in connection with a party, meeting or similar event, or with repair, remodel or maintenance work on Owner's Lot, no more than two Passenger Vehicles may be parked on a driveway on a Lot within the Property. The historical practice and the expectation of the Board and many Owners that vehicles parked in driveways should be few and rare. When practicable, Passenger Vehicles on Lots shall be stored in garages when not in use. With respect to the forgoing, be advised the Board will exercise its authority to grant waivers under this (and any other) provision of the Restrictions when it deems a waiver to be necessary or appropriate. With respect to this provision, waivers will be granted when the Board determines, in its sole discretion, that enforcement would impose an undue burden on an Owner. As examples, an undue burden might arise, without limitation, when: (a) a family requires a live-in healthcare provider; and (b) more driving age adults reside in a residence than the number of garage spaces. Enforcement of this provision shall occur only when a violation is reported to the Board by an Owner who can see the parked vehicle from such Owner's Lot and is further observed by a member of the Board. Parking on lawns, ditches, open space areas or other dirt, gravel or grassy areas is prohibited. No vehicle shall be parked so as to obstruct sightlines of street intersections. Notwithstanding the foregoing, commercial vehicles, machinery, or equipment temporarily parked and in use for the construction, repair, provisioning or maintenance of a house or fixed other property on a Lot are permitted. Every vehicle parked within the Property shall be maintained in a manner such that the appearance of the vehicle does not distract from the appearance (e.g., body panels and paint should be in a condition close to the original factory condition) of the Property as determined in the sole discretion of the Board. Streets and driveways may not be used to rebuild, repaint or repair (other than minor emergency repairs) vehicles. RVs, motor homes, trailers, recreational or other vehicles with no more than two axels, the parking of which is not expressly permitted by the above, and boats and other watercraft may be temporarily parked in front of or on the driveway of a Lot for loading and unloading only, and in no event for more than 24 hours at a time. Moving such vehicle for a purpose of avoiding violating this provision is prohibited and will not toll the permitted parking period.

2.19 Parking on Streets. Except in connection with a party, meeting or similar event, or with repair, remodel or maintenance work on Owner's Lot when Owner's driveway is too small to reasonably accommodate all the vehicles or trailers of the invitees for such event, Owners shall not park and will cause invitees to such events not to park on the streets within the Property. Vehicles shall not be parked overnight on streets within the Property.

2.20 Flags – 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 a sports team flag flown only on game day ("**Permitted Flag**") and permitted to install a flagpole no more than five feet (5') in length affixed to the front of the principal residence near the principal entry or affixed to the rear of a residence ("**Permitted Flagpole**"). Only one (1) permitted Flagpole is allowed per residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the ARC. Approval by the ARC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any Lot ("**Freestanding Flagpole**").

2.21 Flags – Installation and Display. Unless otherwise approved in advance and in writing by the ARC, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, must comply with the following:

- (i) No more than one (1) Permitted Flagpoles or Freestanding Flagpole is permitted per Lot, on which only Permitted Flags may be displayed;
- (ii) Any Permitted Flagpole must be no longer than five feet (5') in length and any Freestanding Flagpole must 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'x5');
- (iv) With the exception of flags displayed on Common Area, the flag of the United States of America must be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas must 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 must comply with all applicable zoning ordinances, easements and setbacks of record;
- (vi) Any flagpole must 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 must be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must 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 property; and
- (ix) Any external halyard of a flagpole must be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

2.22 Use of Private Roads. All private roads (excluding driveways serving on Owner's Lot exclusively) located within the Property, shall be for the use of the Owners of the Lots in the Property and their guests and invitees. The Board may adopt Rules and Regulations regarding access to and use of the private roads from time to time, which may include a sticker, permit, or guest access system.

2.23 Common Areas Exempt. Notwithstanding any provision herein to the contrary, the Common Areas shall not be subject to or burdened by the building and use restrictions set forth in the Restrictions, except as to the extent the same are expressly made applicable to the Common Area by written resolution of the Board.

2.24 Compliance with Restrictions. Each Owner, his or her family, residents of a Lot, tenants, and the guests, invitees, and licensees of the preceding shall comply strictly with the provisions of the Restrictions as the same may be amended from time to time. Failure to comply with any of the Restrictions shall constitute a violation of the Restrictions and may result in a fine against the Owner in accordance with Section 6.8 of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Board on behalf of the Association or by an aggrieved Owner. 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 Restrictions, 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 ("Compliance Assessment") shall be secured by the liens reserved in this Declaration for assessments and may be collected and enforced by any means provided in this Declaration for the collection of assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s) as set forth in Article 6. Each such Owner 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 2.24 (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.

ARTICLE 3 **CONSTRUCTION**

3.1 Approval of Plans. No Structure or landscape element will be erected, placed, constructed, maintained, or altered on any Lot until the Plans for such building, landscape or improvement have been submitted to and approved in writing by the ARC. Upon completion of the proposed Structure or landscape element, the ARC reserves the right to conduct a final inspection to insure the proposed Structure(s) and/or landscape element(s) were erected, placed, constructed, maintained, etc. in accordance with approved Plans.

3.2 ARC. The ARC will be composed of not more than five (5) persons appointed by the Board. The Board may remove and replace a previously appointed member of the ARC from time to time and at any time. If the Board elects not to appoint members to the ARC, the Board shall serve as the ARC. The ARC will have the right to utilize consultants and advisors as it deems necessary or appropriate. A majority of the ARC shall constitute a quorum to transact business at any meeting of the ARC, and the action of a majority present at a meeting at which there is a quorum shall constitute the action of the ARC.

(a) **Approval Considerations.** In determining whether such Plans shall be approved, the ARC may take into consideration factors deemed appropriate by the ARC. Such factors may include, without limitation, the following:

- (i) compliance with these Restrictions;
- (ii) quality, texture and color of the building materials or improvements;
- (iii) harmony of external design of such building or improvement with existing and proposed buildings and improvements and with the design or overall character and aesthetics of the Property;
- (iv) location of such building or improvement within the Lot on which it will be constructed or placed;

- (v) the number of square feet to be contained in such building or improvement;
 - (vi) installation of a pressure reducing valve if deemed necessary by the Owner or the Owner's representative on those Lots with water pressure in excess of eighty pounds per square inch (80 p.s.i.);
 - (vii) possible interference or conflict with the use or enjoyment of the Property or any amenities relating thereto, including specifically, but without limitation, any marina, golf course, clubhouse, tennis courts, or golf course paths; and
 - (viii) compliance with laws, ordinances, rules or regulations of any county, state municipal or other governmental authority (provided that approval by the ARC should not be construed by the Owner that any Structure complies with the terms and provisions of any such laws, ordinances, rules or regulations of any county, state municipal or other governmental authority).
- (b) **Submission and Approval of Plans.** The ARC shall approve or disapprove the Plans in accordance with the following procedures:
- (i) Three (3) complete sets of Plans shall be delivered to the ARC at the address set forth in the Rules and Regulations.
 - (ii) If the Plans are approved by the ARC, a letter of approval, including a description of qualifications or required modifications, if any, will be prepared and dispatched, along with one complete set of Plans, to the owner. Such approval shall be dated and shall not be effective for construction commenced more than three hundred sixty (360) days after such approval. If construction is not commenced within three hundred sixty (360) days after such approval, the Owner shall not begin construction in accordance with the previously approved Plans until the Plans have been resubmitted and reapproved by the ARC in accordance with the provisions of this Section 3.2.
 - (iii) If the Plans are disapproved by the ARC, one set of such Plans shall be returned marked "Disapproved."
 - (iv) Disapproved Plans shall be accompanied by a statement of reasons for disapproval.
 - (v) The Board may require payment by any party who submits Plans for approval of a cash fee to compensate for the expense of reviewing such Plans. If the Board considers that the circumstances so warrant, the Board may increase such fee without the joinder or consent of any other party.
 - (vi) The ARC may from time to time promulgate and publish Architectural Standards Bulletins. A copy of such Architectural Standards Bulletins in effect at the time will be furnished to Owners on request. Such Architectural Standards Bulletins will supplement the Restrictions and may make other and further provisions not inconsistent with the provisions of this Declaration as to the approval and disapproval of plans and specifications, ensuring compliance with approved plans and specifications, prohibited materials, and other matters relating to the appearance, design,

and quality of improvements. Such Architectural Standards Bulletins, as they may be promulgated from time to time by the ARC, shall be recorded in the Official Public Records of Travis and Burnet Counties, Texas and upon recordation will be automatically incorporated into the Restrictions.

- (c) **Appeals.** Owners may appeal decisions of the ARC to the Board, in which case the determination of the Board shall be final and in its sole discretion. All decisions made by the ARC which are not appealed to the Board within thirty (30) days of their issuance shall become final and deemed to have been approved by the Board. In the event the Board is the ARC hereunder, the decision of the Board shall be final, conclusive, and non-appealable.
- (d) **No Liability.** No approval of Plans, and no publication of Architectural Standards Bulletins shall ever be construed as representing or implying that such Plans, specifications, or standards will, if followed, result in a properly designed structure. Such approvals and standards shall in no event be constructed as a representation or guarantee by the Board that any structure will be built in a good or workmanlike manner. Neither the members of the ARC nor the Board or its representatives, shall be liable in damages to anyone submitting Plans to the ARC for approval, or to any Owner or lessee of any part of the Property, by reason of or in connection with the approval or disapproval or failure to approve any Plans submitted. Every person who submits Plans to the ARC for approval agrees, by submission of such Plans, and every Owner or lessee of any portion of the Property, by acquiring title thereto or interest therein, that he will not bring any action or suit against the ARC or Board or the members of the either, or their representatives, for any damages arising from the approval of Plans or the design or construction of any residence or Structure.
- (e) **Grandfather Clause.** Each completed Structure on a Lot as of the date this Declaration is recorded in the Official Public Records of Travis and Burnet is hereby approved and the prior approval thereof, if any, is hereby ratified. Notwithstanding the foregoing, all existing Structures shall be subject to the Restrictions and modifications to existing Structures must be approved as set forth herein.

3.3 Decoration, Maintenance, Alteration, and Repairs. Subject to the provisions of this Section 3.3, and subject to the Rules and Regulations, each Owner shall have the right to maintain, repair and replace Structures and landscaping located upon such Owner's Lot provided the Structure or landscaping: (i) existed on the date this Declaration is recorded in the Official Public Records of Travis and Burnet and the Owner can provide reasonable evidence thereof; or (ii) was previously approved by the ARC. Any such permitted maintenance, repair or replacement shall be performed in a good and workmanlike manner and in a manner that causes minimum inconvenience to other Owners and does not constitute a nuisance. Notwithstanding the foregoing, the Board may require any Owner to remove or eliminate any Visible object situated on such Owner's Lot, if, in the Board's sole judgment, such object detracts from the visual attractiveness of the Property.

3.4 Construction Activity. No building material of any kind or character shall be placed or stored upon any Lot more than thirty (30) days before the construction of a Structure or improvements is commenced. All materials permitted to be placed on a Lot shall be placed within the property lines of the Lot. At the completion of such building or improvements, any unused materials shall be removed immediately from the Lot. After Commencement of Construction of any Structure or improvements on the Lots, the work thereon shall be prosecuted diligently, to the end that the Structure or improvements shall not remain in a partly finished condition any longer than

reasonably necessary for completion thereof. Unless otherwise approved in writing by the Board, the construction of any Structure or improvement on a Lot shall be completed within three hundred sixty (360) days from date of Commencement of Construction, excepting delays due to strikes, war, acts of God or other causes beyond the control of the Owner.

3.5 Temporary Structures. No Structure of a temporary character, trailer (with or without wheels), mobile home (with or without wheels), or modular or prefabricated home, tent, shack, barn, or any other out-building structure or building, other than the permanent residence to be built thereon, shall be placed on any Lot, either temporarily or permanently.

3.6 Construction Materials. Only new construction materials (except for used brick) shall be used in constructing any Structure or improvements situated on a Lot. Unless otherwise approved in writing by the Board, all residential Structures and related physical improvements such as a detached garage and/or cabana, if any, situated on any Lot shall have not less than seventy-five percent (75%) masonry construction, or its equivalent (at the discretion of the ARC), on the exterior wall area (plywood siding is not allowed). Detached garages may have wood siding of a type and design approved expressly by the ARC. All attached garage interiors must be sheetrocked and painted, but detached garages located sixty-five feet (65') or more from the front property line of a Lot are not required to have their interiors sheetrocked or painted. In determining whether any building has seventy five percent (75%) masonry construction, or its equivalent, on the exterior wall area, there shall be excluded from the exterior wall area measurements those portions of such exterior wall area which are doors, windows and covered porch walls.

3.7 Exterior Color Schemes.

- (a) Plans must include the designation of the color and material of all external surfaces of a Structure and are subject to ARC approval. With respect to Phase Two and Four (Hilltop Property) and the Lots therein only, the residential Structures and related physical improvements such as a detached garage and/or cabana, if any, constructed on any Lot shall have a common exterior appearance as determined by the ARC, including without limitation, concrete tile roofs, exterior masonry, exterior painting, and outdoor lighting of uniform design, material and color.
- (b) Further, to ensure that the exterior appearances remain uniform, the Association shall have the authority, but not the obligation, to maintain the Exterior Area of all such residences. There is hereby created and granted to the Association an easement upon, across, over and under all the Lots within Phase Two to exercise the power and authority granted under this Section 3.7. The cost of such maintenance will be paid by the Owner whose property is maintained and will be included in the Assessments, described below. **Each Owner 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 3.7 (including the cost, fees, expense, liability, claim of 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.**

3.8 Air Conditioners. No window, roof, or wall type air conditioner that is Visible shall be used, placed or maintained on or in any Structure.

3.9 Garbage Disposals. The kitchen in each residence shall be equipped with a garbage disposal unit, which garbage disposal unit shall at all times be kept in a serviceable condition.

3.10 Landscaping. Prior to occupancy of any Lot, the Exterior Area of the Lot must be landscaped in accordance with a landscape plan previously submitted to and approved by the ARC, in accordance with the provisions of Section 3.2. Prior to occupancy of a Lot, the portions of the front yard of a Lot for which grass is specified by such approved plan must be completely sodded or hydro-mulched with grass; and must have shrubs or other landscaping planted adjacent to the front of the residence constructed thereon to screen from view the foundation of such residence. An underground sprinkler system sufficient to serve the grass and plant areas specified in such approved landscape plan is mandatory. The above restrictions with respect to front yards will also apply to any back or side yard of a Golf Course Lot which abuts the golf course. Not more than twenty five percent (25%) of any front or side yard of a Lot may be covered by rock material. Lots which abut portions of the golf course lying adjacent to the Property shall be required to landscape the areas thereof which abut the golf course in a manner which provides an aesthetically pleasing visual effect from the golf course. Lots which abut two or more street right-of-ways may be required by the Board to plant upright, non-spreading trees which are appropriate for close proximity to streets, together with ground cover, shrubs, flowers, plants and other landscaping that enhance the beauty of the Lot and result in the continuity of landscape design and integrity throughout the Property. If the requirements of this Section 3.10 are not satisfied, the Board, at its election, may cause said maintenance, repair, and good order to be maintained, in which case the cost of same shall be billed by the Association to the Owner of the Lot, and same shall be paid by said Owner. Any such charges shall be due immediately and shall be secured and bear interest in the same manner as Assessments.

3.11 Walls, Fences, and Hedges. No fence, wall or other improvement shall be erected, placed, or altered on any Lot at any point nearer to any street than the building setback lines as shown on the Plat, or as provided below. No fence, wall, hedge, or similar structure or growth shall be constructed or permitted to grow higher than the lower of: (i) eight feet in height, or (ii) in excess of any applicable governmental restriction regarding the same. All fences and walls, with the exception of the Subdivision Fence, wherever located on a Lot must be of ornamental iron or masonry construction, except chain link fences shall be permitted to enclose swimming pools if such fence is not Visible. All fences, with the exception of the Subdivision Fence, are subject to Section 3.15 hereof.

3.12 Roofing. Roofs shall be constructed only as follows: built-up flat roofs, concrete or ceramic tile, wood shake, wood shingle, or approved metal; provided, only concrete tile may be used for Lots within the Hilltop Property of a color approved in writing by the ARC. If wood shingle is used, only "Number 1 Perfection" wood shingle shall be used, unless otherwise approved in writing by the ARC, if metal is used, the metal surface must have a dull finish upon installation, and must meet ARC approval as to type and finish. No composition shingles shall be allowed. Any other type of roofing material shall be permitted only with the advance written approval of the ARC. In addition, roofs may be constructed with "**Energy Efficiency Roofing**" with the advance written approval of the ARC. For the purpose of this Section 3.12, "**Energy Efficiency Roofing**" means shingles that are designed primarily to: (i) be wind and hail resistant; (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (iii) provide solar generation capabilities. The ARC will not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (A) resemble the shingles used or otherwise authorized for use within the community; (B) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (C) 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 in the

Restrictions. In conjunction with any such approval process, the Owner should submit information which will enable the ARC to confirm the criteria set forth in this Section 3.12.

3.13 Solar Energy Device. Solar Energy Devices may be installed by an Owner on such Owner's Lot with the advance written approval of the ARC.

- (a) Application. To obtain ARC approval of a Solar Energy Device, the Owner shall provide the ARC 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**"). The Solar Application shall be submitted in accordance with the provisions of Section 3.2 of this Declaration.
- (b) Approval Process. The ARC will review the Solar Application in accordance with the terms and provisions of Section 3.2 of this Declaration. The ARC will approve a Solar Energy Device if the Solar Application complies with this Section 3.13 **UNLESS** the ARC makes a written determination that placement of the Solar Energy Device, despite compliance with this Section 3.13, will create a condition that substantially interferes with the use and enjoyment of property within the Property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The ARC'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.
- (c) Approval Conditions. Unless otherwise approved in advance and in writing by the ARC, each Solar Application and each Solar Energy Device to be installed in accordance therewith must comply with the following:
 - (i) The Solar Energy Device must be located on the roof of the residence, detached garage or cabana 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 will be located on the roof of the residence, detached garage or cabana, the ARC 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 10 percent above the energy production of the Solar Energy Device if installed in the location designated by the ARC. If the Owner desires to contest the alternate location proposed by the ARC, the Owner should submit information to the ARC which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device will 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 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 must conform to the slope of the roof and the top edge of the Solar Device must be parallel to the roofline; (c) the color of the frame, support brackets, or piping or wiring associated with the Solar Energy Device's Visible exterior must be silver, bronze or black.

3.14 Rainwater Harvesting Systems. Rain barrels or rainwater harvesting systems (a "Rainwater Harvesting System") may be installed with the advance written approval of the ARC.

- (a) Application. To obtain ARC approval of a Rainwater Harvesting System, the Owner shall provide the ARC with the following information: (a) the proposed installation location of the Rainwater Harvesting System; and (b) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the "Rain System Application").
- (b) Approval Process. The decision of the ARC will be made in accordance with Section 3.2 of this Declaration.
- (c) Approval Conditions. Unless otherwise approved in advance and in writing by the ARC, each Rain System Application and each Rainwater Harvesting System to be installed in accordance therewith must comply with the following:
 - (i) The Rainwater Harvesting System must be consistent with the color scheme of the residence constructed on the Owner's Lot, as determined by the ARC.
 - (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 determined by the ARC.
 - (v) If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be Visible, the ARC may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. See Section 3.14(d) for additional guidance.
- (d) Guidelines. If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be Visible, the ARC 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, the application should describe methods proposed by the Owner to shield the Rainwater Harvesting System from the view of any street, Common Area, or another Owner's Lot. When reviewing a Rain System Application for a Rainwater Harvesting System that will be installed on or within the side yard of a Lot, or would otherwise be Visible, any additional requirements imposed by the ARC 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 determined by the ACC.

3.15 Sight Lines. No fence, hedge or shrub, with the exception of the Subdivision Fence, that obstructs sight lines at elevations between two (2) and six (6) feet above any roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in case of a rounded property corner, from the intersection of a street property line with the intersection of a driveway or alley pavement. No trees shall be permitted to remain within

such distances of such intersections unless the foliage line is maintained at a sufficient height to prevent obstruction of such sight lines.

3.16 Slabs. Not more than two feet (2') of vertical surface of concrete slab of any residence or other Structure shall be Visible, unless otherwise approved in writing by the Board, and landscaping, as required by Section 3.10 above shall be used to screen such exposed slab. Any slab in excess of two feet (2') in height above finished grade shall have at least that excess in height covered with siding or masonry used in constructing the residence or other Structure. Any residence or other Structure with a pier and beam foundation shall have all mechanical, electrical, plumbing lines and fixtures located thereunder screened from view from any Common Area, public or private street and from adjacent Lots. Any residence or other Structure with an elevated deck shall have its open space below such deck screened from public view and view from adjacent Lots. The ARC, in its sole discretion, will determine the adequacy of any screening technique employed.

3.17 Driveways. No driveways or roadways may be constructed on any Lot to provide any access to any adjoining Lot or other portion of the properties unless otherwise approved in writing by the ARC. Each Lot must be accessible to any adjoining street by a driveway suitable for such purposes before the residential structure located on any such Lot may be occupied or used. No Owner may block any drainage ditch (including road ditches) or drainage gutters on curb and cuter streets. Specifications for and construction of all drain tiles, culverts in or over any drainage ditch, or driveway transitions to the public streets and the material used therefore, whether to be installed in connection with a driveway or otherwise, must be approved by the Board. Each residence must include off-street parking space for a minimum of two (2) Passenger Vehicles. Driveways are to be constructed out of concrete or other surface specifically approved by the ARC.

3.18 Garages. Except on Lots in the Ranch Section 12A, each residence shall have, either as an integral part of or attached to the residence or as a separate detached structure, a garage capable of accommodating at least two (2) but not more than four (4) standard-size passenger automobiles. Each such garage shall be connected to the adjacent street by means of a driveway. All garages shall have a minimum width of twenty (20) feet and a minimum length of twenty-two (22) feet as measured from the inside wall of the garage. All garages must have either a single overhead door with a minimum door width of sixteen (16) feet for a two-car garage, or two (2) sixteen (16) foot doors for a four car garage, or two (2), three (3), or four (4) individual overhead doors, each a minimum of ten (10) feet in width, and a service door. All overhead doors shall be electrically operated and shall be kept closed when not in use. No Front Entry Garages (as hereinafter defined) shall, except as hereinafter provided, be constructed within the Property. The term "**Front Entry Garage**" shall refer to any garage the plane of the entry way to which is not rotated on an axis at the middle of such entry way at least ninety degrees (90°) from each position at which such garage would be located if it were located in such manner that the plane of the entry way is parallel to the street abutting such Lot (if the abutting street right of way is a straight line) or is parallel to each tangent on the curve of the street abutting such Lot (if the abutting street right-of-way is not a straight line). If the Lot abuts two streets, separate tests shall be applied with respect to each street. Notwithstanding anything contained herein to the contrary, it shall be permissible to construct a Front Entry Garage if the doors of such Front Entry Garage are completely obscured from view from any street abutting the Lot in question by a residence or improvement otherwise permissible under and approved in accordance with the Restrictions. In addition, the ARC, in its discretion, may approve the construction of a Front Entry Garage pursuant to the procedure for the approval of plans set forth in Section 3.2 of this Declaration.

3.19 Central Water. Each residence situated on a Lot shall be connected to the central potable water supply system constructed by the Board or by any successor entity. The Rules and

Regulations shall provide general requirements for the elevation and connection to such utilities as the ARC may from time to time require.

3.20 Above Ground Swimming Pools. Moveable above ground-swimming pools are strictly prohibited within the Property, except for pools less than six feet (6') in diameter.

3.21 Trees. No live trees with a circumference larger than twenty-eight (28) inches may be removed from any Lot or destroyed without the prior written consent of the ARC. For the purpose of determining the size of the tree, the circumference will be measured one foot above the average natural level of the ground at the base of the tree, and the ARC ruling on the circumference of any tree is final and binding on all parties. No concrete, asphalt, or impervious cover of any kind shall be placed within the drip line of any tree twenty-eight (28) inches or larger in circumference without the prior written consent of the ARC. The drip line is defined as the line on the ground directly below the farthest extremities of the branches of the tree. The ARC's determination of the location of the drip line shall be final and binding on all parties. Parking areas located within the drip line of any tree twenty-eight (28) inches or larger in circumference shall be constructed of a pervious or porous cover such as porous asphalt, grass, or other similar material, unless the use of other materials is approved in writing by the ARC prior to construction.

3.22 Boat Docks, etc. Boat docks, boat houses, piers, bulkheads and other similar structures shall be constructed from materials which are and shall be architecturally designed to be harmonious with the environment and must be lighted in accordance with applicable laws and regulations. All boat houses and boat slips (not including personal water craft slips) must be covered and contain no more than two slips (not including slips for personal water craft), unless a greater number is approved by the ARC. The foregoing provisions of this paragraph shall not apply to any Lot or Lots on which the ARC shall permit the construction of a marina or similar facility which will be available to all Members.

3.23 Wells. No water or other wells may be drilled on any Lots.

3.24 Size of Residences and Location on Lot. No residence shall have more than the number of stories reflected for such Lot in Exhibit "C", or exceed a maximum height reflected for such Lot in Exhibit "D". No residence with an interior area of less than the applicable minimum number of square feet set forth on Exhibit "E", exclusive of the attached garages, porches, or other appurtenances or appendages, shall be erected on any Lot. No Structure or improvements shall be located on any Lot between the building setback lines shown on the Plat pertaining to such Lot and the street right-of-ways on which such Lot fronts or which are adjacent to any side Lot line of such Lot. In addition, no Structure or improvements shall be located nearer to a Lot line than the distance indicated for such Lot on Exhibit "F" attached hereto and incorporated by reference. The Plat sets forth certain setback lines for each Lot and no Structure or improvements shall be erected closer to the front, side or rear Lot lines than such setback lines. For the purposes of this Section 3.24, eaves, steps, and open porches shall not be considered to be a part of the Structure or improvement; provided, however, that the foregoing shall not be construed to permit any portion of a Structure or improvement or any such eave, step, or open porch on a Lot to encroach upon another Lot. For the purposes of the Restrictions, the front Lot line of each Lot shall coincide with and be the property line having the smallest or shortest dimension abutting any street right-of-way. Unless otherwise approved in writing by the ARC, each residence shall face the front Lot line of the Lot upon which it is constructed, and each detached garage shall be provided with a driveway access from the front of the Lot. Such access into the garage must comply with the terms stated in Section 3.18 and with all requirements established by the ARC. During original construction, the ARC, at its sole discretion, is hereby permitted to approve deviations in the location of improvements upon the Lot, subject to setback shown on the recorded Plat and previous recorded instruments.

3.25 Irrigation and Solid Waste Composting. Anything in the Restrictions to the contrary notwithstanding, the Restrictions do not restrict the: (i) installation of measures promoting solid-waste composting or vegetation, including grass clippings, leaves, or brush, or leaving grass clipping uncollected on grass; or (ii) implementing efficient irrigation systems, including underground drip or other drip systems; provided, however, prior to the installation of such devices, the Owner must obtain approval of the ARC with respect to the size, type, shielding, and materials, for or the location of any such device and any other appurtenance thereto. See Section 3.14 for the procedures associated with the review and approval of Rainwater Harvesting Systems.

3.26 Additional Restrictions. The terms, provisions, and restrictions of that certain variance applicable to the Lots 29 and 30 of Barton Creek Lakeside, Phase One as set forth in that certain Variance recorded as Document 1999013403 in the Official Records of Travis County, Texas are not affected by this Declaration and remain in full force and affect.

ARTICLE 4 **RESERVATIONS AND EASEMENTS**

4.1 Reservations of and Right to Grant Easements. The Board on behalf of the Association reserves the right to grant utility easements within the Lots, Common Area, private roads and rights-of-way shown on the Plat to utility providers or other parties designated by the Board for the construction, addition, maintenance, and operation of all utility systems (which systems shall include systems for drainage purposes) now or hereafter deemed necessary by Board for all utility purposes, including systems of electric light and power supply, drainage, telephone service, cable television service, gas supply, water supply, and wastewater services, including systems for utilization of services resulting from advances in science and technology. There is hereby created an easement upon, across, over, and under all of the Property for ingress and egress for the purpose of installing, replacing, repairing, and maintaining all utilities. By virtue of this easement, it shall be expressly permissible for the utility providers and other entities supplying services to install and maintain pipes, wires, conduits, service lines, or other utility facilities (which facilities shall include drainage facilities) or appurtenances thereto, on, above, across, and under the Property within the drainage and utility easements now or from time to time existing and from service lines situated within such easements to the point of service on or in any structure. Notwithstanding anything contained in this Section 4.1, no utilities (including drainage) or appurtenances thereto may be installed or relocated on the Property until approved by the Board. The Utility Companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the Plat, and to trim overhanging trees and shrubs located on portions of the Property abutting such easements. There is also reserved, for the use of all utility providers, an unobstructed aerial easement ten feet (10') wide from a plane fifteen feet (15') above the ground upward, located adjacent to the said easements reserved hereby, and all easements shown on the Plat for electric facilities. The Common Areas may be used for utility and drainage purposes.

4.2 Modification of Easements. The Board reserves the right to make changes in and additions to all easements for the purpose of aiding in the most efficient and economic installation of utility systems. Any such amendment shall be made in accordance with applicable state, county and municipal law.

4.3 Notice. The Association hereby expressly reserves the right to maintain, repair, sell, or lease such lines, utilities, drainage facilities, and appurtenances located within the Common Area to any municipality or other governmental agency or to any public service corporation or to any other person.

4.4 Conservation Easements. All reservations of conservation easements filed of record by applicable to any portion of the Property for the purpose of compliance with the Lower Colorado River Authority Nonpoint Source Pollution Control Ordinance are hereby ratified and the Association will have the authority to exercise such easements to the extent necessary to comply with such ordinance.

4.5 Easement of Enjoyment to the Common Areas. An easement is hereby granted to each Owner in and to the Common Area as such for each such Owner's use and enjoyment of the Common Area and for access to each such Owner's Lot, such easement being subject to the Rules and Regulations adopted from time to time by the Board and to the Board's right to control the use and operation of the Common Areas pursuant to the Restrictions and applicable law. No Owner shall construct any improvements on any of the Common Areas without the express prior written consent of the Board.

4.6 Maintenance Easement. An easement is hereby granted to the Association to enter upon the Exterior Areas of all of the Lots for the purposes of landscaping, maintaining and repairing the Common Areas in accordance with the terms and provisions of these Restrictions.

ARTICLE 5

MANAGEMENT AND OPERATION OF THE ASSOCIATION

5.1 Management by Association. The affairs of the Property shall be administered by the Association. The Association shall have the right, power, and obligation to provide for the management, construction, maintenance, repair, replacement, administration, insuring, and operation of the Property as provided for in the Restrictions and pursuant to applicable law. The Association, acting through the Board, shall be entitled to enter into such contracts and agreements, concerning the Property as the Board deems reasonably necessary or appropriate to maintain and operate the Property as contemplated by these Restrictions, including without limitation, the right to grant utility and other easements for uses the Board shall deem appropriate and the right to enter into agreements with adjoining or nearby land owners or governmental entities on matters of maintenance, trash pick-up, repair, administration, security, traffic, operation of recreational facilities, or other matters of mutual interest.

5.2 Membership in Association. Each Owner shall be a Member of the Association and such membership shall terminate automatically when such ownership ceases. Upon the transfer of ownership of a Lot, howsoever achieved, the new Owner thereof shall, concurrently with such transfer, become a Member in the Association.

5.3 Voting Rights. The right to cast votes by Ballot and the number of votes which may be cast for election of members of the Board and on all other matters to be voted on by the Members shall be calculated as follows:

- (a) The Owner of each Lot shall have one (1) vote for each Lot so owned. In the event of the resubdivision of any Lot into two or more Lots, the number of votes to which such Lot is entitled shall be increased as necessary to retain the ratio of one (1) vote for each Lot resulting from such resubdivision. No resubdivision shall be effective, unless the same is approved by the appropriate governmental entity in accordance with applicable law, and duly recorded in the Official Public records of Travis or Burnet County, Texas, as applicable. In the event of the consolidation of two (2) or more Lots for purposes of construction of a single residence thereon, voting rights and Assessments shall continue to be determined according to the number of original Lots contained in such consolidated Lot. Nothing herein shall be construed

as authorization for any resubdivision or consolidation of Lots; such actions are subject to and require the prior approval of the ARC.

- (b) In the event that ownership interests in a Lot are owned by more than one Member of the Association, such Members shall exercise their right to vote in such manner as they may among themselves determine, but in no event shall more than one vote be cast for each Lot. Such Owners shall appoint one of them as the Member who shall be entitled to exercise the vote of that Lot at any meeting of the Association. Such designation shall be made in writing to the Board and shall be revocable at any time by actual written notice to the Board. The Board shall be entitled to rely on any such designation until written notice revoking such designation is received by the Board. In the event that a Lot is owned by more than one Member of the Association and no single Member is designated to vote on behalf of the Members having an ownership interest in such Lot, then none of such Members shall be allowed to vote. All Members of the Association may attend meetings of the Association and all voting Members may exercise their vote at such meetings either in person or by proxy. The Board may exercise the voting rights with respect to Lots owned by it.

5.4 Meetings of the Members. Annual and special meetings of the Members of the Association shall be held at such place and time and on such dates as shall be specified in the Bylaws.

5.5 Election and Meetings of the Board of Directors. The Board of Directors shall be elected and shall meet in the manner set forth in the Bylaws.

5.6 Disputes. In addition to its other powers conferred by law, the Bylaws or hereunder, the Board shall be empowered to create procedures for resolving disputes between Owners and the Board or the Association, including appointment of committees to consider and recommend resolutions of any such disputes.

5.7 Professional Management. The Board may retain, hire, employ, or contract with such professional management as the Board deems appropriate to perform the day to day functions of the Association and to provide for the construction, maintenance, repair, landscaping, insuring, administration, and operation of the Property as provided for herein and as provided for in the Bylaws.

5.8 Board Actions in Good Faith. Any action, inaction, or omission by the Board made or taken in good faith shall not subject the Board or any individual member of the Board to any liability to the Association, its Members, or any other person.

5.9 Ratification of Assignment of Declarant's Rights. In the then applicable Declarations of Covenants, Conditions and Restrictions ("CCRs") covering various subdivisions within Barton Creek Lakeside the Declarant had retained unto itself certain rights under and with respect to such CCRs. Pursuant to assignments recorded in the Official Public Records of both Travis and Burnet Counties, Texas, Declarant assigned to the Association all of Declarant's rights under such CCRs. Those assignments are hereby ratified and the powers vested in the Association, and the delegation of some of those powers to the Board is hereby ratified and affirmed, provided, however, neither the Association nor the Board shall have the unilateral right to amend these Restrictions as the Declarant had in the covenants, conditions and restrictions these Restrictions supplant.

5.10 Administration of Common Area. The Board shall have the exclusive right to control the use, maintenance, and operation of the Common Area. Such right includes, without limitation, the following:

- (a) The right to charge reasonable admission, rental, and other fees for the use of any facility comprising a portion of the Common Area.
- (b) The right to permit non-Owners to use the Common Area on terms acceptable to the Board.
- (c) Subject to the limitations set forth in this Section 5.10(g) below, the right to borrow money for the purpose of maintaining, operating, constructing, or installing improvements and/or landscaping and sprinkler systems in the Common Areas of all of the Lots and, in connection with any such borrowing, to grant a lien against the Common Areas to secure the Association's obligation to repay such money.
- (d) The right to restrict the rights of an Owner who violates any of the provisions of these Restrictions to use the Common Area in accordance with the provisions of this Section 5.10.
- (e) Subject to the limitations set forth in Section 5.10(g) below, the right to dedicate or transfer all or any part of the Common Area that have been conveyed to the Association to any public agency, authority, or utility, and to sell, lease, or pledge those Common Area to any third party, if the Board deems such action to be in the best interests of the Association; provided, such dedication, transfer, sale, lease or pledge does not prevent the Owners from using the Common Area.
- (f) The right to contract for and cause to be built and maintained in the Common Area swimming pools, tennis courts, boat docks, a golf course, and such other recreational facilities as the Board may, in its discretion, deem to be in the best interests of the Association.
- (g) Any lien or other security interest encumbering the Common Areas to secure indebtedness as provided under Section 5.10(c) and any dedication or transfer, sale, lease or pledge of any of the Common Area as provided under Section 5.10(e) shall be made subject to the covenants, conditions, restrictions and easements set forth in, or granted pursuant to, this instrument, or set forth of record at the time this instrument is recorded, including, without limitation, the easement granted to each Owner in and to the Common Area for each such Owner's use and enjoyment thereof as such and the easement granted under Section 4.5; and no foreclosure sale or deed in lieu thereof, nor any dedication, transfer, sale, lease or pleading, covering or affecting all or any of the Common Areas shall operate to cut off, affect, diminish or impair (i) the right of the Owners hereunder (or by separate instrument granted pursuant to any authority therefor set forth in this instrument) to use any enjoy the Common Areas as such, or (ii) the easement granted under Section 5.10(a). The Board's rights to control the operation of the Common Areas as set forth in the Restrictions are not a warranty or representation that any of such rights are contemplated or will be exercised by the Board. Furthermore, Board shall have no responsibility whatsoever to construct any improvements in the Common Area.

5.11 Sub-associations. Nothing herein shall be construed to amend or supplant the right, duties and privileges of the sub-associations described in the either the Restatement of First

Supplement to the Hidden Hills on Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions For The Ranch, Section Three through Eleven recorded at Vol. 11150, Pg. 1108 of the Official Public Records of Travis County, Texas, or the Supplemental Declaration Subjecting Additional Property To Declaration, and Additional Covenants, Conditions and Restrictions for Additional Property recorded at Vol. 8467, Pg. 65 of the Official Public Records of Travis County, Texas.

ARTICLE 6

MAINTENANCE EXPENSE CHARGE AND MAINTENANCE FUND

6.1 Payment of Annual Maintenance Charge. Each Lot shall be subject to an Annual Maintenance Charge of \$700.00 per year. The amount of the Annual Maintenance Charge for each Lot may be increased or decreased by the Board from time to time, but not more often than once per year. However, if any such change increases the Annual Maintenance Charge by more than twenty percent (20%) of the amount of the Annual Maintenance Charge in the preceding calendar year, the change must be approved by a vote of at least a majority of the votes of Members, by vote taken not less than ten (10) days prior to the first day of January of the year in which such increase is scheduled to become effective.

6.2 Payment of Annual Maintenance Charge by The Association. Notwithstanding anything to the contrary herein, all Lots while owned by the Association shall be exempt from the payment of an Annual Maintenance Charge.

6.3 Maintenance Fund. The Annual Maintenance Charges collected by the Association shall be paid into the Maintenance Fund and shall be held, managed, invested, and expended by the Board, at its discretion, for the benefit of the Property and the Owners of Lots therein. The Board shall, by the way of illustration and not by way of limitation, expend the Maintenance Fund for the administration, management, and operation of the Property and for the landscaping maintenance, insuring, repair, and operation of, and the construction of improvements on, the Common Area; for the enforcement of these Restrictions by action at law or in equity, or otherwise, and the payment of court costs as well as reasonable and necessary legal fees; and for all other purposes that are, in the discretion of the Board, desirable in order to maintain the character and value of the Property and the Lots therein. The Board and its individual Members shall not be liable to any person as a result of actions taken by the Board with respect to the Maintenance Fund, except for willful misdeeds.

6.4 Special Assessments. The Association may levy and collect Special Assessments to pay in whole or in part the cost of any major replacement, repair or maintenance of a capital improvement on Common Area without the approval or concurrence of the Members to the extent that the Board determines that the projected funds in the Maintenance Fund after the payment of the costs of such major replacement, repair or maintenance would be insufficient to prudently provide for the continued fulfillment of the Associations obligations hereunder. A "major replacement, repair or maintenance of a capital improvement" means any replacement, repair or maintenance of an existing capital improvement the cost of which would exceed \$300.00 per Lot. The Association may levy or collect a Special Assessment for the acquisition of a new capital improvement provided the Special Assessment is approved by a vote of at least sixty percent (60%) of the votes of Members.

6.5 Enforcement of Assessments.

- (a) The Annual Maintenance Charge assessed against each Owner shall be due and payable on the second (2nd) day of each January thereafter. Any such amount not

paid and received by the tenth (10th) day of each January thereafter shall be deemed delinquent, and, without notice, shall bear interest at the lower of (i) one and one half percent (1.5%) per month, or (ii) the highest contract rate per annum allowed by law from the date originally due until paid.

- (b) To secure payment of the Annual Maintenance Charge, Special Assessments and Compliance Assessments (see Section 2.24) levied hereunder, and any other sums due hereunder (including without limitation interest, late fees, fines or delinquency charges), a continuing assessment lien shall be and hereby is reserved in and to each Lot and is hereby assigned and transferred to the Association, which lien shall be enforceable as hereinafter set forth by the Association or the Board on behalf of the Association.
- (c) Each Owner, by acceptance of a deed to a Lot on which a lien has been imposed, hereby expressly recognizes the existence of such lien as being prior to his ownership of such Lot and hereby vests in the Association the right and power to bring all actions against such Owner or Owners personally for the collection of all sums assessed in the manner provided in this Article 6 or this Declaration. The payment of all sums assessed in the manner provided in this Article 6 is, together with late charges and interest as provided in this Declaration and all costs of collection, including attorney's fees as herein provided, secured by the continuing Assessment lien granted and reserved to the Association, and will bind each Owner's Lot(s), and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien will be superior to all other liens and charges against such Lot, except only for: (i) tax liens; (ii) all sums secured by a first mortgage lien or first deed of trust lien of record, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot in question and (iii) home equity loans or home equity lines of credit which are secured by a second mortgage lien or second deed of trust lien of record; provided that, in the case of subparagraphs (ii) and (iii) above, such Mortgage was recorded before the delinquent Assessment was due. The Association will have the power to subordinate the aforesaid Assessment lien to any other lien. Such power will be entirely discretionary with the Board, and such subordination may be signed by an 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 or Owners of the Lot covered by such lien and a description of the Lot. Such notice may be signed by one of the officers of the Association and will be recorded. Each Owner, by accepting a deed or ownership interest to a Lot subject to this Declaration, will be deemed conclusively to have granted a power of sale to the Association to secure and enforce the Assessment lien granted or reserved hereunder. The Assessment liens and rights to foreclosure thereof will be in addition to and not in substitution of any other rights and remedies the Association may have by law and under this Declaration, including the rights of the Association to institute suit against such Owner or Owners personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien. In any foreclosure proceeding, such Owner or Owners will be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association will 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 will report to said Mortgagee any unpaid Assessments remaining unpaid

for longer than sixty (60) days after the same are due. The lien hereunder will not be affected by the sale or transfer of any Lot; 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 will be extinguished, provided that past-due Assessments will 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 will 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 6.5, the Association will upon the request of the Owner execute a release of lien relating to any lien for which written notice has been filed as provided above, except in circumstances in which the Association has already foreclosed such lien. Such release will be signed by an officer of the Association. Except as otherwise provided by applicable law, the sale or transfer of a Lot will not relieve the Owner of such Lot 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 and on the date of such conveyance Assessments against the Lot remain unpaid, or said Owner owes other sums or fees under this Declaration to the Association, the Owner will pay such amounts to the Association out of the sales price of the Lot, and such sums will be paid in preference to any other charges against the Lot other than liens superior to the Assessment lien and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot which are due and unpaid. The Owner conveying such Lot will remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the expenses associated with updating the Association's records upon the transfer of a Lot to a third party.

It is the intent of the provisions of this Section 6.5 to comply with the provisions of Article 3810, Texas Revised Civil Statutes, relating to non-judicial sales by power of sale and, in the event of the amendment of said Article 3810 hereafter, which amendment is applicable hereto, the President of the Association, acting without joinder of any other Member or Owner or Mortgagee or other person may, by amendment to these Restrictions filed in the Official Public Records of Travis County or Burnet, Texas, as applicable, amend the provisions hereof so as to comply with said amendments to Article 3810.

6.6 Equality of Assessments and Charges. Any Assessments or charges under this Article 6, whether annual or special, payable by each Lot shall be determined by dividing the total Assessment or charge fixed by the Association by the total number of Lots in the Property (excluding Common Area). Notwithstanding any provision hereof to the contrary, any Fine (as defined in Section 6.8 below) or amount assessed pursuant to Section 6.8, which is specifically attributable to fewer than all of the Owners and/or attributable to a specific Owner, shall be borne, pro-rata if applicable, by the Owners(s) to whom the Fine or amount is specifically attributable.

6.7 Maintenance of Non-Point Source Pollution "Controls and Transfer of Maintenance Obligations Upon Dissolution. The owner of the facility shall assume the obligation to maintain the non-point source pollution controls required under the Lake Travis Non-Point Source Pollution Control Ordinance (the "**LCRA Ordinance**") to operate the Wastewater Treatment Plant located in Section Thirteen. The Association shall maintain the non-point source pollution controls in accordance with best management practices required by the LCRA Ordinance. Upon dissolution

of the Association, the maintenance obligations shall be transferred to an appropriate non-profit entity. The Association shall not be dissolved until such time as an entity, acceptable to the Lower Colorado River Authority, accepts the maintenance obligations.

6.8 Fines. The Board of the Association shall have the right at any time and from time to time to establish, impose or collect fines ("Fines"), which Fines may be imposed on a daily basis. The Fines may be imposed in the discretion of the Board against Owners who or which are in violation of any provision of these Restrictions or the Rules and Regulations; provided, prior to imposing Fines, the Board shall provide the Owner(s) with notice of the violation and a reasonable opportunity to cure the same. Notice of Fines imposed upon an Owner shall be provided by written notice to the Owner at her, his or its last known address on the books and records of the Association. All Fines shall be also secured by a lien reserved for Assessments and may be collected in the same manner as Assessment to the extent permitted by applicable law.

6.9 Fines Are Owner's Obligations. The amount of any Fine or assessment with respect to any Lot shall be the personal obligation of the Owner of such Lot. Notwithstanding anything to the contrary, suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the Owner's obligation hereunder. No Owner may avoid or diminish such personal obligation by the abandonment of such Owner's Lot or any building or improvements thereon.

ARTICLE 7

INSURANCE

The Association will not be required to maintain insurance on the Structure or improvements constructed upon any Lot. The Association may, however, obtain such 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 will be a common expense to be included in the Assessments levied by the Association. The acquisition of insurance by the Association will be without prejudice to the right and obligation of any Owner to obtain additional individual insurance.

ARTICLE 8

FIRE AND CASUALTY: REBUILDING

8.1 Rebuilding. In the event of a fire or other casualty causing damage or destruction to a Lot or the Structure or improvements located thereon, the Owner thereof shall within three (3) months after such fire or casualty contract to repair or reconstruct the damaged portion of such Structure or improvements and shall cause such Structure or improvements to be fully repaired or reconstructed in accordance with the original Plans therefor, or in accordance with new Plans presented to and approved by the ARC, and shall promptly commence repairing or reconstructing such Structure or improvements, to the end that the Structure or improvements shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Alternatively, such damaged or destroyed Structure or improvements shall be razed and the Lot restored as nearly as possible to its prior condition.

8.2 Payment of Insurance Proceeds. All insurance proceeds and other funds received by the Association from policies acquired pursuant to these Restrictions as a result of fire or other casualty loss causing damage or destruction to Common Area shall be applied toward the cost of repair, restoration, or rebuilding of the damaged Common Area. Any funds remaining after the repair, restoration, or rebuilding of such damaged Common Area shall be retained by the Board as part of the Maintenance Fund.

8.3 Indemnity of Association. Each Owner shall be responsible for any costs incurred as a result of such Owner's negligence or misuse or the negligence or misuse of: (i) his family, tenants, guests, invitees, agents, or employees; or (ii) any other resident or occupant of his Lot, and shall indemnify the Association and all other Owners against any such costs.

ARTICLE 9

ANNEXATION OF ADDITIONAL LAND

9.1 Addition by Board. Situations may arise in the future in which it would be advantageous to expand the Property (but the Board does not hereby obligate itself to expand the Property) by adding, from time to time, Additional Land. These Restrictions, subject to any special covenants, conditions or restrictions which may be imposed on the Additional Land as approved by the Board shall become effective with respect to any such annexed Additional Land on the date on which there is filed for record in the Official Public Records of the county or counties in which the same are located, a Supplemental Declaration to that effect signed and acknowledged by the Board and the Owner of the Additional Land. Such Supplemental Declaration shall describe the Additional Land and list the Lots that then constitute the Property, shall refer to these Restrictions, and shall declare that the Restrictions shall apply to and affect such Additional Land that Board intends to add to the Property. The Supplemental Declaration shall specify the number of Lots that are being annexed to the Property. Upon the filing of the Supplemental Declaration, each Lot comprising the Additional Land shall be included within the definition of Lots as set forth in Article 1 hereof. The Board may cause to be recorded as many separate Supplemental Declarations as may be desired from time to time and at any time, to effect the annexation of Additional Land.

9.2 Encompassing Nature of the Restrictions. Upon the filing of a Supplemental Declaration in compliance with the provisions of Section 9.1 annexing Additional Land, the Restrictions shall further apply to and affect all of the property described in these Restrictions and the property described in any such Supplemental Declaration and shall also bind all Owners of any part of such property with the same effect as if the property described in the Supplemental Declaration were originally: (i) subject to and described in these Restrictions and (ii) included within the definition of Property hereunder.

9.3 Board's Power-of-Attorney. Each Owner hereby appoints the Board as its attorney-in-fact for the purpose of effecting the provisions of this Article 9, and the power hereby granted to the Board shall be, and is, a power coupled with an interest and is irrevocable.

9.4 Additional Land Not Subject to Restrictions Until Annexation. These Restrictions, including but not limited to this Article 9, do not presently create any interest in or with respect to the Additional Land, and these Restrictions shall not affect in any manner all or any part of such Additional Land unless and until a Supplemental Declaration is filed with respect thereto or to a portion thereof in accordance with this Article 9.

ARTICLE 10

AMENDMENT TO DECLARATION AND SUBDIVISION AND DURATION OF RESTRICTIONS

10.1 Amendment by Board. Notwithstanding anything to the contrary contained in these Restrictions, the Board shall have the right at any time, with the consent of a majority of the Members as evidenced by a duly called vote of the Members, to amend these Restrictions by an instrument in writing duly signed, acknowledged by the Board and filed for record in the Official Public Records of Travis County and Burnet County, Texas. The Bylaws of the Association may be amended as therein set forth.

10.2 Amendment. These Restrictions may be amended by an instrument in writing signed by Members having not less than two-thirds (2/3rds) of the total votes in the Association that may be cast thereupon, but no such amendment shall be effective until a written notice thereof is duly recorded in the Official Public Records of each county in which the Property or portion thereof affected is located. The Bylaws of the Association may be amended as set forth in the Bylaws.

10.3 Duration. These Restrictions shall remain in full force and effect until January 1, 2026, and shall be extended automatically for successive ten (10) year periods; provided, however, that these Restrictions may be terminated on January 1, 2026, or on the commencement of any successive ten (10) year period; by filing for record in the Official Public Records of each county, in which the Property or portion thereof affected is located, an instrument in writing signed by Members having not less than two-thirds (2/3rds) of the total votes in the Association that may be cast thereupon.

ARTICLE 11

MISCELLANEOUS

11.1 Severability. In the event of the invalidity or partial invalidity or partial unenforceability of any provision or a portion of these Restrictions, the remainder of these Restrictions shall remain in full force and effect. Notwithstanding the foregoing, in the event some or all of these Restrictions are declared to be invalid or partially unenforceable to an extent that the Board determines that reverting to the covenants, conditions and restrictions which these Restrictions restated and replaced ("Prior CCRs") is preferable to continuing with these Restrictions as judicially modified, then the Board may declare these Restrictions nullified, in which event: (i) the Prior CCRs shall be reinstated; and (ii) any actions taken by the Board or the ARC in reliance on these Restrictions shall, if necessary to sustain their legitimacy, be automatically ratified by the Members and deemed to have been validly adopted by the Prior CCRs.

11.2 Rules and Regulations. The Rules and Regulations may be amended from time to time by the Board. The Rules and Regulations are of equal dignity with, and shall be enforceable in the same manner as, the provisions of these Restrictions, but in the event of a conflict, these Restrictions shall control. Each owner, by accepting conveyance of a Lot, agrees to comply with and abide by the Rules and Regulations, as the same may be amended from time to time.

11.3 Exhibits. The exhibits attached hereto are hereby incorporated by reference into these Restrictions for all purposes as if set out verbatim herein.

11.4 Number and Gender. Pronouns, whenever used herein, and of whatever gender, shall include natural persons and corporations, entities, and associations of every kind or character, and the singular shall include the plural, and vice versa, whenever and as often as may be appropriate.

11.5 Articles, Sections and Interpretation. Article and section headings in these Restrictions are for convenience of reference and shall not affect the construction or interpretation of these Restrictions. Unless the context otherwise requires, references herein to Articles and Sections are to Articles and Sections of these Restrictions. The inclusion of phrases like "unless approved by the Board," "without the prior approval of the Board," "without the prior written approval of the ARC," etc. shall be interpreted as adding emphasis, and shall not be interpreted to mean that the Board or ARC does not have the right to grant variances, approvals, exceptions, waivers and the like with respect to Sections hereof in which such language does not appear. The terms, provisions, and standards set forth in this Declaration shall be determined by the Board.

11.6 Delay in or Failure of Enforcement. No delay in enforcing the provisions of these Restrictions with respect to any breach or violation thereof shall impair, damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time or times. No provision in these Restrictions, articles of the Association, Bylaws or the Rules and Regulations is abrogated or waived by reason of any failure to enforce same, irrespective of the number of violations or breaches that may occur.

11.7 Limitation of Liability. Without limiting or modifying any other disclaimer, standard or limitation of liability set forth in these Restrictions, the Board, as well as its partners, agents, employees, officers, directors, partners, and their respective officers, directors, agents, and employees, shall not be liable to any Owner or lessee of the Property or any portion thereof or to any other party for any loss, claim, or demand in connection with a breach of any provision of these Restrictions by any party other than Board.

11.8 Enforceability. The covenants, conditions and restrictions adopted and established for the Property by these Restrictions are imposed upon and made applicable to the Property and shall run with the Property and shall be binding upon and inure to the benefit of and be enforceable by the Board, the Association, each Owner, purchaser, grantee, owner, and lessee in the Property, or any portion thereof, and the respective heirs, legal representatives, successors, and assigns of the Property, the Association and each such purchaser, grantee, Owner, and lessee.

11.9 Remedies. In the event any one or more persons, firms, corporations, or other entities shall violate or attempt to violate any of the provisions of these Restrictions, the Board, the Association, each Owner, purchaser, grantee, owner, or lessee of the Property, or any portion thereof, may institute and prosecute any proceeding at law or in equity (i) to abate, prevent, or enjoin any such violation or attempted violation or (ii) to recover monetary damages caused by such violation or attempted violation.

[signature page follows]

JANUARY 3, 2013

EXECUTED to be effective on the date this instrument is recorded which was ~~December~~ January 3, 2013, 2012.

RANCH HOA:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF THE RANCH HOMEOWNERS ASSOCIATION, INC. TO ATTEST TO THE FACT THAT THIS AMENDMENT WAS APPROVED BY A VOTE OF MORE THAN 67 PERCENT OF THE TOTAL VOTES ALLOCATED TO PROPERTY OWNERS IN THE RANCH HOMEOWNERS ASSOCIATION, INC.

By: James E. Lamar
James E. Lamar
President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, 2013 by James E. Lamar, President of the Ranch Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

By: Randy Whitehead
Randy Whitehead
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, 2013 by Randy Whitehead, Secretary of the Ranch Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

HIDDEN HILLS HOA:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF THE PROPERTY OWNERS ASSOCIATION OF HIDDEN HILLS ON LAKE TRAVIS, INC., TO ATTEST TO THE FACT THAT THIS AMENDMENT WAS APPROVED BY A VOTE OF MORE THAN 67 PERCENT OF THE TOTAL VOTES ALLOCATED TO PROPERTY OWNERS IN THE PROPERTY OWNERS ASSOCIATION OF HIDDEN HILLS ON LAKE TRAVIS, INC.

By: James E. Lamar
Printed Name: James E. Lamar
President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ~~2012~~ ²⁰¹³ by James E. Lamar, President of the Property Owners Association of Hidden Hills on Lake Travis, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

By: Randy Whitehead
Randy Whitehead
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ~~December, 2012~~ ²⁰¹³ by Randy Whitehead, Secretary of the Property Owners Association of Hidden Hills on Lake Travis, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

HILLTOP HOA:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF THE HILLTOP PROPERTY OWNERS ASSOCIATION, INC. TO ATTEST TO THE FACT THAT THIS AMENDMENT WAS APPROVED BY MORE THAN 67 PERCENT OF THE TOTAL VOTES ALLOCATED TO PROPERTY OWNERS IN THE HILLTOP PROPERTY OWNERS ASSOCIATION, INC.

By: James E. Lamar
Printed Name: James E. Lamar
President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ~~2012~~ ²⁰¹³ by James E. Lamar, President of the Hilltop Property Owners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



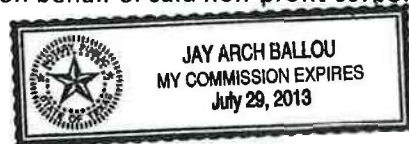
Jay Arch Ballou
Notary Public Signature

By: Randy Whitehead
Randy Whitehead
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ~~December, 2012~~ ²⁰¹³ by Randy Whitehead, Secretary of the Hilltop Property Owners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

BCL MASTER:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF BARTON CREEK – LAKESIDE MASTER PROPERTY OWNERS ASSOCIATION, INC. TO ATTEST TO THE FACT THAT THIS AMENDMENT WAS APPROVED BY A VOTE OF MORE THAN 67 PERCENT OF THE TOTAL VOTES ALLOCATED TO PROPERTY OWNERS IN BARTON CREEK – LAKESIDE MASTER PROPERTY OWNERS ASSOCIATION, INC.

By: James E. Lamar
James E. Lamar
President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ~~2012~~ ²⁰¹³ by James E. Lamar, President of the Ranch Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

By: Randy Whitehead
Randy Whitehead
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ~~December, 2012~~ ²⁰¹³ by Randy Whitehead, Secretary of the Ranch Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

BARTON CREEK LAKESIDE P.O.A., INC.:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF BARTON CREEK LAKESIDE P.O.A., INC. TO AFFIRM ITS ACCEPTANCE OF THE RIGHTS, DUTIES, PRIVILEGES AND RESPONSIBILITIES ASSIGNED AND DELEGATED TO IT BY THESE RESTRICTIONS.

By: 
Thomas Rasmussen
President

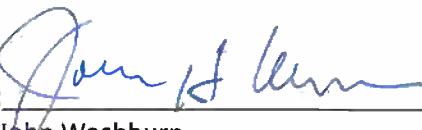
THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ²⁰¹³~~2012~~ by Thomas Rasmussen, President of Barton Creek Lakeside P.O.A., Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)




Notary Public Signature

By: 
John Washburn
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ²⁰¹³~~December, 2012~~ by John Washburn, Secretary of the Barton Creek Lakeside P.O.A., Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)




Notary Public Signature

EXHIBIT "A"

PRIOR RESTRICTIONS

The Ranch Section One: Restated and Amended Declaration of Covenants, Conditions and Restrictions recorded in Vol. 8457, Pg. 620 of the Real Property Records of Travis County, Texas; and Vol. 321, Pg. 680 of the Real Property Records of Burnet County;

The Ranch Section Two: Supplemental Declaration Subjecting Additional Property to Declaration and Additional Covenants, Conditions and Restrictions for Additional Property, recorded in Vol. 8467, Pg. 65, of the Real Property Records of Travis County, Texas; and Vol. 322, Pg. 21 of the Real Property Records of Burnet County, Texas;

The Ranch Sections Three through Twelve A and Thirteen, except, however, The Ranch Section 4-A, and Barton Creek Phases One through Five and Seven and all sections, if any, thereof: Hidden Hills on Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Ranch, Sections Three through Eleven, recorded at Vol. 10755, Pg. 240 of the Real Property Records of Travis County, Texas and in Vol. 435, Pg. 830 of the Real Property Records of Burnet County, Texas, and supplements thereto filed at Vol. 11150, Pg. 1108 and Vol. 11267 Pg. 0624 of the Real Property Records of, and OPR #2005189845 of Travis County, Texas;

Phases One through Five and all sections, if any, of each: Barton Creek Lakeside Phase One Supplemental Declaration Subjecting Additional Property to Declaration and Additional Covenants, Conditions and Restrictions for Additional Property, recorded in Vol. 12261, Pg. 917, of the Real Property Records of Travis County, Texas, and recorded in Vol. 618, Pg. 865 of the Deed Records of Burnet County, Texas;

Barton Creek Lakeside Phases Two and Four: Barton Creek Lakeside Declaration of Covenants, Conditions and Restrictions for the Hilltop Property dated April 18, 1997, recorded in Vol. 12928, Pg. 1143, of the Real Property Records of Travis County, Texas, and in Vol. 745, Pg. 294 of the Official Public Records of Burnet County, Texas;

Barton Creek Lakeside Phase Three: Ratification and Adoption of Declarations of Covenants, Conditions and Restrictions for Barton Creek Lakeside Phase Three Sections 1 through 6 recorded at Vol. 0782, Pg. 0076; Vol. 0830, Pg. 0313; Vol. 0830, Pg. 0313; Vol. 0881, Pg. 0170; Vol. 0912, Pg. 0462; and Vol. 0943, Pg. 0093 of the Official Public Records of Burnet County, Texas; and

Barton Creek Lakeside Phase Five: Ratification and Adoption of Declarations of Covenants, Conditions and Restrictions Barton Creek Lakeside Phases Five Sections 1 - 3 recorded at Vol. 0806, Pg. 0134; Vol. 0811, Pg. 0960; and Vol. 0843, Pg. 0782 Official Public Records of Burnet County, Texas; and Vol. 13380, Pg. 4088; of the Real Property Records of Travis, County, Texas. (With respect to BCL Phase Five Section 3 see also the plat for that section listed above).

EXHIBIT "B"

PROPERTY

[Note to Lot owner/voters: Any subdivisions which do not approve the adoption of the Consolidated CCRS may be stricken from the list in this exhibit.]

The Property subject to the Restrictions is each residential lot depicted in each of the following Plats:

<u>The Ranch Sections One</u>	Travis County Plat Records Vol. 82, Pg. 228; and
<u>The Ranch Section Two</u>	Travis County Plat Records Vol. 84, Pg. 41D through 42A, and Burnet Plat Records Cab. 1, Slides 186 A through 186 C
<u>The Ranch Sections Three through Eleven</u>	Travis County Plat Records Vol. 84, Pg. 111A and Vol. 87, Pg. 1A, and Burnet County Plat Records Cab. 2, Slides 17 B, C, D – 21 A - C;
<u>The Ranch Section 12-A</u>	Travis County Plat Records Vol. 89, Pg. 23;
<u>The Ranch Section Thirteen</u>	Travis County OPR #199900322;
<u>Barton Creek Lakeside Phase One</u>	Travis County Records Plat Records Vol. 93, Pg. 312, Vol. 100, Pg. 387; Travis County OPR #20000369, 401868 and Burnet County Plat Records Cab. 2, Slides 53A, 80A, 87A, 112B and 167A and Cab 4, Slide 34A, OPR #430199, #199606400, #19970638, #199800478 and #200001741;
<u>Barton Creek Lakeside Phase Two</u>	Burnet County Records Cab. 2, Slide 94 A, B, C and 189A; and Travis County Records Plat Records Vol. 99, Pg. 254 and OPR #402031, #431820;
<u>Barton Creek Lakeside Phase Three</u>	Burnet County Records Cab. 2, Slides 112-C, 124-D, 130C, 147A, 147B, 172A, 188D and #199807087;
<u>Barton Creek Lakeside Phase Four</u>	Burnet County Records Cab. 2, Slides 119C-119D and OPR #199806198;
<u>Barton Creek Lakeside Phase Five</u>	Burnet County Records Cab. 2, Slides 120A & B, 124D-125A and 134C-D; and
<u>Barton Creek Lakeside Phase Seven</u>	Travis County OPR #200200026.

EXHIBIT "C"
Stories

Residential Structures on any Lot within the Section or Phase listed below shall have not more floors than the number of floors indicated for such Section of Phase or Lots therein. The ARC shall have the right to impose additional requirement with respect to stories and grant exceptions to these requirements.	
The Ranch Section One:	No maximum
The Ranch Section Two:	
General	No maximum
Additional Property	One and Two stories are permitted
The Ranch Section Three through Eleven:	Two and one-half (2-1/2) stories
BCL Phase One:	Two (2) stories
BCL Phase Two: (Hilltop Property)	Same as Section 3 - 11
BCL Phase Three:	Two (2) stories
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	Same as Section 3-11
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "D"
Height Restrictions

No Structure on any Lot within the Section or Phase listed below shall be of a height which exceeds height indicated for such Section or Phase or Lots therein. The height of each residence shall be measured from the average elevation of the finished ground grade; front to rear of the residence, to the highest point of the structure, excluding chimneys, ventilators and antennae, as more particularly shown on <u>Exhibit "D-1"</u> attached hereto and incorporated herein by reference. Chimneys, ventilators and antennae shall be no higher than six (6) feet above the residence on which they are located. The ARC shall have the right to impose additional setback requirement with respect to height of Structures and grant exceptions to these requirements.	
The Ranch Section One:	As determined by the ARC to preserve lines of sight and views enjoyed by neighboring Lots.
The Ranch Section Two:	As determined by the ARC to preserve lines of sight and views enjoyed by neighboring Lots.
The Ranch Section Three through Eleven:	Thirty Five Feet (35')
BCL Phase One:	
All Lots except the following:	Thirty Feet (30'),
Lots 3, 4, 5, 6 and 7	The lower of Thirty Feet (30') or 910 feet above sea level
Lots 8 and 10	The lower of Thirty Feet (30') or 915 feet above sea level
Lots 26, 27, 28 and 29	Twenty-Five Feet (25')
BCL Phase Two: (Hilltop Property)	Thirty Five Feet (35')
BCL Phase Three:	
Section 1	Twenty Five Feet (25')
Section 2, except Lot 9	Twenty Five Feet (25')
Section 2, Lot 9	Thirty Five Feet (35')
Sec. 3 Lots 6, 7, 8, 10, 11 & 12	Twenty Five Feet (25')
Sec. 3 Lots 1 – 5 and Lot 9	Thirty Five Feet (35')
Section 4	Thirty Five Feet (35')
Section 5	Thirty Five Feet (35')
Sec. 6 Lots 1 & 4	Thirty Feet (30')
Sec. 6 Lots 2 & 5	Twenty Five Feet (25')
Sec. 6 Lot 3	Twenty Three Feet (23')
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	
General	Same as Section 3-11
Section Two, Lot One	Twenty Five feet (25')
Section Two Lots 9-14	See Plat

BCL Phase Seven:	Same as Section 3-11

EXHIBIT "D-1"

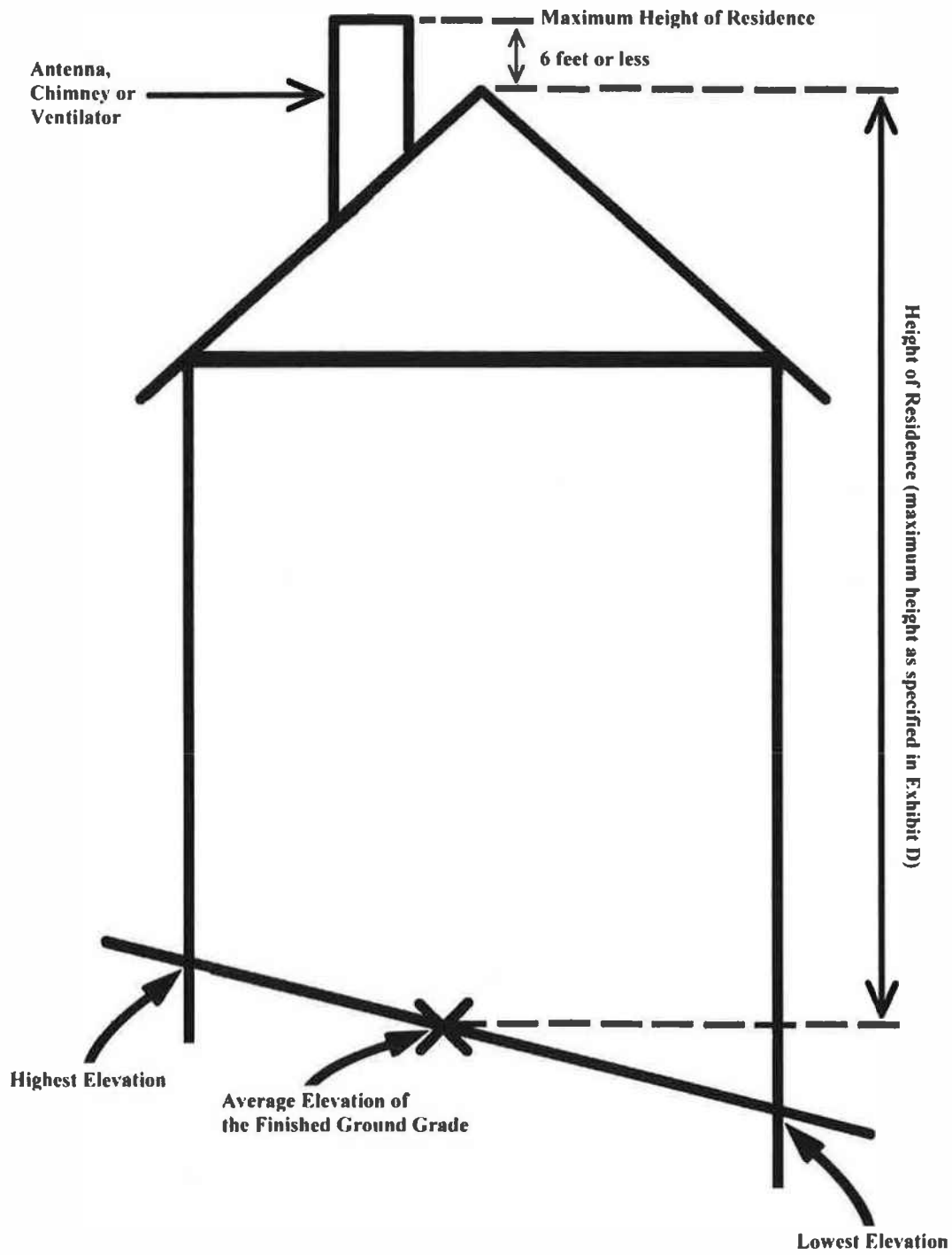


EXHIBIT "E"
Minimum Floor Area

All single family residential structures constructed on any Lot within the Section or Phase listed below shall have a floor area of not less than the number of square feet indicated for such Section of Phase or Lots therein. Such floor area shall be exclusive of porches (open and closed), patios, garages, carports, balconies, and decks. The ARC shall have the right to impose additional floor area requirement and grant exceptions to these requirements.

The Ranch Section One:	3000 square feet
The Ranch Section Two:	
General	3000 square feet
Additional Property	1,700 square feet
The Ranch Section Three through Eleven:	
One (1) story	2,200 square feet
One and one-half (1-1/2) story	2,400 square feet
Two (2), and two and one-half (2-1/2) story	At least 1.500 square on the first floor
BCL Phase One:	2,600 square feet
BCL Phase Two: (Hilltop Property)	
Villas	2200 square feet
Custom Homes	2200 square feet
Cottages	1800 square feet
BCL Phase Three:	
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	Same as Section 3-11
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "F"

Set Backs

No part of the Structure located on any Property within the Section or Phase listed below shall be constructed within the indicated number of feet of the listed line for such Section or Phase or Lots therein. Notwithstanding the setbacks listed below, the location of all Structures shall comply with the minimum setbacks shown on the Plat for such Property. The ARC shall have the right to impose additional setback requirement and grant exceptions to these requirements.

In all event all county and plat setback requirements, if any, will be observed. In addition to the extent the following setback requirements call for a greater setback than the county or plat requirements, the following setbacks will be observed:

All Golf Course Lots	
Rear Setback:	Forty Feet (40') unless a different rear set-back is specified below.
The Ranch Section One:	
Rear Setback:	Twenty feet (20') or the Bluff Line, whichever is farther from the lot line
Front Setback:	Twenty-Five Feet (25')
Side Setback:	Seven and One Half Feet (7.5')
The Ranch Section Two:	Except as set forth below, the set-backs prescribed for The Ranch Section One shall apply to the Lots in this section. The "left side Lot line" shall be the side Lot line of the Lot that will be to a person's left if that person is facing the Lot and standing at the middle of the street Lot line for that Lot, and the "right side Lot line" of that Lot shall be the other side Lot line of that Lot.
Garden Property	"Garden Property" consists of Lots Fifteen (15) through Forty (40) of The Ranch Section Two. All plat and county set back requirements, if any, shall be observed.
Rear Setback:	Twenty Feet (20')
Front Setback:	No closer than Twenty Five Feet (25') from the street.
Lots 19 through 25	Seven and One Half Feet (7.5') from right side Lot line
Lots 15 through 18 and Lots 26 through 40	Seven and One Half Feet (7.5') from left side Lot line
The Ranch Section Three through Eleven:	
General	
Rear Setback:	As Indicated on the Plat
Front Setback:	As Indicated on the Plat
Interior/ Side Setback:	Ten Feet (10').
BCL Phase One:	
General	For Lots not listed in the table below

Rear Setback:	Twenty-Five Feet (25')
Front Setback:	Twenty-Five Feet (25')
Interior/ Side Setback:	Ten Feet (10')
From any major thoroughfare or collector street	Twenty-Five Feet (25')
From Waterfall Hill Parkway	Fifteen (15')

(all setbacks are in feet)

<u>LOT NO.*</u>	<u>LEFTSIDE**</u>	<u>RIGHTSIDE**</u>	<u>BACK</u>
3	15	15	25
4	15	15	25
5	15	15	40
6	20	10	40
7	15	20	40
8	10	15	40
9	16	15	40
10	10	15	40
11	10	10	40
12	10	10	40
13	25	20	15
14	10	10	40
15	10	10	40
16	10	10	25
17	10	10	25
18	10	10	25
19	10	10	25
20 ¹	25	10	10
21	25	25	10
24 ²	15	16	15
25	10	10	25
26	10	10	25
27	10	10	25
28	20	10	60
29	50	25	30
39	15	15	15
40	15	15	15
41	10	10	15
42	10	10	15

* All Lot references are to Lots in Phase One.

**The left side and right side refer to the respective sides of the Lot viewed when standing in the front of the Lot (the street side) and facing the Lot. Except as expressly provided herein, where a Lot has more than one side that abuts a street, the aide of the Lot with the greatest street frontage is the front of the Lot.

1. In addition, no building structure, tennis court, or swimming pool shall be located nearer than twenty-five (25) feet from Cloudland Court without the express prior written approval of ARC.

2. In addition, no building structure, tennis court, or swimming pool shall be located nearer than fifteen (15) feet from Waterfall Hill Parkway without the express prior written approval of ARC.	
BCL Phase Two: Hilltop Property	
General:	
Rear Setback:	Twenty Five Feet (25')
Front Setback:	Twenty Five Feet (25')
Side Setback:	Ten Feet (10')
Villas, Custom Villas, and Cottages	Same as General and no building structure, tennis court or swimming pool shall be located nearer than twenty five feet (25') from any major thoroughfare or collector street.
BCL Phase Three:	Same as The Ranch Section 3 – 11
BCL Phase Four:	Same as Phase BCL Two
BCL Phase Five:	
General	Same as The Ranch Section 3 – 11
Section One, Lots 1-4	
Rear Setback:	One hundred seventy five foot (175') on the northwest sides of the Lots as depicted on the Setback Line Sketch prepared by James E. Garon and attached as Exhibit A to a document filed in Volume 855, Page 0147 of the Official Public Records of Burnet County, Texas
Section Two, Lot 1	All as depicted on the Survey Plat prepared by James E. Garon and attached as Exhibit A to a document filed in Volume 855, Page 0147 of the Official Public Records of Burnet County, Texas
South & West	Twenty five foot (25') on the south and west sides of the Lot
Northeast	Ten foot (10') on the northeast side of the Lot
Rear Setback	Ten foot (10') on the southeast side of the Lot
BCL Phase Seven:	Same as The Ranch Section 3-11

FILED AND RECORDED



OFFICIAL PUBLIC RECORDS

Janet Parker

201300134

January 04, 2013 10:12:41 AM

FEE: \$192.00

Janet Parker, County Clerk
Burnet County, Texas



**SECOND AMENDED AND RESTATED DECLARATION OF
CONSOLIDATED COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
BARTON CREEK LAKESIDE**

**THE RANCH SECTIONS ONE THROUGH TWELVE A AND THIRTEEN
AND
BARTON CREEK LAKESIDE PHASES ONE THROUGH SEVEN AND EVERY SECTION OF EACH,
EXCLUDING, HOWEVER, THE RANCH SECTION 4-A**

This Second Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside (the "**Declaration**") has been approved as set forth below and shall apply to the Property (as defined below):

Recitals

WHEREAS, each of the subdivisions listed in the title above have previously adopted one or more the covenants, conditions and restrictions listed in EXHIBIT "A" hereto (the "Prior Restrictions"), and on December 2, 2012 by a vote of more than 67% of the property owners in the subdivisions approved the Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside; which replaced all but The Ranch 12-A of the Prior Restrictions and became effective upon the filing of the document in the Official Public Records of Travis and Burnet Counties #2013002780 and #201300134, respectively on January 4, 2013 (the "**First Consolidated Restrictions**"),

WHEREAS, pursuant to Texas Property Code Section 209.0041 the owners of more than 67% of the lots in each of the following subdivisions on November 24th 2013 elected to amend and restate the First Consolidated Restrictions applicable to their subdivision with this Second Amended and Restated Declaration of Consolidated Covenants and Restrictions for Barton Creek Lakeside:

The Ranch Sections One – Travis County Plat Records Vol. 82, Pg. 228;

The Ranch Section Two – Travis County Plat Records Vol. 84, Pg. 41D through 42A, and Burnet Plat Records Cab. 1, Slides 186 A through 186 C.;

The Ranch Sections Three through Eleven – Travis County Plat Records Vol. 84, Pg. 111A and Vol. 87, Pg. 1A, and Burnet County Plat Records Cab. 2, Slides 17 B, C, D – 21 A - C;

The Ranch Section 12-A – Travis County Plat Records Vol. 89, Pg. 23;

The Ranch Section Thirteen – Travis County OPR #199900322;

Barton Creek Lakeside Phase One – Travis County Records Plat Records Vol. 93, Pg. 312, Vol. 100, Pg. 387; Travis County OPR #20000369, 401868 and Burnet County Plat Records Cab. 2, Slides 53A, 80A, 87A, 112B and 167A and Cab 4, Slide 34A, OPR #430199, #199606400, #19970638, #199800478 and #200001741;

Barton Creek Lakeside Phase Two – Burnet County Records Cab. 2, Slide 94 A, B, C and 189A; and Travis County Records Plat Records Vol. 99, Pg. 254 and OPR #402031, #431820;

Barton Creek Lakeside Phase Three – Burnet County Records Cab. 2, Slides 112-C, 124-D, 130C, 147A, 147B, 172A, 188D and #199807087;

Barton Creek Lakeside Phase Four – Burnet County Records Cab. 2, Slides 119C-119D and OPR #199806198;

Barton Creek Lakeside Phase Five – Burnet County Records Cab. 2, Slides 120A & B, 124D-125A and 134C-D; and

Barton Creek Lakeside Phase Seven – Travis County OPR #200200026.

WHEREAS, the Owners of more than 67% of the Lots in The Ranch, Section 12-A have approved the of the “Restatement of the First Supplement” recorded in the Travis Count Property records at Vol. 11150, Pg. 1108 with the Declaration, particularly including Addendums 1 and 2 with this Declaration;

NOW, THEREFORE, it is hereby declared that: (i) the Property (as defined below), shall be held, sold, conveyed, used and occupied subject to the following covenants, conditions and restrictions which are for the purposes of protecting the value and desirability of the Property and which shall run with the Property and shall be binding upon all parties, their heirs, successors and assigns, having right, title or interest in or to the Property or any part thereof, and shall inure to the benefit of each owner thereof; (ii) all dedications, limitations, restrictions and reservations shown on a Plat (as defined below) and all grants and dedications of easements, rights-of-way, restrictions and related rights made prior to any portion of the Property becoming subject to this Declaration are hereby incorporated into this Declaration for all purposes as if fully set forth herein and shall be construed as adopted in each and every contract, deed or conveyance; (iii) each contract or deed conveying the Property shall conclusively be held to have been executed, delivered and accepted subject to this Declaration, regardless of whether the same is set out in full or by reference in said contract or deed; and (iv) upon the recording of this Declaration, the Ranch 1/2 Restrictions and Hidden Hills Restrictions, the Hilltop Restrictions and the Restatement of First Supplement To the Hidden Hills On Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Ranch, Sections Three Through Eleven [Cottage Property Deed Restrictions] [Encumbering A Portion of The Ranch Section 12] shall be amended, restated and replaced in their entirety by the terms and provisions of this Declaration.

ARTICLE 1 **DEFINITIONS**

As used in this Declaration, the terms set forth below shall have the meanings indicated:

1.1 Additional Land means the tract or tracts, parcel or parcels of land, other than the Property, made subject to the Restrictions by the Board in accordance with the provisions of Article 9 hereof.

1.2 Annual Maintenance Charge means the assessment made and levied by the Board against each Owner and such Owner’s Lot in accordance with the Restrictions.

1.3 Architectural Review Committee or ARC means the committee formed and empowered pursuant to this Declaration to review and approve or deny plans for the construction, placement, modification, alteration, or remodeling of any Structure upon a Lot, to establish Design Guidelines, and to carry out its duties as set forth in the Restrictions and such other powers, authorities and duties delegated to it by the Board pursuant to the Restrictions.

1.4 Articles of Incorporation means the Articles of Incorporation of the Association, filed in the Secretary of State of Texas, as the same may be amended from time to time.

1.5 Association means the Barton Creek Lakeside P.O.A., Inc., a Texas nonprofit corporation, its successors and assigns, created for the purposes and possessing the rights, powers, authority and obligations set forth in the Restrictions and as otherwise permitted by applicable law, whose address for notice purposes is PO Box 598, Spicewood, Texas 78669, as may be changed by the Association from time to time.

1.6 Assessment or Assessments means assessments levied by the Association pursuant to the terms and provisions of this Declaration.

1.7 Ballot means a ballot cast by a Member given: (i) in person or by proxy at a meeting of the Association; (ii) by absentee ballot in accordance with Section 209.00592(b) of the Texas Property Code; or (iii) by electronic ballot in accordance with Section 209.00592(b) of the Texas Property Code.

1.8 Board or Board of Directors means the Board of Directors of the Association elected by the Members in accordance with the provisions of its Bylaws.

1.9 Bylaws means the Bylaws of the Association, as amended from time to time.

1.10 Certificate of Formation means the Certificate of Formation for the Association filed with the Secretary of State of Texas, as may be amended from time to time.

1.11 Commencement of Construction means the date on which foundation forms are set for a residence.

1.12 Common Areas means any property and facilities that the Association owns or in which it otherwise holds rights or obligations. Common Area includes any property that the Association holds under a lease, license or any easement in favor of the Association. The Common Areas may be owned by the Association for the use and enjoyment of the Members, including, but not limited to, the private streets or other private roadways shown on the Plats (whether labeled as "common area lots" or otherwise).

1.13 Declaration means this Second Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside.

1.14 Design Guidelines means the standards for design, construction, landscaping, and exterior items, 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 Property.

1.15 Exterior Area means the yard area of a Lot as determined by the Board.

1.16 First Consolidated Restrictions means the Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside, which replaced all but The Ranch 12-A of the Prior Restrictions and became effective upon the filing of the document in the Official Public Records of Travis and Burnet Counties #2013002780 and #201300134, respectively which occurred on January 4, 2013.

1.17 Golf Course Lots means a Lot which shares a common boundary with a golf course or is otherwise adjacent thereto as determined by the Board or the ARC.

1.18 Hilltop Property means Lots located within Barton Creek Lakeside Phase Two as shown on the map or plat thereof recorded as Volume 99, Page 27-29, in the Official Public Records of Travis County, Texas. Barton Creek Lakeside Phase Four was subsequently carved out of Phase Two and retained the pre-existing Restrictions. "Hilltop Property" and "Barton Creek Lakeside Phases Two and Four" are synonymous.

1.19 Lot or Lots means a subdivided lot shown on a Plat excluding Common Areas.

1.20 Maintenance Fund means Annual Maintenance Charges and other fees or sources of income received and/or otherwise collected by the Association in accordance with the Restrictions.

1.21 Member or Members means every person or entity that holds membership privileges in the Association.

1.22 Mortgage means any mortgage(s) or deed(s) of trust securing indebtedness and covering any Lot.

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

1.24 Owner or Owners means the person(s), entity or entities holding all or a portion of the fee simple interest in any Lot, but does not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot pursuant to foreclosure of the lien of its Mortgage.

1.25 Passenger Vehicle means passenger automobiles, passenger vans, motorcycles, SUVs (similar to a station wagon but built on a light truck chassis) and pick-up trucks that: (a) are in operating condition; (b) are qualified by current vehicle registration and inspection stickers; (c) are in daily use as a motor vehicle on streets and highways; (d) comply with current mandatory insurance under the laws of the State of Texas; and (e) have not been modified in such a way to look materially different from the factory version of the vehicle.

1.26 Plat or Plats means a subdivision plat of any portion of the Property as recorded in the Official Public Records of Travis or Burnet Counties, Texas, and any amendments thereto.

1.27 Plans means the final construction plans and specifications (including a related site and grading plan) for any Structure of any kind erected, placed, constructed, maintained, or altered on any Lot and the landscape for the Exterior Areas of such Lot.

1.28 Property means the property more particularly described in the documents listed in Exhibit "B", attached to this Declaration.

1.29 Ranch Section 12A means Lots located within The Ranch Section 12A as shown on the map or plat thereof recorded as Volume 89, Page 23 in the Official Public Records of Travis County, Texas.

1.30 Restrictions means the restrictions, covenants, and conditions contained in this Declaration, the Design Guidelines, Bylaws, or in any rules, regulations, and policies promulgated by the Association pursuant to this Declaration, as adopted and amended from time to time.

1.31 Rules and Regulations means rules adopted from time to time by the Board concerning the management and administration of the Property for the use, benefit and enjoyment of the Owners.

1.32 Signage means any signage, lettering, decorations, banners, advertising or marketing media, awnings, canopies, window covering, or any other form of expression on a Lot or in the interior of a Structure if the same is Visible.

1.33 Structure means every structure and all appurtenances of every type, whether temporary or permanent, including but not limited to cottages, custom villas, villas, buildings outbuildings, sheds, patios, tennis courts swimming pools, garages, driveways, storage buildings, sidewalks, gazebos, fences, gates, screening walls, retaining walls, stairs, decks, landscaping, landscape improvements, poles, mailboxes, signs, antennae, exterior air conditioning equipment or fixtures, exterior lighting fixtures, water softener fixtures of equipment, playground equipment, and pumps, wells, tanks, reservoirs, pipes, lines, meters, towers, and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or utilities, or otherwise.

1.34 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.

1.35 Subdivision Fence means the decorative existing Kentucky style wood horse fence running along, adjacent to and/ or across the Property or portions thereof.

1.36 Supplemental Declaration means any Supplemental Declaration of Covenants, Conditions, and Restrictions hereafter recorded in the Official Public Records of Travis or Burnet Counties, Texas to bring Additional Land within the Restrictions in accordance with the provisions of Article 9 hereof.

1.37 Utility Company(ies) means any company which owns properties or facilities which properties or facilities are used for the purpose of providing utility services to the Property.

1.38 Visible means able to be seen from streets, adjacent Lots, or portions of the Common Area.

ARTICLE 2

USE AND OCCUPANCY

2.1 Conditions and Restrictions. All Lots within the Property will be owned, held, encumbered, leased, used, occupied and enjoyed subject to the Restrictions. Ordinances and requirements imposed by local governmental authorities are applicable to all Lots within the Property. Compliance with the Restrictions is not a substitute for compliance with such ordinances and regulations. Please be advised that the Restrictions do not purport to list or describe each restriction which may be applicable to a Lot located within the Property. Each Owner is advised to review all ordinances, requirements, regulations and encumbrances affecting the use and improvement of their Lot prior to submitting plans to the ARC for approval. Furthermore, approval by the ARC should not be construed by the Owner that any such improvement complies with the terms and provisions of any ordinances, requirements, regulations or encumbrances which may affect the Owner's Lot.

2.2 Single-Family Residential Use. Each Lot may only be used for single family residential purposes or other purposes which otherwise comply with the Restrictions and are not materially incompatible with and do not materially detract from the enjoyment of single family residential ownership by other Owners as determined by the Board.

- (a) **Prohibited Uses.** Notwithstanding any provision in the Restrictions to the contrary, no Lot or Structure thereon may be used or otherwise configured as a duplex apartment, garage apartment, or other apartment (except, however, the construction of servant's quarters will be allowed).
- (b) **Home Based Business.** Any business, commercial, and/or professional activity shall be prohibited on any Lot or in any Structure located thereon if such use, as determined by the Board: (i) creates disruptions or a nuisance to the neighborhood; (ii) can be seen, heard, or smelled by persons outside such Lot; (iii) involves the frequent visitation by clients, customers, suppliers or others; (iv) includes the Visible storing of supplies or equipment; or (v) increases, beyond that which is typical of a residence within the Property, pedestrian or vehicular traffic, parking of vehicles, deliveries, emissions of dust, smoke, gasses, chemicals odors, lights, radio signals, or discharges of non-household wastes into the sewage system. If a business, commercial, and/or professional activity otherwise complies with this Section 2.2(b), an Owner may conduct a sales or promotional event within the Owner's residence only if the invitees of the Owner are limited to the Owner and the Owner's family and no more than two non-Members. Only one such event per each six (6) month period may be held by an Owner.
- (c) **Permitted Uses.** Notwithstanding any provision in the Restrictions to the contrary, the following business activities are permitted:
 - (i) Short Term Rentals. Nothing herein shall be deemed to preclude short term rental of residences constructed on Lots for residential purposes; however, such rentals shall be subject to reasonable Rules and Regulations adopted by the Board which will be applied on a uniform basis as between Lot Owners.
 - (ii) Estate and/or Moving Sales. An estate or moving sale conducted within ninety (90) days of the Owner's death or an Owner's date of departure from the Lot is allowed; provided, however, no such estate sale or moving sale shall last more than two (2) consecutive days and all activities of the sale shall be conducted within the residence or garage constructed on the Owner's Lot. The general public may be invited to such sale. The Board may adopt additional Rules and Regulations governing the conduct of estate or moving sales which may include permitted operation times and requirements regarding signage.

2.3 Adjacent Lots. Notwithstanding the provisions of Section 2.2,

- (a) In this subsection:
 - (i) "Adjacent lot" means:
 - (A) a lot that is contiguous to another lot which fronts on the same street;
 - (B) with respect to a corner lot, a lot which is contiguous to the corner lot by either a side property line or a back property line; or
 - (C) any lot which is contiguous to another lot at the back property line.

- (ii) "Residential purpose" with respect to the use of a lot:
 - (A) means the location on the lot of any building, structure, or other improvement customarily appurtenant to a residence, as opposed to use for a business or commercial purpose; and
 - (B) includes the location on the lot of a garage, sidewalk, driveway, parking area, children's swing or playscape, fence, septic system, swimming pool, utility line, or water well.
- (b) An owner must obtain the approval of the Board or ARC, based on criteria prescribed herein, including reasonable restrictions regarding size, location, shielding, and aesthetics of the residential purpose, before the owner begins the construction, placement, or erection of a building, Structure, or other improvement for the residential purpose on an adjacent lot.
- (c) An owner who elects to use an adjacent lot for residential purposes under this section shall, on the sale or transfer of the lot containing the residence:
 - (i) include the adjacent lot in the sales agreement and transfer the lot to the new owner under the same dedicatory conditions; or
 - (ii) restore the adjacent lot to the original condition before the addition of the improvements allowed under this section before the addition of the improvements allowed under this section to the extent that the lot would again be suitable for the construction of a separate residence as originally platted and provided for in the conveyance to the owner.
- (d) An owner may sell the adjacent lot separately only for the purpose of the construction of a new residence that complies with existing requirements in these Restrictions unless the lot has been restored as described by Subsection (d)(ii).

2.4 Marina. Notwithstanding any provision in the Restrictions to the contrary, Lot 22, Block Two, of the Ranch Subdivision, Section 4, as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas and that portion of Lot 37, Block Two, Section 4, of the Ranch Subdivision as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas lying between the western extension of the common boundary line of Lots 22 and 23, Block Two, Section 4, as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas and the northern extension of the common boundary line between Lots 20 and 21, Block Two, Section 4, of the Ranch Subdivision as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas (the "**Marina**"), may be used for a marina. The Marina shall be restricted to private use by Owners and members of Barton Creek-Lakeside Country Club and Barton Creek Country Club and Resort. The operation of a Marina facility shall be limited to offering rental boats, boat and personal watercraft slips for rent or sale, and customary water recreational activities; provided however: (a) no commercial food or beverage preparation or sales may be conducted on any portion of the Marina except that non-alcoholic beverages and pre-packaged sandwiches or food which is not prepared on or upon the Marina may be offered for sale to individuals utilizing the Marina for recreational purposes; (b) in no event shall the Marina provide seating for the consumption of food or beverages for more than ten (10) individuals, unless advance

written approval is obtained from the Board; and (c) under no circumstances shall alcoholic beverages be sold on any portion of the Marina without the prior written consent of the Board.

2.5 Water Treatment. Notwithstanding the forgoing or any other provision of these Restrictions to the contrary, the Lot(s) 42-44, The Ranch Section Thirteen, a subdivision in Travis County, Texas, according to the map or plat recorded in Volume 89, Page 286, in the Official Public Records of Travis County, Texas, may be used for a wastewater treatment plant and pertinent facilities and related activities, and in no event shall the Restrictions prohibit or interfere with such use.

2.6 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 Structures and landscaping thereon in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times. The Board shall determine whether a violation of the maintenance obligations set forth in this Section 2.6 has occurred. The Association shall maintain the Common Area and the streets (landscaping, walls, and sprinkler systems within the Common Area), but shall have no obligation to maintain areas maintained by public authorities.

2.7 Hazardous Activities. No activities may be conducted on or within the Property and no Structures constructed on any portion of the Property which are or might be unsafe or hazardous to any person or property. No portion of the Property may be used for the takeoff, storage, or landing of aircraft (including, without limitation, helicopters) except for medical emergencies.

2.8 Antennas. Except as expressly provided below, no exterior radio or television antennae or aerial or satellite dish or disc, shall be erected, maintained or placed on a Lot without the prior written approval of the ARC; 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 multi-channel 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 or radio broadcast signals;

(collectively, (a) through (c) are referred to herein as the “**Permitted Antennas**”) will be permitted subject to reasonable requirements as to location and screening as may be set forth in rules adopted by the ARC, consistent with applicable law, in order to minimize Visible obtrusiveness.

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

- (a) 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

- (b) 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.

2.10 Signage. Unless otherwise prohibited by applicable law, no sign of any kind may be displayed to the public view on any Lot without the prior written approval of the ARC, including specifically, but without limitation, signs offering property or Lots for sale, rent or lease, signs advertising goods, wares or services for sale or rent, and construction company or repair company signs except for:

- (a) 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 15th 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.
- (b) permits as may be required by legal proceedings or a governmental entity; and
- (c) 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; and
- (d) real estate sales brochure boxes not larger than 10" x 15" x 5" on Lots on which a residential structure exists.

Notwithstanding the foregoing, signs which include any of the following components or characteristics are prohibited: signs which contain roofing material, siding, paving materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component; signs which are attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object; signs which include the painting of architectural surfaces; signs which threaten the public health or safety; signs which are larger than four feet by six feet; signs which violate the law; signs which contain language, graphics, or any display that would be offensive to the ordinary person; or signs which are accompanied by music or other sounds or by streamers or is otherwise distracting to motorists.

2.11 Noise and Nuisances. No exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes) shall be located, used, or placed on any of the Property. Notwithstanding the foregoing, this paragraph shall not preclude the use of outdoor speakers for hi-fi, stereo, or radios if the sound level is maintained at a reasonably low level with respect to adjoining property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Property or to its residents.

2.12 Animals. No animals, including livestock, 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 upon any portion of the Property. Other than dogs and cats which are kept indoors at least 20 hour per day ("House Pets") when not under the direct control of the Owner, an Owner may keep on such Owner's Lot outside the residence: (a) not more than two (2) dogs or two

(2) cats; or (b) one (1) dog and one (1) cat. Owners may not keep within a residence more House Pets than can be kept without creating health hazards within the residence or upon any portion of the Property. No animal shall be allowed to make an unreasonable amount of noise, or otherwise to become a nuisance. No domestic pets will be allowed on the Property other than on the Lot of its Owner unless it is either confined to a leash or within a vehicle; provided, however, dogs may be off leash within specified areas and at specified times designated by the Board (referred to herein as a "Dog Run"). An exit by the dog from the area of the Dog Run will be a violation of the Restrictions. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Property, and no kennels or breeding operation will be allowed. Except as provided herein, no animal shall be allowed to run at large, and all animals which are permitted hereunder shall be kept within enclosed areas (effective invisible fences are acceptable enclosures for this purpose) which must be clean, safe, sanitary, and reasonably free of refuse, insects, and waste at all times. Such enclosed area which is Visible shall be constructed in accordance with plans approved by the ARC, shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be Visible.

2.13 Mining and Drilling. No portion of the Property 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 landscaping and Structures approved in advance by the ARC and/or the development of the Property by the Declarant.

2.14 Rubbish and Debris. No rubbish or debris of any kind may be placed or permitted to accumulate on or within the Property, and no odors will be permitted to arise therefrom so as to render all or any portion of the Property unsanitary, unsightly, offensive, or detrimental to any other property or Residents. 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 and may only be placed on the street no sooner than the evening before the day trash is picked-up from the Owner's Lot, and must be removed from the street by the evening of such day. Each Owner will 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.

2.15 Ownership and Maintenance of Fencing. Ownership of any wall, fence or hedge, with the exception of the Subdivision Fence, erected on a Lot shall pass with title to such Lot. The Owner of the Lot on which any wall, fence or hedge is located shall maintain such items in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times.

2.16 Subdivision Fence. Owners shall not damage, destroy, remove, paint or otherwise alter the Subdivision Fence in any manner and shall without limitation be prohibited from installing or constructing gates or openings in the Subdivision Fence. Owner shall be responsible for any damage, and cost attributable thereto, caused to any fence, including the Subdivision Fence, by said Owner or their respective assigns, agents, invitees and representatives. Subdivision Fence maintenance and repair shall be the responsibility of the Association. The Association reserves a permanent maintenance easement five feet (5') in width along a line generally parallel to the existing Subdivision Fence, and a working easement two (2') in width on both sides of and adjacent to the permanent maintenance easement, the intent and location regarding such easement being more particularly depicted documents listed in Exhibit "B," attached to this Declaration.

2.17 Unsightly Articles. No Visible article deemed to be unsightly by the Board shall be permitted to remain on any Lot. Without limiting the generality of the foregoing, trailers, graders,

trucks other than 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 shall 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 Property except within enclosed structures or appropriately screened from view as approved by the ARC. 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 if Visible.

Except in The Ranch 12-A, each residence constructed on a Lot shall have sufficient garage space, as approved by the Board, to house all vehicles to be kept on the Lot. No garage may be permanently enclosed or otherwise used for habitation unless approved in advance by the ACC.

2.18 Parking on Lots and Storage of Vehicles. Except in connection with a party, meeting or similar event, or with repair, remodel or maintenance work on Owner's Lot, no more than two Passenger Vehicles may be parked on a driveway on a Lot within the Property. The historical practice and the expectation of the Board and many Owners that vehicles parked in driveways should be few and rare. When practicable, Passenger Vehicles on Lots shall be stored in garages when not in use. With respect to the foregoing, be advised the Board will exercise its authority to grant waivers under this (and any other) provision of the Restrictions when it deems a waiver to be necessary or appropriate. With respect to this provision, waivers will be granted when the Board determines, in its sole discretion, that enforcement would impose an undue burden on an Owner. As examples, an undue burden might arise, without limitation, when: (a) a family requires a live-in healthcare provider; and (b) more driving age adults reside in a residence than the number of garage spaces. Enforcement of this provision shall occur only when a violation is reported to the Board by an Owner who can see the parked vehicle from such Owner's Lot and is further observed by a member of the Board. Parking on lawns, ditches, open space areas or other dirt, gravel or grassy areas is prohibited. No vehicle shall be parked so as to obstruct sightlines of street intersections. Notwithstanding the foregoing, commercial vehicles, machinery, or equipment temporarily parked and in use for the construction, repair, provisioning or maintenance of a house or fixed other property on a Lot are permitted. Every vehicle parked within the Property shall be maintained in a manner such that the appearance of the vehicle does not distract from the appearance (e.g., body panels and paint should be in a condition close to the original factory condition) of the Property as determined in the sole discretion of the Board. Streets and driveways may not be used to rebuild, repaint or repair (other than minor emergency repairs) vehicles. RVs, motor homes, trailers, recreational or other vehicles with no more than two axels, the parking of which is not expressly permitted by the above, and boats and other watercraft may be temporarily parked in front of or on the driveway of a Lot for loading and unloading only, and in no event for more than 24 hours at a time. Moving such vehicle for a purpose of avoiding violating this provision is prohibited and will not toll the permitted parking period.

2.19 Parking on Streets. Except in connection with a party, meeting or similar event, or with repair, remodel or maintenance work on Owner's Lot when Owner's driveway is too small to reasonably accommodate all the vehicles or trailers of the invitees for such event, Owners shall not park and will cause invitees to such events not to park on the streets within the Property. Vehicles shall not be parked overnight on streets within the Property.

2.20 Flags – 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 a sports team flag flown only on game day (“Permitted Flag”) and permitted to install a flagpole no more than five feet (5’) in length affixed to the front of the principal residence near the principal entry or affixed to the rear of a residence (“Permitted Flagpole”). Only one (1) permitted Flagpole is allowed per residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the ARC. Approval by the ARC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any Lot (“Freestanding Flagpole”).

2.21 Flags – Installation and Display. Unless otherwise approved in advance and in writing by the ARC, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, must comply with the following:

- (i) No more than one (1) Permitted Flagpoles or Freestanding Flagpole is permitted per Lot, on which only Permitted Flags may be displayed;
- (ii) Any Permitted Flagpole must be no longer than five feet (5') in length and any Freestanding Flagpole must 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'x5');
- (iv) With the exception of flags displayed on Common Area, the flag of the United States of America must be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas must 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 must comply with all applicable zoning ordinances, easements and setbacks of record;
- (vi) Any flagpole must 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 must be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must 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 property; and
- (ix) Any external halyard of a flagpole must be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

2.22 Use of Private Roads. All private roads (excluding driveways serving on Owner’s Lot exclusively) located within the Property, shall be for the use of the Owners of the Lots in the Property and their guests and invitees. The Board may adopt Rules and Regulations regarding access to and use of the private roads from time to time, which may include a sticker, permit, or guest access system.

2.23 Common Areas Exempt. Notwithstanding any provision herein to the contrary, the Common Areas shall not be subject to or burdened by the building and use restrictions set forth in

the Restrictions, except as to the extent the same are expressly made applicable to the Common Area by written resolution of the Board.

2.24 Compliance with Restrictions. Each Owner, his or her family, residents of a Lot, tenants, and the guests, invitees, and licensees of the preceding shall comply strictly with the provisions of the Restrictions as the same may be amended from time to time. Failure to comply with any of the Restrictions shall constitute a violation of the Restrictions and may result in a fine against the Owner in accordance with Section 6.8 of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Board on behalf of the Association or by an aggrieved Owner. 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 Restrictions, 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 ("Compliance Assessment") shall be secured by the liens reserved in this Declaration for assessments and may be collected and enforced by any means provided in this Declaration for the collection of assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s) as set forth in Article 6. Each such Owner 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 2.24 (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.

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

ARTICLE 3

CONSTRUCTION

3.1 Approval of Plans. No Structure or landscape element will be erected, placed, constructed, maintained, or altered on any Lot until the Plans for such building, landscape or improvement have been submitted to and approved in writing by the ARC. Upon completion of the proposed Structure or landscape element, the ARC reserves the right to conduct a final inspection to insure the proposed Structure(s) and/or landscape element(s) were erected, placed, constructed, maintained, etc. in accordance with approved Plans.

3.2 ARC. The ARC will be composed of not more than five (5) persons appointed by the Board. The Board may remove and replace a previously appointed member of the ARC from time to time and at any time. If the Board elects not to appoint members to the ARC, the Board shall serve as the ARC. The ARC will have the right to utilize consultants and advisors as it deems necessary or appropriate. A majority of the ARC shall constitute a quorum to transact business at any meeting of

the ARC, and the action of a majority present at a meeting at which there is a quorum shall constitute the action of the ARC.

- (a) **Approval Considerations.** In determining whether such Plans shall be approved, the ARC may take into consideration factors deemed appropriate by the ARC. Such factors may include, without limitation, the following:
 - (i) compliance with these Restrictions;
 - (ii) quality, texture and color of the building materials or improvements;
 - (iii) harmony of external design of such building or improvement with existing and proposed buildings and improvements and with the design or overall character and aesthetics of the Property;
 - (iv) location of such building or improvement within the Lot on which it will be constructed or placed;
 - (v) the number of square feet to be contained in such building or improvement;
 - (vi) installation of a pressure reducing valve if deemed necessary by the Owner of or the Owner's representative on those Lots with water pressure in excess of eighty pounds per square inch (80 p.s.i.);
 - (vii) possible interference or conflict with the use or enjoyment of the Property or any amenities relating thereto, including specifically, but without limitation, any marina, golf course, clubhouse, tennis courts, or golf course paths; and
 - (viii) compliance with laws, ordinances, rules or regulations of any county, state municipal or other governmental authority (provided that approval by the ARC should not be construed by the Owner that any Structure complies with the terms and provisions of any such laws, ordinances, rules or regulations of any county, state municipal or other governmental authority).
- (b) **Submission and Approval of Plans.** The ARC shall approve or disapprove the Plans in accordance with the following procedures:
 - (i) Three (3) complete sets of Plans shall be delivered to the ARC at the address set forth in the Rules and Regulations.
 - (ii) If the Plans are approved by the ARC, a letter of approval, including a description of qualifications or required modifications, if any, will be prepared and dispatched, along with one complete set of Plans, to the owner. Such approval shall be dated and shall not be effective for construction commenced more than three hundred sixty (360) days after such approval. If construction is not commenced within three hundred sixty (360) days after such approval, the Owner shall not begin construction in accordance with the previously approved Plans until the Plans have been resubmitted and reapproved by the ARC in accordance with the provisions of this Section 3.2.

- (iii) If the Plans are disapproved by the ARC, one set of such Plans shall be returned marked "Disapproved."
 - (iv) Disapproved Plans shall be accompanied by a statement of reasons for disapproval.
 - (v) The Board may require payment by any party who submits Plans for approval of a cash fee to compensate for the expense of reviewing such Plans. If the Board considers that the circumstances so warrant, the Board may increase such fee without the joinder or consent of any other party.
 - (vi) The ARC may from time to time promulgate and publish Architectural Standards Bulletins. A copy of such Architectural Standards Bulletins in effect at the time will be furnished to Owners on request. Such Architectural Standards Bulletins will supplement the Restrictions and may make other and further provisions not inconsistent with the provisions of this Declaration as to the approval and disapproval of plans and specifications, ensuring compliance with approved plans and specifications, prohibited materials, and other matters relating to the appearance, design, and quality of improvements. Such Architectural Standards Bulletins, as they may be promulgated from time to time by the ARC, shall be recorded in the Official Public Records of Travis and Burnet Counties, Texas and upon recordation will be automatically incorporated into the Restrictions.
- (c) **Appeals.** Owners may appeal decisions of the ARC to the Board, in which case the determination of the Board shall be final and in its sole discretion. All decisions made by the ARC which are not appealed to the Board within thirty (30) days of their issuance shall become final and deemed to have been approved by the Board. In the event the Board is the ARC hereunder, the decision of the Board shall be final, conclusive, and non-appealable.
- (d) **No Liability.** No approval of Plans, and no publication of Architectural Standards Bulletins shall ever be construed as representing or implying that such Plans, specifications, or standards will, if followed, result in a properly designed structure. Such approvals and standards shall in no event be constructed as a representation or guarantee by the Board that any structure will be built in a good or workmanlike manner. Neither the members of the ARC nor the Board or its representatives, shall be liable in damages to anyone submitting Plans to the ARC for approval, or to any Owner or lessee of any part of the Property, by reason of or in connection with the approval or disapproval or failure to approve any Plans submitted. Every person who submits Plans to the ARC for approval agrees, by submission of such Plans, and every Owner or lessee of any portion of the Property, by acquiring title thereto or interest therein, that he will not bring any action or suit against the ARC or Board or the members of the either, or their representatives, for any damages arising from the approval of Plans or the design or construction of any residence or Structure.
- (e) **Grandfather Clause.** As of January 4, 2013 the Effective Date of the First Consolidated Declaration, each completed Structure on a Lot was approved and the prior approval thereof, if any, was ratified. Notwithstanding the foregoing, all existing Structures shall be subject to the Restrictions and modifications to existing Structures must be approved as set forth herein.

3.3 Decoration, Maintenance, Alteration, and Repairs. Subject to the provisions of this Section 3.3, and subject to the Rules and Regulations, each Owner shall have the right to maintain, repair and replace Structures and landscaping located upon such Owner's Lot provided the Structure or landscaping: (i) existed on the date this Declaration is recorded in the Official Public Records of Travis and Burnet and the Owner can provide reasonable evidence thereof; or (ii) was previously approved by the ARC. Any such permitted maintenance, repair or replacement shall be performed in a good and workmanlike manner and in a manner that causes minimum inconvenience to other Owners and does not constitute a nuisance. Notwithstanding the foregoing, the Board may require any Owner to remove or eliminate any Visible object situated on such Owner's Lot, if, in the Board's sole judgment, such object detracts from the visual attractiveness of the Property.

3.4 Construction Activity. No building material of any kind or character shall be placed or stored upon any Lot more than thirty (30) days before the construction of a Structure or improvements is commenced. All materials permitted to be placed on a Lot shall be placed within the property lines of the Lot. At the completion of such building or improvements, any unused materials shall be removed immediately from the Lot. After Commencement of Construction of any Structure or improvements on the Lots, the work thereon shall be prosecuted diligently, to the end that the Structure or improvements shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Unless otherwise approved in writing by the Board, the construction of any Structure or improvement on a Lot shall be completed within three hundred sixty (360) days from date of Commencement of Construction, excepting delays due to strikes, war, acts of God or other causes beyond the control of the Owner.

3.5 Temporary Structures. No Structure of a temporary character, trailer (with or without wheels), mobile home (with or without wheels), or modular or prefabricated home, tent, shack, barn, or any other out-building structure or building, other than the permanent residence to be built thereon, shall be placed on any Lot, either temporarily or permanently.

3.6 Construction Materials. Only new construction materials (except for used brick) shall be used in constructing any Structure or improvements situated on a Lot. Unless otherwise approved in writing by the Board, all residential Structures and related physical improvements such as a detached garage and/or cabana, if any, situated on any Lot shall have not less than seventy-five percent (75%) masonry construction, or its equivalent (at the discretion of the ARC), on the exterior wall area (plywood siding is not allowed). Detached garages may have wood siding of a type and design approved expressly by the ARC. All attached garage interiors must be sheetrocked and painted, but detached garages located sixty-five feet (65') or more from the front property line of a Lot are not required to have their interiors sheetrocked or painted. In determining whether any building has seventy five percent (75%) masonry construction, or its equivalent, on the exterior wall area, there shall be excluded from the exterior wall area measurements those portions of such exterior wall area which are doors, windows and covered porch walls.

3.7 Exterior Color Schemes.

- (a) Plans must include the designation of the color and material of all external surfaces of a Structure and are subject to ARC approval. With respect to Phase Two and Four (Hilltop Property) and the Lots therein only, the residential Structures and related physical improvements such as a detached garage and/or cabana, if any, constructed on any Lot shall have a common exterior appearance as determined by the ARC, including without limitation, concrete tile roofs, exterior masonry, exterior painting, and outdoor lighting of uniform design, material and color.

- (b) Further, to ensure that the exterior appearances remain uniform, the Association shall have the authority, but not the obligation, to maintain the Exterior Area of all such residences. There is hereby created and granted to the Association an easement upon, across, over and under all the Lots within Phase Two to exercise the power and authority granted under this Section 3.7. The cost of such maintenance will be paid by the Owner whose property is maintained and will be included in the Assessments, described below. **Each Owner 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 3.7 (including the cost, fees, expense, liability, claim of 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.**

3.8 Air Conditioners. No window, roof, or wall type air conditioner that is Visible shall be used, placed or maintained on or in any Structure.

3.9 Garbage Disposals. The kitchen in each residence shall be equipped with a garbage disposal unit, which garbage disposal unit shall at all times be kept in a serviceable condition.

3.10 Landscaping. 3.10 Prior to the occupancy of any Lot, the Exterior Area of the Lot must be landscaped in accordance with the landscape plan previously submitted to and approved by the ARC in accordance with the provisions of Section 3.2. Prior to occupancy of the Lot, the portions of the front yard of a Lot for which grass is specified by such approved plan must be completely sodded or hydromulched with grass; and must have shrubs or other landscaping planted adjacent to the front of the residence constructed thereon to screen from view the foundation of such residence. An underground sprinkler system sufficient to serve the grass and planted areas specified in the approved landscape plan is mandatory. The above restrictions with respect to front yards will also apply to any back or side yard of a Lot which abuts the golf course. Not less than 25% of any front or side yard of a Lot must be covered with grass. Lots which abut portions of the golf course lying adjacent to the Property shall be required to landscape areas thereof which abut the golf course in a manner which provides an aesthetically pleasing visual effect from the golf course. Lots which abut two or more street right of ways may be required by the ARC to plant upright, non-spreading trees which are appropriate for close proximity to the streets, together with groundcover, shrubs, flowers, plants and other landscaping that enhance the beauty of the Lot and result in the continuity of landscape design and integrity throughout the Property. Any proposed alteration to landscaping which differs significantly from the plan approved by the ARC shall be submitted to the ARC for review and approval. The use of rock, gravel or cacti must be reviewed and approved by the ARC. Nothing contained herein shall be interpreted as restricting the use of drought-resistant landscaping or water conserving natural turf, subject to the submission to the ARC of a detailed plan or description for its installation to ensure, to the extent practicable, maximum aesthetic compatibility with other landscaping in the Property. The ARC shall not unreasonably deny or withhold approval of a proposed installation of drought-resistant landscaping or water conserving natural turf or unreasonably determine that the proposed installation is aesthetically incompatible with other landscaping in the Property. If requirements of this section 3.10 are not satisfied, the Board, at its discretion may cause said maintenance, repair, and good order to be maintained, in which case the cost of same shall be billed by the Association to the Owner of the Lot, and same shall be paid by the Owner. Any such charges shall be due immediately and shall be secured and bear interest in the same manner as Assessments.

3.11 Walls, Fences, and Hedges. No fence, wall or other improvement shall be erected, placed, or altered on any Lot at any point nearer to any street than the building setback lines as shown on the Plat, or as provided below. No fence, wall, hedge, or similar structure or growth shall be constructed or permitted to grow higher than the lower of: (i) eight feet in height, or (ii) in excess of any applicable governmental restriction regarding the same. All fences and walls, with the exception of the Subdivision Fence, wherever located on a Lot must be of ornamental iron or masonry construction, except chain link fences shall be permitted to enclose swimming pools if such fence is not Visible. All fences, with the exception of the Subdivision Fence, are subject to Section 3.15 hereof.

3.12 Roofing. Roofs shall be constructed only as follows: built-up flat roofs, concrete or ceramic tile, wood shake, wood shingle, or approved metal; provided, only concrete tile may be used for Lots within the Hilltop Property of a color approved in writing by the ARC. If wood shingle is used, only "Number 1 Perfection" wood shingle shall be used, unless otherwise approved in writing by the ARC, if metal is used, the metal surface must have a dull finish upon installation, and must meet ARC approval as to type and finish. No composition shingles shall be allowed. Any other type of roofing material shall be permitted only with the advance written approval of the ARC. In addition, roofs may be constructed with "Energy Efficiency Roofing" with the advance written approval of the ARC. For the purpose of this Section 3.12, "Energy Efficiency Roofing" means shingles that are designed primarily to: (i) be wind and hail resistant; (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (iii) provide solar generation capabilities. The ARC will not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (A) resemble the shingles used or otherwise authorized for use within the community; (B) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (C) 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 in the Restrictions. In conjunction with any such approval process, the Owner should submit information which will enable the ARC to confirm the criteria set forth in this Section 3.12.

3.13 Solar Energy Device. Solar Energy Devices may be installed by an Owner on such Owner's Lot with the advance written approval of the ARC.

- (a) Application. To obtain ARC approval of a Solar Energy Device, the Owner shall provide the ARC 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"). The Solar Application shall be submitted in accordance with the provisions of Section 3.2 of this Declaration.
- (b) Approval Process. The ARC will review the Solar Application in accordance with the terms and provisions of Section 3.2 of this Declaration. The ARC will approve a Solar Energy Device if the Solar Application complies with this Section 3.13 **UNLESS** the ARC makes a written determination that placement of the Solar Energy Device, despite compliance with this Section 3.13, will create a condition that substantially interferes with the use and enjoyment of property within the Property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The ARC'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.

- (c) Approval Conditions. Unless otherwise approved in advance and in writing by the ARC, each Solar Application and each Solar Energy Device to be installed in accordance therewith must comply with the following:
 - (i) The Solar Energy Device must be located on the roof of the residence, detached garage or cabana 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 will be located on the roof of the residence, detached garage or cabana, the ARC 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 10 percent above the energy production of the Solar Energy Device if installed in the location designated by the ARC. If the Owner desires to contest the alternate location proposed by the ARC, the Owner should submit information to the ARC which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device will 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 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 must conform to the slope of the roof and the top edge of the Solar Device must be parallel to the roofline; (c) the color of the frame, support brackets, or piping or wiring associated with the Solar Energy Device's Visible exterior must be silver, bronze or black.

3.14 Rainwater Harvesting Systems. Rain barrels or rainwater harvesting systems (a "Rainwater Harvesting System") may be installed with the advance written approval of the ARC.

- (a) Application. To obtain ARC approval of a Rainwater Harvesting System, the Owner shall provide the ARC with the following information: (a) the proposed installation location of the Rainwater Harvesting System; and (b) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the "Rain System Application").
- (b) Approval Process. The decision of the ARC will be made in accordance with Section 3.2 of this Declaration.
- (c) Approval Conditions. Unless otherwise approved in advance and in writing by the ARC, each Rain System Application and each Rainwater Harvesting System to be installed in accordance therewith must comply with the following:
 - (i) The Rainwater Harvesting System must be consistent with the color scheme of the residence constructed on the Owner's Lot, as determined by the ARC.
 - (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 determined by the ARC.
 - (v) If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be Visible, the ARC may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. See Section 3.14(d) for additional guidance.
- (d) Guidelines. If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be Visible, the ARC 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, the application should describe methods proposed by the Owner to shield the Rainwater Harvesting System from the view of any street, Common Area, or another Owner's Lot. When reviewing a Rain System Application for a Rainwater Harvesting System that will be installed on or within the side yard of a Lot, or would otherwise be Visible, any additional requirements imposed by the ARC 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 determined by the ACC.

3.15 Sight Lines. No fence, hedge or shrub, with the exception of the Subdivision Fence, that obstructs sight lines at elevations between two (2) and six (6) feet above any roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in case of a rounded property corner, from the intersection of a street property line with the intersection of a driveway or alley pavement. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at a sufficient height to prevent obstruction of such sight lines.

3.16 Slabs. Not more than two feet (2') of vertical surface of concrete slab of any residence or other Structure shall be Visible, unless otherwise approved in writing by the Board, and landscaping, as required by Section 3.10 above shall be used to screen such exposed slab. Any slab in excess of two feet (2') in height above finished grade shall have at least that excess in height covered with siding or masonry used in constructing the residence or other Structure. Any residence or other Structure with a pier and beam foundation shall have all mechanical, electrical, plumbing lines and fixtures located thereunder screened from view from any Common Area, public or private street and from adjacent Lots. Any residence or other Structure with an elevated deck shall have its open space below such deck screened from public view and view from adjacent Lots. The ARC, in its sole discretion, will determine the adequacy of any screening technique employed.

3.17 Driveways. No driveways or roadways may be constructed on any Lot to provide any access to any adjoining Lot or other portion of the properties unless otherwise approved in writing by the ARC. Each Lot must be accessible to any adjoining street by a driveway suitable for such purposes before the residential structure located on any such Lot may be occupied or used. No Owner may block any drainage ditch (including road ditches) or drainage gutters on curb and cuter streets. Specifications for and construction of all drain tiles, culverts in or over any drainage ditch, or driveway transitions to the public streets and the material used therefore, whether to be installed in

connection with a driveway or otherwise, must be approved by the Board. Each residence must include off-street parking space for a minimum of two (2) Passenger Vehicles. Driveways are to be constructed out of concrete or other surface specifically approved by the ARC.

3.18 Garages. Except on Lots in the Ranch Section 12A, each residence shall have, either as an integral part of or attached to the residence or as a separate detached structure, a garage capable of accommodating at least two (2) but not more than four (4) standard-size passenger automobiles. Each such garage shall be connected to the adjacent street by means of a driveway. All garages shall have a minimum width of twenty (20) feet and a minimum length of twenty-two (22) feet as measured from the inside wall of the garage. All garages must have either a single overhead door with a minimum door width of sixteen (16) feet for a two-car garage, or two (2) sixteen (16) foot doors for a four car garage, or two (2), three (3), or four (4) individual overhead doors, each a minimum of ten (10) feet in width, and a service door. All overhead doors shall be electrically operated and shall be kept closed when not in use. No Front Entry Garages (as hereinafter defined) shall, except as hereinafter provided, be constructed within the Property. The term "Front Entry Garage" shall refer to any garage the plane of the entry way to which is not rotated on an axis at the middle of such entry way at least ninety degrees (90°) from each position at which such garage would be located if it were located in such manner that the plane of the entry way is parallel to the street abutting such Lot (if the abutting street right of way is a straight line) or is parallel to each tangent on the curve of the street abutting such Lot (if the abutting street right-of-way is not a straight line). If the Lot abuts two streets, separate tests shall be applied with respect to each street. Notwithstanding anything contained herein to the contrary, it shall be permissible to construct a Front Entry Garage if the doors of such Front Entry Garage are completely obscured from view from any street abutting the Lot in question by a residence or improvement otherwise permissible under and approved in accordance with the Restrictions. In addition, the ARC, in its discretion, may approve the construction of a Front Entry Garage pursuant to the procedure for the approval of plans set forth in Section 3.2 of this Declaration.

3.19 Central Water. Each residence situated on a Lot shall be connected to the central potable water supply system constructed by the Board or by any successor entity. The Rules and Regulations shall provide general requirements for the elevation and connection to such utilities as the ARC may from time to time require.

3.20 Above Ground Swimming Pools. Moveable above ground-swimming pools are strictly prohibited within the Property, except for pools less than six feet (6') in diameter.

3.21 Trees. No live trees with a circumference larger than twenty-eight (28) inches may be removed from any Lot or destroyed without the prior written consent of the ARC. For the purpose of determining the size of the tree, the circumference will be measured one foot above the average natural level of the ground at the base of the tree, and the ARC ruling on the circumference of any tree is final and binding on all parties. No concrete, asphalt, or impervious cover of any kind shall be placed within the drip line of any tree twenty-eight (28) inches or larger in circumference without the prior written consent of the ARC. The drip line is defined as the line on the ground directly below the farthest extremities of the branches of the tree. The ARC's determination of the location of the drip line shall be final and binding on all parties. Parking areas located within the drip line of any tree twenty-eight (28) inches or larger in circumference shall be constructed of a pervious or porous cover such as porous asphalt, grass create, or other similar material, unless the use of other materials is approved in writing by the ARC prior to construction.

3.22 Boat Docks, etc. Boat docks, boat houses, piers, bulkheads and other similar structures shall be constructed from materials which are and shall be architecturally designed to be harmonious with the environment and must be lighted in accordance with applicable laws and

regulations. All boat houses and boat slips (not including personal water craft slips) must be covered and contain no more than two slips (not including slips for personal water craft), unless a greater number is approved by the ARC. The foregoing provisions of this paragraph shall not apply to any Lot or Lots on which the ARC shall permit the construction of a marina or similar facility which will be available to all Members.

3.23 Wells. No water or other wells may be drilled on any Lots.

3.24 Size of Residences and Location on Lot. No residence shall have more than the number of stories reflected for such Lot in Exhibit "C", or exceed a maximum height reflected for such Lot in Exhibit "D". No residence with an interior area of less than the applicable minimum number of square feet set forth on Exhibit "E", exclusive of the attached garages, porches, or other appurtenances or appendages, shall be erected on any Lot. No Structure or improvements shall be located on any Lot between the building setback lines shown on the Plat pertaining to such Lot and the street right-of-ways on which such Lot fronts or which are adjacent to any side Lot line of such Lot. In addition, no Structure or improvements shall be located nearer to a Lot line than the distance indicated for such Lot on Exhibit "F" attached hereto and incorporated by reference. The Plat sets forth certain setback lines for each Lot and no Structure or improvements shall be erected closer to the front, side or rear Lot lines than such setback lines. For the purposes of this Section 3.24, eaves, steps, and open porches shall not be considered to be a part of the Structure or improvement; provided, however, that the foregoing shall not be construed to permit any portion of a Structure or improvement or any such eave, step, or open porch on a Lot to encroach upon another Lot. For the purposes of the Restrictions, the front Lot line of each Lot shall coincide with and be the property line having the smallest or shortest dimension abutting any street right-of-way. Unless otherwise approved in writing by the ARC, each residence shall face the front Lot line of the Lot upon which it is constructed, and each detached garage shall be provided with a driveway access from the front of the Lot. Such access into the garage must comply with the terms stated in Section 3.18 and with all requirements established by the ARC. During original construction, the ARC, at its sole discretion, is hereby permitted to approve deviations in the location of improvements upon the Lot, subject to setback shown on the recorded Plat and previous recorded instruments.

3.25 Resubdivisions/Replatting. No splitting or combining of Lots ("resubdivision" or "replatting") of Lots in BCL shall be effective, unless the same is approved the ARC and by the appropriate governmental entity in accordance with applicable law, and duly recorded in the Official Public records of Travis or Burnet County, Texas, as applicable.

3.26 Party Walls. Party walls, as defined in Addendum 2 hereto, are permitted in The Ranch, Section 12-A and in BCL Phases Two and Four subdivisions. Special provisions pertaining to Party Walls are contained in Addendum 2 hereto, which addendum is hereby incorporated herein in its entirety.

3.27 Irrigation and Solid Waste Composting. Anything in the Restrictions to the contrary notwithstanding, the Restrictions do not restrict the: (i) installation of measures promoting solid-waste composting or vegetation, including grass clippings, leaves, or brush, or leaving grass clipping uncollected on grass; or (ii) implementing efficient irrigation systems, including underground drip or other drip systems; provided, however, prior to the installation of such devices, the Owner must obtain approval of the ARC with respect to the size, type, shielding, and materials, for or the location of any such device and any other appurtenance thereto. See Section 3.14 for the procedures associated with the review and approval of Rainwater Harvesting Systems.

3.28 Additional Restrictions. The terms, provisions, and restrictions of that certain variance applicable to the Lots 29 and 30 of Barton Creek Lakeside, Phase One as set forth in that certain Variance recorded as Document 1999013403 in the Official Records of Travis County, Texas are not affected by this Declaration and remain in full force and effect.

ARTICLE 4 **RESERVATIONS AND EASEMENTS**

4.1 Reservations of and Right to Grant Easements. The Board on behalf of the Association reserves the right to grant utility easements within the Lots, Common Area, private roads and rights-of-way shown on the Plat to utility providers or other parties designated by the Board for the construction, addition, maintenance, and operation of all utility systems (which systems shall include systems for drainage purposes) now or hereafter deemed necessary by Board for all utility purposes, including systems of electric light and power supply, drainage, telephone service, cable television service, gas supply, water supply, and wastewater services, including systems for utilization of services resulting from advances in science and technology. There is hereby created an easement upon, across, over, and under all of the Property for ingress and egress for the purpose of installing, replacing, repairing, and maintaining all utilities. By virtue of this easement, it shall be expressly permissible for the utility providers and other entities supplying services to install and maintain pipes, wires, conduits, service lines, or other utility facilities (which facilities shall include drainage facilities) or appurtenances thereto, on, above, across, and under the Property within the drainage and utility easements now or from time to time existing and from service lines situated within such easements to the point of service on or in any structure. Notwithstanding anything contained in this Section 4.1, no utilities (including drainage) or appurtenances thereto may be installed or relocated on the Property until approved by the Board. The Utility Companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the Plat, and to trim overhanging trees and shrubs located on portions of the Property abutting such easements. There is also reserved, for the use of all utility providers, an unobstructed aerial easement ten feet (10') wide from a plane fifteen feet (15') above the ground upward, located adjacent to the said easements reserved hereby, and all easements shown on the Plat for electric facilities. The Common Areas may be used for utility and drainage purposes.

4.2 Modification of Easements. The Board reserves the right to make changes in and additions to all easements for the purpose of aiding in the most efficient and economic installation of utility systems. Any such amendment shall be made in accordance with applicable state, county and municipal law.

4.3 Notice. The Association hereby expressly reserves the right to maintain, repair, sell, or lease such lines, utilities, drainage facilities, and appurtenances located within the Common Area to any municipality or other governmental agency or to any public service corporation or to any other person.

4.4 Conservation Easements. All reservations of conservation easements filed of record by applicable to any portion of the Property for the purpose of compliance with the Lower Colorado River Authority Nonpoint Source Pollution Control Ordinance are hereby ratified and the Association will have the authority to exercise such easements to the extent necessary to comply with such ordinance.

4.5 Easement of Enjoyment to the Common Areas. An easement is hereby granted to each Owner in and to the Common Area as such for each such Owner's use and enjoyment of the Common Area and for access to each such Owner's Lot, such easement being subject to the Rules and Regulations adopted from time to time by the Board and to the Board's right to control the use

and operation of the Common Areas pursuant to the Restrictions and applicable law. No Owner shall construct any improvements on any of the Common Areas without the express prior written consent of the Board.

4.6 Maintenance Easement. An easement is hereby granted to the Association to enter upon the Exterior Areas of all of the Lots for the purposes of landscaping, maintaining and repairing the Common Areas in accordance with the terms and provisions of these Restrictions.

ARTICLE 5

MANAGEMENT AND OPERATION OF THE ASSOCIATION

5.1 Management by Association. The affairs of the Property shall be administered by the Association. The Association shall have the right, power, and obligation to provide for the management, construction, maintenance, repair, replacement, administration, insuring, and operation of the Property as provided for in the Restrictions and pursuant to applicable law. The Association, acting through the Board, shall be entitled to enter into such contracts and agreements, concerning the Property as the Board deems reasonably necessary or appropriate to maintain and operate the Property as contemplated by these Restrictions, including without limitation, the right to grant utility and other easements for uses the Board shall deem appropriate and the right to enter into agreements with adjoining or nearby land owners or governmental entities on matters of maintenance, trash pick-up, repair, administration, security, traffic, operation of recreational facilities, or other matters of mutual interest.

5.2 Membership in Association. Each Owner shall be a Member of the Association and such membership shall terminate automatically when such ownership ceases. Upon the transfer of ownership of a Lot, howsoever achieved, the new Owner thereof shall, concurrently with such transfer, become a Member in the Association.

5.3 Voting Rights. The right to cast votes by Ballot and the number of votes which may be cast for election of members of the Board and on all other matters to be voted on by the Members shall be calculated as follows:

- (a) The Owner of each Lot shall have one (1) vote for each Lot so owned. In the event of the resubdivision (aka "replatting") of any Lot into a greater number of Lots, the number of votes to which such resulting Lots are entitled and the number of Assessments chargeable to such Lots shall be increased to one (1) vote and one (1) Assessment for each Lot resulting from such resubdivision. In the event of a resubdivision which consolidates two (2) or more Lots, voting rights and Assessments attributable to such resulting combined Lot shall be reduced to one (1) vote and one (1) Assessment for the Lot resulting from such combination. Nothing herein shall be construed as authorization for any resubdivision or consolidation of Lots; such actions are subject to and require the prior approval of the ARC.
- (b) In the event that ownership interests in a Lot are owned by more than one Member of the Association, such Members shall exercise their right to vote in such manner as they may among themselves determine, but in no event shall more than one vote be cast for each Lot. Such Owners shall appoint one of them as the Member who shall be entitled to exercise the vote of that Lot at any meeting of the Association. Such designation shall be made in writing to the Board and shall be revocable at any time by actual written notice to the Board. The Board shall be entitled to rely on any such designation until written notice revoking such

designation is received by the Board. In the event that a Lot is owned by more than one Member of the Association and no single Member is designated to vote on behalf of the Members having an ownership interest in such Lot, then none of such Members shall be allowed to vote. All Members of the Association may attend meetings of the Association and all voting Members may exercise their vote at such meetings either in person or by proxy. The Board may exercise the voting rights with respect to Lots owned by it.

5.4 Meetings of the Members. Annual and special meetings of the Members of the Association shall be held at such place and time and on such dates as shall be specified in the Bylaws.

5.5 Election and Meetings of the Board of Directors. The Board of Directors shall be elected and shall meet in the manner set forth in the Bylaws.

5.6 Disputes. In addition to its other powers conferred by law, the Bylaws or hereunder, the Board shall be empowered to create procedures for resolving disputes between Owners and the Board or the Association, including appointment of committees to consider and recommend resolutions of any such disputes.

5.7 Professional Management. The Board may retain, hire, employ, or contract with such professional management as the Board deems appropriate to perform the day to day functions of the Association and to provide for the construction, maintenance, repair, landscaping, insuring, administration, and operation of the Property as provided for herein and as provided for in the Bylaws.

5.8 Board Actions in Good Faith. Any action, inaction, or omission by the Board made or taken in good faith shall not subject the Board or any individual member of the Board to any liability to the Association, its Members, or any other person.

5.9 Ratification of Assignment of Declarant's Rights. In the then applicable Declarations of Covenants, Conditions and Restrictions ("CCRs") covering various subdivisions within Barton Creek Lakeside the Declarant had retained unto itself certain rights under and with respect to such CCRs. Pursuant to assignments recorded in the Official Public Records of both Travis and Burnet Counties, Texas, Declarant assigned to the Association all of Declarant's rights under such CCRs. Those assignments are hereby ratified and the powers vested in the Association, and the delegation of some of those powers to the Board is hereby ratified and affirmed, provided, however, neither the Association nor the Board shall have the unilateral right to amend these Restrictions as the Declarant had in the covenants, conditions and restrictions these Restrictions supplant.

5.10 Administration of Common Area. The Board shall have the exclusive right to control the use, maintenance, and operation of the Common Area. Such right includes, without limitation, the following:

- (a) The right to charge reasonable admission, rental, and other fees for the use of any facility comprising a portion of the Common Area.
- (b) The right to permit non-Owners to use the Common Area on terms acceptable to the Board.
- (c) Subject to the limitations set forth in this Section 5.10(g) below, the right to borrow money for the purpose of maintaining, operating, constructing, or installing improvements and/or landscaping and sprinkler systems in the Common

Areas of all of the Lots and, in connection with any such borrowing, to grant a lien against the Common Areas to secure the Association's obligation to repay such money.

- (d) The right to restrict the rights of an Owner who violates any of the provisions of these Restrictions to use the Common Area in accordance with the provisions of this Section 5.10.
- (e) Subject to the limitations set forth in Section 5.10(g) below, the right to dedicate or transfer all or any part of the Common Area that have been conveyed to the Association to any public agency, authority, or utility, and to sell, lease, or pledge those Common Area to any third party, if the Board deems such action to be in the best interests of the Association; provided, such dedication, transfer, sale, lease or pledge does not prevent the Owners from using the Common Area.
- (f) The right to contract for and cause to be built and maintained in the Common Area swimming pools, tennis courts, boat docks, a golf course, and such other recreational facilities as the Board may, in its discretion, deem to be in the best interests of the Association.
- (g) Any lien or other security interest encumbering the Common Areas to secure indebtedness as provided under Section 5.10(c) and any dedication or transfer, sale, lease or pledge of any of the Common Area as provided under Section 5.10(e) shall be made subject to the covenants, conditions, restrictions and easements set forth in, or granted pursuant to, this instrument, or set forth of record at the time this instrument is recorded, including, without limitation, the easement granted to each Owner in and to the Common Area for each such Owner's use and enjoyment thereof as such and the easement granted under Section 4.5; and no foreclosure sale or deed in lieu thereof, nor any dedication, transfer, sale, lease or pleading, covering or affecting all or any of the Common Areas shall operate to cut off, affect, diminish or impair (i) the right of the Owners hereunder (or by separate instrument granted pursuant to any authority therefor set forth in this instrument) to use any enjoy the Common Areas as such, or (ii) the easement granted under Section 5.10(a). The Board's rights to control the operation of the Common Areas as set forth in the Restrictions are not a warranty or representation that any of such rights are contemplated or will be exercised by the Board. Furthermore, Board shall have no responsibility whatsoever to construct any improvements in the Common Area.

5.11 Sub-association. With the intent to preserve, authorize and if necessary reauthorize, the rights, privileges, powers and responsibilities of the Cottage Owners Sub-Association, Inc. established by that certain Restatement of First Supplement To the Hidden Hills On Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Ranch, Sections Three Through Eleven [Cottage Property Deed Restrictions] [Encumbering A Portion of The Ranch Section 12], Addendum 1 is hereby incorporated into this Declaration in its entirety. The provisions of the preceding sentence are hereby made retroactive to the effective date of the First Consolidated Declaration. .

5.12 Indemnification. To the fullest extent permitted by applicable law, but without duplication of (and subject to) any rights or benefits arising under the Articles 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 attorney's fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court that such person: (i) acted in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. The termination of any action, suit, or proceeding by settlement, or upon a plea of Nolo Contender or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner 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 such conduct was unlawful. The Board may purchase and maintain insurance on behalf of any person who is or was 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 any such capacity, or arising out of the status of such person as such, whether or not the Association would have the power to indemnify such person against such liability hereunder or otherwise.

ARTICLE 6

MAINTENANCE EXPENSE CHARGE AND MAINTENANCE FUND

6.1 Payment of Annual Maintenance Charge. Each Lot shall be subject to an Annual Maintenance Charge of \$700.00 per year. The amount of the Annual Maintenance Charge for each Lot may be increased or decreased by the Board from time to time, but not more often than once per year. However, if any such change increases the Annual Maintenance Charge by more than twenty percent (20%) of the amount of the Annual Maintenance Charge in the preceding calendar year, the change must be approved by a vote of at least a majority of the votes of Members, by vote taken not less than ten (10) days prior to the first day of January of the year in which such increase is scheduled to become effective.

6.2 Payment of Annual Maintenance Charge by The Association. Notwithstanding anything to the contrary herein, all Lots while owned by the Association shall be exempt from the payment of an Annual Maintenance Charge.

6.3 Maintenance Fund. The Annual Maintenance Charges collected by the Association shall be paid into the Maintenance Fund and shall be held, managed, invested, and expended by the Board, at its discretion, for the benefit of the Property and the Owners of Lots therein. The Board shall, by the way of illustration and not by way of limitation, expend the Maintenance Fund for the administration, management, and operation of the Property and for the landscaping maintenance, insuring, repair, and operation of, and the construction of improvements on, the Common Area; for the enforcement of these Restrictions by action at law or in equity, or otherwise, and the payment of court costs as well as reasonable and necessary legal fees; and for all other purposes that are, in the discretion of the Board, desirable in order to maintain the character and value of the Property and the Lots therein. The Board and its individual Members shall not be liable to any person as a result of actions taken by the Board with respect to the Maintenance Fund, except for willful misdeeds.

6.4 Special Assessments. The Association may levy and collect Special Assessments to pay in whole or in part the cost of any major replacement, repair or maintenance of a capital improvement on Common Area without the approval or concurrence of the Members to the extent

that the Board determines that the projected funds in the Maintenance Fund after the payment of the costs of such major replacement, repair or maintenance would be insufficient to prudently provide for the continued fulfillment of the Associations obligations hereunder. A "major replacement, repair or maintenance of a capital improvement" means any replacement, repair or maintenance of an existing capital improvement the cost of which would exceed \$300.00 per Lot. The Association may levy or collect a Special Assessment for the acquisition of a new capital improvement provided the Special Assessment is approved by a vote of at least sixty percent (60%) of the votes of Members.

6.5 Enforcement of Assessments.

- (a) The Annual Maintenance Charge assessed against each Owner shall be due and payable on the second (2nd) day of each January thereafter. Any such amount not paid and received by the thirty first (31st) day of each January thereafter shall be deemed delinquent, and, without notice, shall bear interest at the lower of (i) one and one half percent (1.5%) per month, or (ii) the highest contract rate per annum allowed by law from the date originally due until paid.
- (b) To secure payment of the Annual Maintenance Charge, Special Assessments and Compliance Assessments (see Section 2.24) levied hereunder, and any other sums due hereunder (including without limitation interest, late fees, fines or delinquency charges), a continuing assessment lien shall be and hereby is reserved in and to each Lot and is hereby assigned and transferred to the Association, which lien shall be enforceable as hereinafter set forth by the Association or the Board on behalf of the Association.
- (c) Each Owner, by acceptance of a deed to a Lot on which a lien has been imposed, hereby expressly recognizes the existence of such lien as being prior to his ownership of such Lot and hereby vests in the Association the right and power to bring all actions against such Owner or Owners personally for the collection of all sums assessed in the manner provided in this Article 6 or this Declaration. The payment of all sums assessed in the manner provided in this Article 6 is, together with late charges and interest as provided in this Declaration and all costs of collection, including attorney's fees as herein provided, secured by the continuing Assessment lien granted and reserved to the Association, and will bind each Owner's Lot(s), and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien will be superior to all other liens and charges against such Lot, except only for: (i) tax liens; (ii) all sums secured by a first mortgage lien or first deed of trust lien of record, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot in question and (iii) home equity loans or home equity lines of credit which are secured by a second mortgage lien or second deed of trust lien of record; provided that, in the case of subparagraphs (ii) and (iii) above, such Mortgage was recorded before the delinquent Assessment was due. The Association will have the power to subordinate the aforesaid Assessment lien to any other lien. Such power will be entirely discretionary with the Board, and such subordination may be signed by an 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 or Owners of the Lot covered by such lien and a description of the Lot. Such notice may be signed by one of the officers of the Association and will be recorded. Each Owner, by accepting a deed or

ownership interest to a Lot subject to this Declaration, will be deemed conclusively to have granted a power of sale to the Association to secure and enforce the Assessment lien granted or reserved hereunder. The Assessment liens and rights to foreclosure thereof will be in addition to and not in substitution of any other rights and remedies the Association may have by law and under this Declaration, including the rights of the Association to institute suit against such Owner or Owners personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien. In any foreclosure proceeding, such Owner or Owners will be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association will 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 will report to said Mortgagee any unpaid Assessments remaining unpaid for longer than sixty (60) days after the same are due. The lien hereunder will not be affected by the sale or transfer of any Lot; 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 will be extinguished, provided that past-due Assessments will 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 will 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 6.5, the Association will upon the request of the Owner execute a release of lien relating to any lien for which written notice has been filed as provided above, except in circumstances in which the Association has already foreclosed such lien. Such release will be signed by an officer of the Association. Except as otherwise provided by applicable law, the sale or transfer of a Lot will not relieve the Owner of such Lot 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 and on the date of such conveyance Assessments against the Lot remain unpaid, or said Owner owes other sums or fees under this Declaration to the Association, the Owner will pay such amounts to the Association out of the sales price of the Lot, and such sums will be paid in preference to any other charges against the Lot other than liens superior to the Assessment lien and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot which are due and unpaid. The Owner conveying such Lot will remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the expenses associated with updating the Association's records upon the transfer of a Lot to a third party.

It is the intent of the provisions of this Section 6.5 to comply with the provisions of Article 3810, Texas Revised Civil Statutes, relating to non-judicial sales by power of sale and, in the event of the amendment of said Article 3810 hereafter, which amendment is applicable hereto, the President of the Association, acting without joinder of any other Member or Owner or Mortgagee or other person may, by amendment to these Restrictions filed in the Official Public Records of Travis County or Burnet, Texas, as applicable, amend the provisions hereof so as to comply with said amendments to Article 3810.

6.6 Equality of Assessments and Charges. Any Assessments or charges under this Article 6, whether annual or special, payable by each Lot shall be determined by dividing the total Assessment or charge fixed by the Association by the total number of Lots in the Property (excluding Common Area). Notwithstanding any provision hereof to the contrary, any Fine (as defined in Section 6.8 below) or amount assessed pursuant to Section 6.8, which is specifically attributable to fewer than all of the Owners and/or attributable to a specific Owner, shall be borne, pro-rata if applicable, by the Owners(s) to whom the Fine or amount is specifically attributable.

6.7 Maintenance of Non-Source Point Pollution "Controls and Transfer of Maintenance Obligations Upon Dissolution. The owner of the facility shall assume the obligation to maintain the non-point source pollution controls required under the Lake Travis Non-Point Source Pollution Control Ordinance (the "LCRA Ordinance") to operate the Wastewater Treatment Plant located in Section Thirteen. The Association shall maintain the non-point source pollution controls in accordance with best management practices required by the LCRA Ordinance. Upon dissolution of the Association, the maintenance obligations shall be transferred to an appropriate non-profit entity. The Association shall not be dissolved until such time as an entity, acceptable to the Lower Colorado River Authority, accepts the maintenance obligations.

6.8 Fines. The Board of the Association shall have the right at any time and from time to time to establish, impose or collect fines ("Fines"), which Fines may be imposed on a daily basis. The Fines may be imposed in the discretion of the Board against Owners who or which are in violation of any provision of these Restrictions or the Rules and Regulations; provided, prior to imposing Fines, the Board shall provide the Owner(s) with notice of the violation and a reasonable opportunity to cure the same. Notice of Fines imposed upon an Owner shall be provided by written notice to the Owner at her, his or its last known address on the books and records of the Association. All Fines shall be also secured by a lien reserved for Assessments and may be collected in the same manner as Assessment to the extent permitted by applicable law.

6.9 Fines Are Owner's Obligations. The amount of any Fine or assessment with respect to any Lot shall be the personal obligation of the Owner of such Lot. Notwithstanding anything to the contrary, suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the Owner's obligation hereunder. No Owner may avoid or diminish such personal obligation by the abandonment of such Owner's Lot or any building or improvements thereon.

ARTICLE 7 **INSURANCE**

The Association will not be required to maintain insurance on the Structure or improvements constructed upon any Lot. The Association may, however, obtain such 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 will be a common expense to be included in the Assessments levied by the Association. The acquisition of insurance by the Association will be without prejudice to the right and obligation of any Owner to obtain additional individual insurance.

ARTICLE 8 **FIRE AND CASUALTY: REBUILDING**

8.1 Rebuilding. In the event of a fire or other casualty causing damage or destruction to a Lot or the Structure or improvements located thereon, the Owner thereof shall within three (3) months after such fire or casualty contract to repair or reconstruct the damaged portion of such

Structure or improvements and shall cause such Structure or improvements to be fully repaired or reconstructed in accordance with the original Plans therefor, or in accordance with new Plans presented to and approved by the ARC, and shall promptly commence repairing or reconstructing such Structure or improvements, to the end that the Structure or improvements shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Alternatively, such damaged or destroyed Structure or improvements shall be razed and the Lot restored as nearly as possible to its prior condition.

8.2 Payment of Insurance Proceeds. All insurance proceeds and other funds received by the Association from policies acquired pursuant to these Restrictions as a result of fire or other casualty loss causing damage or destruction to Common Area shall be applied toward the cost of repair, restoration, or rebuilding of the damaged Common Area. Any funds remaining after the repair, restoration, or rebuilding of such damaged Common Area shall be retained by the Board as part of the Maintenance Fund.

8.3 Indemnity of Association. Each Owner shall be responsible for any costs incurred as a result of such Owner's negligence or misuse or the negligence or misuse of: (i) his family, tenants, guests, invitees, agents, or employees; or (ii) any other resident or occupant of his Lot, and shall indemnify the Association and all other Owners against any such costs.

ARTICLE 9

ANNEXATION OF ADDITIONAL LAND

9.1 Addition by Board. Situations may arise in the future in which it would be advantageous to expand the Property (but the Board does not hereby obligate itself to expand the Property) by adding, from time to time, Additional Land. These Restrictions, subject to any special covenants, conditions or restrictions which may be imposed on the Additional Land as approved by the Board shall become effective with respect to any such annexed Additional Land on the date on which there is filed for record in the Official Public Records of the county or counties in which the same are located, a Supplemental Declaration to that effect signed and acknowledged by the Board and the Owner of the Additional Land. Such Supplemental Declaration shall describe the Additional Land and list the Lots that then constitute the Property, shall refer to these Restrictions, and shall declare that the Restrictions shall apply to and affect such Additional Land that Board intends to add to the Property. The Supplemental Declaration shall specify the number of Lots that are being annexed to the Property. Upon the filing of the Supplemental Declaration, each Lot comprising the Additional Land shall be included within the definition of Lots as set forth in Article 1 hereof. The Board may cause to be recorded as many separate Supplemental Declarations as may be desired from time to time and at any time, to effect the annexation of Additional Land.

9.2 Encompassing Nature of the Restrictions. Upon the filing of a Supplemental Declaration in compliance with the provisions of Section 9.1 annexing Additional Land, the Restrictions shall further apply to and affect all of the property described in these Restrictions and the property described in any such Supplemental Declaration and shall also bind all Owners of any part of such property with the same effect as if the property described in the Supplemental Declaration were originally: (i) subject to and described in these Restrictions and (ii) included within the definition of Property hereunder.

9.3 Board's Power-of-Attorney. Each Owner hereby appoints the Board as its attorney-in-fact for the purpose of effecting the provisions of this Article 9, and the power hereby granted to the Board shall be, and is, a power coupled with an interest and is irrevocable.

9.4 Additional Land Not Subject to Restrictions Until Annexation. These Restrictions, including but not limited to this Article 9, do not presently create any interest in or with respect to the Additional Land, and these Restrictions shall not affect in any manner all or any part of such Additional Land unless and until a Supplemental Declaration is filed with respect thereto or to a portion thereof in accordance with this Article 9.

ARTICLE 10
AMENDMENT TO DECLARATION AND SUBDIVISION AND
DURATION OF RESTRICTIONS

10.1 Amendment by Board. Notwithstanding anything to the contrary contained in these Restrictions, the Board shall have the right at any time, with the consent of a majority of the Members as evidenced by a duly called vote of the Members, to amend these Restrictions by an instrument in writing duly signed, acknowledged by the Board and filed for record in the Official Public Records of Travis County and Burnet County, Texas. The Bylaws of the Association may be amended as therein set forth.

10.2 Amendment. These Restrictions may be amended by an instrument in writing signed by Members having not less than two-thirds (2/3rds) of the total votes in the Association that may be cast thereupon, but no such amendment shall be effective until a written notice thereof is duly recorded in the Official Public Records of each county in which the Property or portion thereof affected is located. The Bylaws of the Association may be amended as set forth in the Bylaws.

10.3 Duration. These Restrictions shall remain in full force and effect until January 1, 2026, and shall be extended automatically for successive ten (10) year periods; provided, however, that these Restrictions may be terminated on January 1, 2026, or on the commencement of any successive ten (10) year period; by filing for record in the Official Public Records of each county, in which the Property or portion thereof affected is located, an instrument in writing signed by Members having not less than two-thirds (2/3rds) of the total votes in the Association that may be cast thereupon.

ARTICLE 11
MISCELLANEOUS

11.1 Severability. In the event of the invalidity or partial invalidity or partial unenforceability of any provision or a portion of these Restrictions, the remainder of these Restrictions shall remain in full force and effect. Notwithstanding the foregoing, in the event some or all of these Restrictions are declared to be invalid or partially unenforceable to an extent that the Board determines that reverting to the covenants, conditions and restrictions which these Restrictions restated and replaced ("Prior CCRs") is preferable to continuing with these Restrictions as judicially modified, then the Board may declare these Restrictions nullified, in which event: (i) the Prior CCRs shall be reinstated; and (ii) any actions taken by the Board or the ARC in reliance on these Restrictions shall, if necessary to sustain their legitimacy, be automatically ratified by the Members and deemed to have been validly adopted by the Prior CCRs.

11.2 Rules and Regulations. The Rules and Regulations may be amended from time to time by the Board. The Rules and Regulations are of equal dignity with, and shall be enforceable in the same manner as, the provisions of these Restrictions, but in the event of a conflict, these Restrictions shall control. Each owner, by accepting conveyance of a Lot, agrees to comply with and abide by the Rules and Regulations, as the same may be amended from time to time.

11.3 Exhibits. The exhibits attached hereto are hereby incorporated by reference into these Restrictions for all purposes as if set out verbatim herein.

11.4 Number and Gender. Pronouns, whenever used herein, and of whatever gender, shall include natural persons and corporations, entities, and associations of every kind or character, and the singular shall include the plural, and vice versa, whenever and as often as may be appropriate.

11.5 Articles, Sections and Interpretation. Article and section headings in these Restrictions are for convenience of reference and shall not affect the construction or interpretation of these Restrictions. Unless the context otherwise requires, references herein to Articles and Sections are to Articles and Sections of these Restrictions. The inclusion of phrases like "unless approved by the Board," "without the prior approval of the Board," "without the prior written approval of the ARC," etc. shall be interpreted as adding emphasis, and shall not be interpreted to mean that the Board or ARC does not have the right to grant variances, approvals, exceptions, waivers and the like with respect to Sections hereof in which such language does not appear. The terms, provisions, and standards set forth in this Declaration shall be determined by the Board.

11.6 Delay in or Failure of Enforcement. No delay in enforcing the provisions of these Restrictions with respect to any breach or violation thereof shall impair, damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time or times. No provision in these Restrictions, articles of the Association, Bylaws or the Rules and Regulations is abrogated or waived by reason of any failure to enforce same, irrespective of the number of violations or breaches that may occur.

11.7 Limitation of Liability. Without limiting or modifying any other disclaimer, standard or limitation of liability set forth in these Restrictions, the Board, as well as its partners, agents, employees, officers, directors, partners, and their respective officers, directors, agents, and employees, shall not be liable to any Owner or lessee of the Property or any portion thereof or to any other party for any loss, claim, or demand in connection with a breach of any provision of these Restrictions by any party other than Board.

11.8 Enforceability. The covenants, conditions and restrictions adopted and established for the Property by these Restrictions are imposed upon and made applicable to the Property and shall run with the Property and shall be binding upon and inure to the benefit of and be enforceable by the Board, the Association, each Owner, purchaser, grantee, owner, and lessee in the Property, or any portion thereof, and the respective heirs, legal representatives, successors, and assigns of the Property, the Association and each such purchaser, grantee, Owner, and lessee.

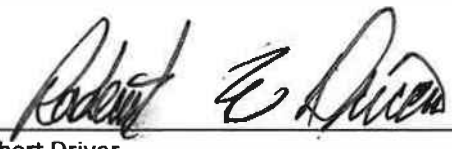
11.9 Remedies. In the event any one or more persons, firms, corporations, or other entities shall violate or attempt to violate any of the provisions of these Restrictions, the Board, the Association, each Owner, purchaser, grantee, owner, or lessee of the Property, or any portion thereof, may institute and prosecute any proceeding at law or in equity (i) to abate, prevent, or enjoin any such violation or attempted violation or (ii) to recover monetary damages caused by such violation or attempted violation.

[signature page follows]

EXECUTED to be effective on the date this instrument is recorded which was ^{January 28} ~~December 28~~, 2014 ^{AW}

THE COTTAGE OWNERS SUB-ASSOCIATION, INC. (THE RANCH, SECTION 12-A HOA):

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF THE COTTAGE OWNERS SUB-ASSOCIATION, INC. TO ATTEST TO THE FACT THAT THIS AMENDMENT WAS APPROVED BY A VOTE OF MORE THAN 67 PERCENT OF THE TOTAL VOTES ALLOCATED TO PROPERTY OWNERS IN THE RANCH HOMEOWNERS ASSOCIATION, INC.

By: 
Robert Driver
President

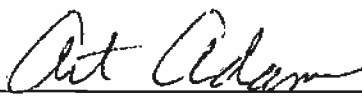
THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this ^{28th} ~~day of December, 2013~~ ^{JANUARY 2014} by Robert Driver, President of The Cottage Owners Sub-Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)




Notary Public Signature

By: 
Print Name, Secretary of The Cottage Owners Sub-Association, Inc. - ARTHUR W ADAMS

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this ^{28th} ~~day of December, 2013~~ ^{JANUARY 2014} by, Secretary of The Cottage Owners Sub-Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

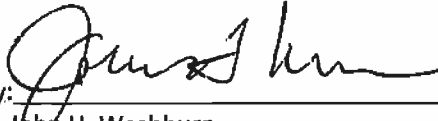
(SEAL)




Notary Public Signature

BARTON CREEK LAKESIDE P.O.A., INC.:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF BARTON CREEK LAKESIDE P.O.A., INC. TO AFFIRM ITS ACCEPTANCE OF THE RIGHTS, DUTIES, PRIVILEGES AND RESPONSIBILITIES ASSIGNED AND DELEGATED TO IT BY THESE RESTRICTIONS.

By: 
John H. Washburn
President

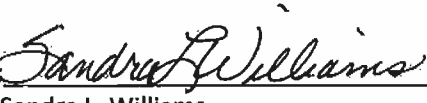
THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 28th day of ~~December~~ ^{January, 2014}, 2013 by John H. Washburn, President of Barton Creek Lakeside P.O.A., Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)




Notary Public Signature

By: 
Sandra L. Williams
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this ____ day of December, 2013 by Sandra L. Williams Secretary of the Barton Creek Lakeside P.O.A., Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)




Notary Public Signature

EXHIBIT "A"

PRIOR RESTRICTIONS

The Ranch Section One: Restated and Amended Declaration of Covenants, Conditions and Restrictions recorded in Vol. 8457, Pg. 620 of the Real Property Records of Travis County, Texas; and Vol. 321, Pg. 680 of the Real Property Records of Burnet County;

The Ranch Section Two: Supplemental Declaration Subjecting Additional Property to Declaration and Additional Covenants, Conditions and Restrictions for Additional Property, recorded in Vol. 8467, Pg. 65, of the Real Property Records of Travis County, Texas; and Vol. 322, Pg. 21 of the Real Property Records of Burnet County, Texas;

The Ranch Sections Three through Twelve A and Thirteen, except, however, The Ranch Section 4-A, and Barton Creek Phases One through Five and Seven and all sections, if any, thereof: Hidden Hills on Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Ranch, Sections Three through Eleven, recorded at Vol. 10755, Pg. 240 of the Real Property Records of Travis County, Texas and in Vol. 435, Pg. 830 of the Real Property Records of Burnet County, Texas, and supplements thereto filed at Vol. 11150, Pg. 1108 and Vol. 11267 Pg. 0624 of the Real Property Records of, and OPR #2005189845 of Travis County, Texas;

Phases One through Five and all sections, if any, of each: Barton Creek Lakeside Phase One Supplemental Declaration Subjecting Additional Property to Declaration and Additional Covenants, Conditions and Restrictions for Additional Property, recorded in Vol. 12261, Pg. 917, of the Real Property Records of Travis County, Texas, and recorded in Vol. 618, Pg. 865 of the Deed Records of Burnet County, Texas;

Barton Creek Lakeside Phases Two and Four: Barton Creek Lakeside Declaration of Covenants, Conditions and Restrictions for the Hilltop Property dated April 18, 1997, recorded in Vol. 12928, Pg. 1143, of the Real Property Records of Travis County, Texas, and in Vol. 745, Pg. 294 of the Official Public Records of Burnet County, Texas;

Barton Creek Lakeside Phase Three: Ratification and Adoption of Declarations of Covenants, Conditions and Restrictions for Barton Creek Lakeside Phase Three Sections 1 through 6 recorded at Vol. 0782, Pg. 0076; Vol. 0830, Pg. 0313; Vol. 0830, Pg. 0313; Vol. 0881, Pg. 0170; Vol. 0912, Pg. 0462; and Vol. 0943, Pg. 0093 of the Official Public Records of Burnet County, Texas; and

Barton Creek Lakeside Phase Five: Ratification and Adoption of Declarations of Covenants, Conditions and Restrictions Barton Creek Lakeside Phases Five Sections 1 - 3 recorded at Vol. 0806, Pg. 0134; Vol. 0811, Pg. 0960; and Vol. 0843, Pg. 0782 Official Public Records of Burnet County, Texas; and Vol. 13380, Pg. 4088; of the Real Property Records of Travis, County, Texas. (With respect to BCL Phase Five Section 3 see also the plat for that section listed above).

EXHIBIT "B"

PROPERTY

[Note to Lot owner/voters: Any subdivisions which do not approve the adoption of the Consolidated CCRS may be stricken from the list in this exhibit.]

The Property subject to the Restrictions is each residential lot depicted in each of the following Plats:

<u>The Ranch Sections One</u>	Travis County Plat Records Vol. 82, Pg. 228; and
<u>The Ranch Section Two</u>	Travis County Plat Records Vol. 84, Pg. 41D through 42A, and Burnet Plat Records Cab. 1, Slides 186 A through 186 C
<u>The Ranch Sections Three through Eleven</u>	Travis County Plat Records Vol. 84, Pg. 111A and Vol. 87, Pg. 1A, and Burnet County Plat Records Cab. 2, Slides 17 B, C, D – 21 A - C;
<u>The Ranch Section 12-A</u>	Travis County Plat Records Vol. 89, Pg. 23;
<u>The Ranch Section Thirteen</u>	Travis County OPR #199900322;
<u>Barton Creek Lakeside Phase One</u>	Travis County Records Plat Records Vol. 93, Pg. 312, Vol. 100, Pg. 387; Travis County OPR #20000369, 401868 and Burnet County Plat Records Cab. 2, Slides 53A, 80A, 87A, 112B and 167A and Cab 4, Slide 34A, OPR #430199, #199606400, #19970638, #199800478 and #200001741;
<u>Barton Creek Lakeside Phase Two</u>	Burnet County Records Cab. 2, Slide 94 A, B, C and 189A; and Travis County Records Plat Records Vol. 99, Pg. 254 and OPR #402031, #431820;
<u>Barton Creek Lakeside Phase Three</u>	Burnet County Records Cab. 2, Slides 112-C, 124-D, 130C, 147A, 147B, 172A, 188D and #199807087;
<u>Barton Creek Lakeside Phase Four</u>	Burnet County Records Cab. 2, Slides 119C-119D and OPR #199806198;
<u>Barton Creek Lakeside Phase Five</u>	Burnet County Records Cab. 2, Slides 120A & B, 124D-125A and 134C-D; and
<u>Barton Creek Lakeside Phase Seven</u>	Travis County OPR #200200026.

EXHIBIT "C"
Stories

Residential Structures on any Lot within the Section or Phase listed below shall have not more floors than the number of floors indicated for such Section of Phase or Lots therein. The ARC shall have the right to impose additional requirement with respect to stories and grant variances to these requirements when it determines a variance is warranted.	
The Ranch Section One:	No maximum
The Ranch Section Two:	
General	No maximum
Additional Property	One and Two stories are permitted
The Ranch Section Three through Eleven:	Two and one-half (2-1/2) stories
BCL Phase One:	Two (2) stories
BCL Phase Two: (Hilltop Property)	Same as Section 3 - 11
BCL Phase Three:	Two (2) stories
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	Same as Section 3-11
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "D"
Height Restrictions

No Structure on any Lot within the Section or Phase listed below shall be of a height which exceeds height indicated for such Section or Phase or Lots therein. The height of each residence shall be measured from the average elevation of the finished ground grade; front to rear of the residence, to the highest point of the structure, excluding chimneys, ventilators and antennae, as more particularly shown on Exhibit "D-1" attached hereto and incorporated herein by reference. Chimneys, ventilators and antennae shall be no higher than six (6) feet above the residence on which they are located. The ARC shall have the right to impose additional setback requirement with respect to height of Structures and grant variances to these requirements when it determines a variance is warranted.	
The Ranch Section One:	As determined by the ARC to preserve lines of sight and views enjoyed by neighboring Lots.
The Ranch Section Two:	As determined by the ARC to preserve lines of sight and views enjoyed by neighboring Lots.
The Ranch Section Three through Eleven:	Thirty Five Feet (35')
BCL Phase One:	
All Lots except the following:	Thirty Feet (30'),
Lots 3, 4, 5, 6 and 7	The lower of Thirty Feet (30') or 910 feet above sea level
Lots 8 and 10	The lower of Thirty Feet (30') or 915 feet above sea level
Lots 26, 27, 28 and 29	Twenty-Five Feet (25')
BCL Phase Two: (Hilltop Property)	Thirty Five Feet (35')
BCL Phase Three:	
Section 1	Twenty Five Feet (25')
Section 2, except Lot 9	Twenty Five Feet (25')
Section 2, Lot 9	Thirty Five Feet (35')
Sec. 3 Lots 6, 7, 8, 10, 11 & 12	Twenty Five Feet (25')
Sec. 3 Lots 1 – 5 and Lot 9	Thirty Five Feet (35')
Section 4	Thirty Five Feet (35')
Section 5	Thirty Five Feet (35')
Sec. 6 Lots 1 & 4	Thirty Feet (30')
Sec. 6 Lots 2 & 5	Twenty Five Feet (25')
Sec. 6 Lot 3	Twenty Three Feet (23')
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	
General	Same as Section 3-11
Section Two, Lot One	Twenty Five feet (25')
Section Two Lots 9-14	See Plat
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "D-1"

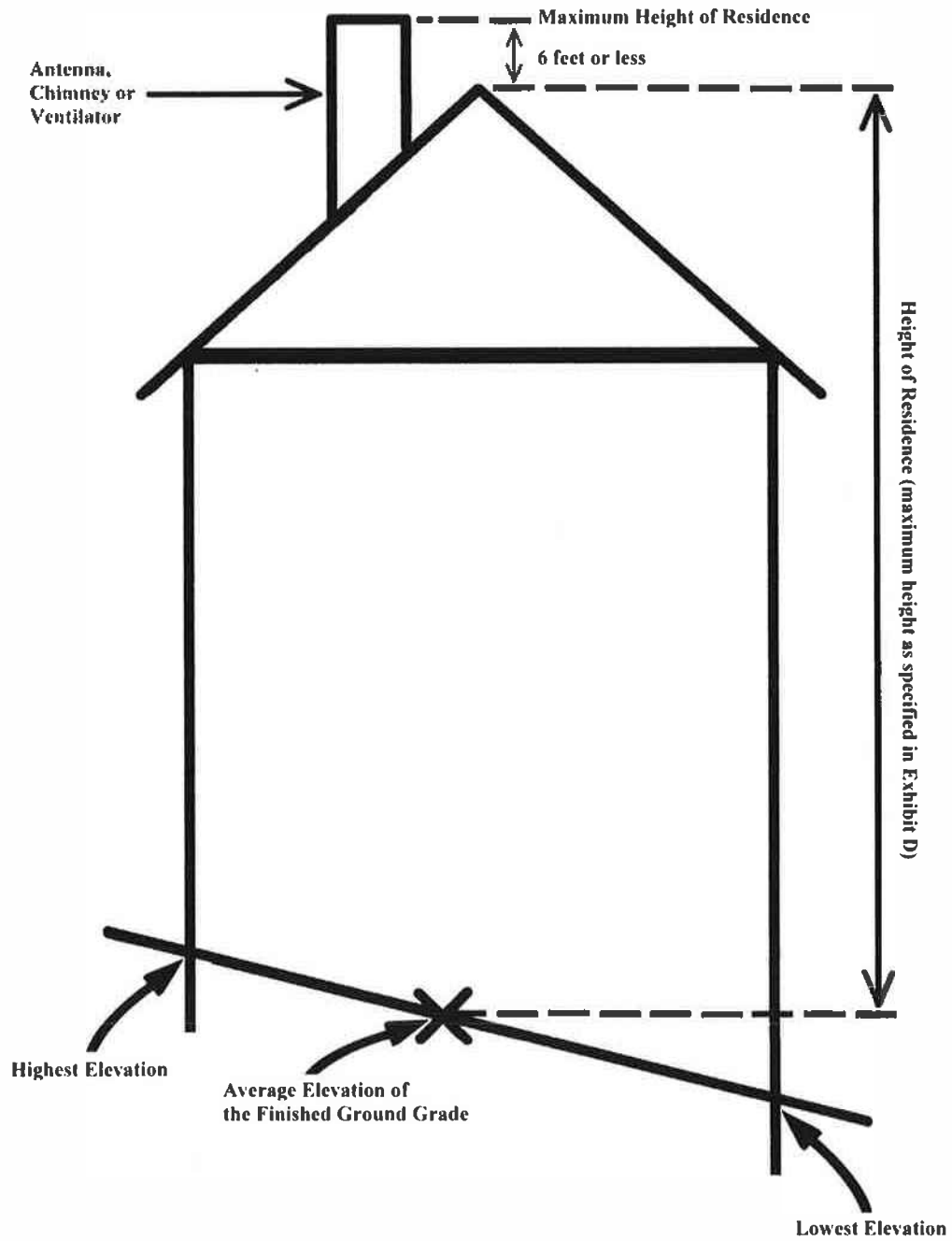


EXHIBIT "E"
Minimum Floor Area

All single family residential structures constructed on any Lot within the Section or Phase listed below shall have a floor area of not less than the number of square feet indicated for such Section of Phase or Lots therein. Such floor area shall be exclusive of porches (open and closed), patios, garages, carports, balconies, and decks. The ARC shall have the right to impose additional floor area requirement and grant variances to these requirements when it determines a variance is warranted.	
The Ranch Section One:	3000 square feet
The Ranch Section Two:	
General	3000 square feet
Additional Property	1,700 square feet
The Ranch Section Three through Eleven:	
One (1) story	2,200 square feet
One and one-half (1-1/2) story	2,400 square feet
Two (2), and two and one-half (2-1/2) story	At least 1,500 square on the first floor
BCL Phase One:	2,600 square feet
BCL Phase Two: (Hilltop Property)	
Villas	2200 square feet
Custom Homes	2200 square feet
Cottages	1800 square feet
BCL Phase Three:	Same as Section 3-11
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	Same as Section 3-11
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "F"

Set Backs

No part of the Structure located on any Property within the Section or Phase listed below shall be constructed within the indicated number of feet of the listed line for such Section or Phase or Lots therein. Notwithstanding the setbacks listed below, the location of all Structures shall comply with the minimum setbacks shown on the Plat for such Property. The ARC shall have the right to impose additional setback requirement and grant variances to these requirements when it determines a variance is warranted. In all event all county and plat setback requirements, if any, will be observed. In addition to the extent the following setback requirements call for a greater setback than the county or plat requirements, the following setbacks will be observed:	
All Golf Course Lots	
Rear Setback:	Forty Feet (40') unless a different rear set-back is specified below.
The Ranch Section One:	
Rear Setback:	Twenty feet (20') or the Bluff Line, whichever is farther from the lot line
Front Setback:	Twenty-Five Feet (25')
Side Setback:	Seven and One Half Feet (7.5')
The Ranch Section Two:	Except as set forth below, the set-backs prescribed for The Ranch Section One shall apply to the Lots in this section. The "left side Lot line" shall be the side Lot line of the Lot that will be to a person's left if that person is facing the Lot and standing at the middle of the street Lot line for that Lot, and the "right side Lot line" of that Lot shall be the other side Lot line of that Lot.
Garden Property	"Garden Property" consists of Lots Fifteen (15) through Forty (40) of The Ranch Section Two. All plat and county set back requirements, if any, shall be observed.
Rear Setback:	Twenty Feet (20')
Front Setback:	No closer than Twenty Five Feet (25') from the street.
Lots 19 through 25	Seven and One Half Feet (7.5') from right side Lot line
Lots 15 through 18 and Lots 26 through 40	Seven and One Half Feet (7.5') from left side Lot line
The Ranch Section Three through Eleven:	
General	
Rear Setback:	As Indicated on the Plat
Front Setback:	As Indicated on the Plat
Interior/ Side Setback:	Ten Feet (10').
BCL Phase One:	
General	For Lots not listed in the table below

Rear Setback:	Twenty-Five Feet (25')
Front Setback:	Twenty-Five Feet (25')
Interior/ Side Setback:	Ten Feet (10')
From any major thoroughfare or collector street	Twenty-Five Feet (25')
From Waterfall Hill Parkway	Fifteen (15')

(all setbacks are in feet)

<u>LOT NO.*</u>	<u>LEFTSIDE**</u>	<u>RIGHTSIDE**</u>	<u>BACK</u>
3	15	15	25
4	15	15	25
5	15	15	40
6	20	10	40
7	15	20	40
8	10	15	40
9	16	15	40
10	10	15	40
11	10	10	40
12	10	10	40
13	25	20	15
14	10	10	40
15	10	10	40
16	10	10	25
17	10	10	25
18	10	10	25
19	10	10	25
20 ¹	25	10	10
21	25	25	10
24 ²	15	16	15
25	10	10	25
26	10	10	25
27	10	10	25
28	20	10	60
29	50	25	30
39	15	15	15
40	15	15	15
41	10	10	15
42	10	10	15

* All Lot references are to Lots in Phase One.

**The left side and right side refer to the respective sides of the Lot viewed when standing in the front of the Lot (the street side) and facing the Lot. Except as expressly provided herein, where a Lot has more than one side that abuts a street, the side of the Lot with the greatest street frontage is the front of the Lot.

1. In addition, no building structure, tennis court, or swimming pool shall be located nearer than twenty-five (25) feet from Cloudland Court without the express prior written approval of ARC.

2. In addition, no building structure, tennis court, or swimming pool shall be located nearer than fifteen (15) feet from Waterfall Hill Parkway without the express prior written approval of ARC.	
BCL Phase Two: Hilltop Property	
General:	
Rear Setback:	Twenty Five Feet (25')
Front Setback:	Twenty Five Feet (25')
Side Setback:	Ten Feet (10')
Villas, Custom Villas, and Cottages	Same as General and no building structure, tennis court or swimming pool shall be located nearer than twenty five feet (25') from any major thoroughfare or collector street.
BCL Phase Three:	Same as The Ranch Section 3 – 11
BCL Phase Four:	Same as Phase BCL Two
BCL Phase Five:	
General	Same as The Ranch Section 3 – 11
Section One, Lots 1-4	
Rear Setback:	One hundred seventy five foot (175') on the northwest sides of the Lots as depicted on the Setback Line Sketch prepared by James E. Garon and attached as Exhibit A to a document filed in Volume 855, Page 0147 of the Official Public Records of Burnet County, Texas
Section Two, Lot 1	All as depicted on the Survey Plat prepared by James E. Garon and attached as Exhibit A to a document filed in Volume 855, Page 0147 of the Official Public Records of Burnet County, Texas
South & West	Twenty five foot (25') on the south and west sides of the Lot
Northeast	Ten foot (10') on the northeast side of the Lot
Rear Setback	Ten foot (10') on the southeast side of the Lot
BCL Phase Seven:	Same as The Ranch Section 3-11

ADDENDUM 1

The Ranch, Section 12-A [The Cottage Property] Deed Restrictions

WHEREAS, in 2012 The Ranch Section 12-A adopted the Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside (the “Consolidated CCRs”);

WHEREAS, the Consolidated CCRs replaced the Restatement of First Supplement To the Hidden Hills On Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Ranch, Sections Three Through Eleven [Cottage Property Deed Restrictions] [Encumbering A Portion of The Ranch Section 12],

WHEREAS, the Cottage Property Deed Restrictions imposed on The Ranch Section 12-A covenants, conditions and restrictions which were in addition to the “Master Declaration Declarations” (defined therein) which too were replaced by the Consolidated CCRs and also created and authorized a “Sub-Association” (herein called the “Cottage Association”) to manage particular affairs which were peculiar to The Ranch Section 12-A and to impose and collect certain assessments therefore,

WHEREAS, the language of Section 5.11 of the Consolidated CCRs was intended to preserve and empower the Cottages Association to continue to exercise the rights, powers and authorities which it had under the Cottage Property Supplement to the Master Declarations, and

WHEREAS, certain questions have been raised as to the effectiveness of Section 5.11 of the Consolidated CCRs to preserve certain provisions of said Cottage Property Supplement and the Members desire to eliminate all such questions and confirm that it was and is the intent of the Members that Consolidated CCRs to preserve the Cottage Association and certain of the covenants, conditions and restrictions contained in said Supplement to the Master Declarations and that they be made part of the Consolidated CCRs effective as of the date that the Consolidated CCRs became effective;

NOW THEREFORE, the following provisions are applicable to all Lots within The Ranch Section 12 – A effective as of the date the Consolidated CCRs became effective.

ARTICLE I DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in this Addendum 1 shall have the meanings hereinafter specified. Capitalized terms which do not appear in the definitions below will have the meaning ascribed to them in the Consolidated CCRs.

1.01 Articles. "Articles" shall mean the Articles of Incorporation of the Cottage Owners Sub-Association, Inc., which shall be filed in the office of the Secretary of State of the State of Texas, as from time to time amended.

1.02 Assessment. "Assessment" or "Assessments" shall mean such assessments as may be levied by the Cottage Association under the terms and provisions of this Addendum 1.

1.03 Cottage Association. "Cottage Association" shall mean Cottage Owners Sub-Association, Inc., a Texas non-profit corporation.

1.04 Cottage Board. "Cottage Board" shall mean the Board of Directors of the Cottage Association.

1.05 Bylaws. "Bylaws" shall mean the Bylaws of the Cottage Association adopted by the Cottage Board, and as from time to time amended.

1.06 Common Area. "Common Area" shall mean all real property, if any, including the Structures thereto, conveyed to the Cottage Association by duly recorded deed. The Common Area, if any, shall be owned by the Cottage Association for the common use and enjoyment of the Owners. No Owner shall have any interest in any property depicted on a Plat of the Subdivision and designated as Common Areas, "Open Space," or other similar designation.

1.07 Consolidated CCRs. "Consolidated CCRs" shall mean the Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside, and any amendments and restatements thereof.

1.08 Cottage Property. The Cottage Property consists of that certain real property situated in Travis County, Texas, more fully described Lots 1 through 26, inclusive, Block One, The Ranch, Section 12, a subdivision of record in Travis County, Texas, according to the plat thereof in Volume 88, Page 353, of the Plat Records of Travis County, Texas, as that property may be replatted, and any additional property added to The Ranch, Section 12-A. Structure. Structure

1.09 Lot. "Lot" or "Lots" shall mean any parcel or parcels of land within the Cottage Property shown as a subdivided lot on a Plat of a Subdivision, together with all Structures located thereon.

1.10 Member. "Member" or "Members" shall mean any person, persons, entity or entities holding membership rights in the Cottage Association.

1.11 Owner. "Owner" or "Owners" shall mean a person or persons, entity or entities holding a fee simple interest in any portion of the Cottage Property, but shall not include a Mortgagor.

1.12 Person. "Person" or "Persons" shall mean any individual, individuals, entity or entities having the legal right to hold title to real property.

1.10 Plat. "Plat" shall mean a subdivision plat of any portion of the Cottage Property and any amendments and replats thereof.

1.11 Subdivision. "Subdivision" shall mean all or any portion of the Cottage Property which is subdivided for residential purposes as shown on a map or plat of record in the Plat Records of Travis County, Texas.

ARTICLE I CUMULATIVE NATURE OF RESTRICTIONS

This Addendum 1 shall in no way alter or amend the terms and conditions of the Consolidated CCRs it being expressly understood that the provisions of the Consolidated CCRs and this Addendum 1 are cumulative and that all lands, Structures, and uses in and on the Cottage Property are subject to both the Consolidated CCRs and this Addendum 1. All assessments provided for hereunder shall be in addition to and not in lieu of the prior assessments levied under the terms of the Consolidated CCRs. In case of conflict between any provision of the Consolidated CCRs and this Addendum 1, the Consolidated CCRs shall control. Unless otherwise expressly provided herein, all terms used herein shall have the same meaning as those terms have in the Consolidated CCRs.

ARTICLE II GENERAL PROVISIONS RELAYING TO USB AND OCCUPANCY OF THE COTTAGE PROPERTY

2.01 Protective Covenants. The Cottage Property shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to all of the covenants, conditions, and restrictions contained in the Consolidated CCRs, which said covenants, conditions, and restrictions are hereby incorporated herein by reference as if set forth in full, and any violation of any provision of the Consolidated CCRs shall also be a violation of this Addendum 1.

2.02 Size and Appearance of Residences. All residential structures constructed on any Lot within the Cottage Property shall have a floor area of not less than 1,670 square feet, exclusive of porches (open and closed), patios, garages, carports, balconies, and decks. The residential structures constructed on any Lot within the Cottage Property shall have a uniform exterior appearance, including tile roofs, exterior masonry, exterior painting, and outdoor lighting of uniform design, material and color. Further, to ensure that exterior appearances remain uniform, the Cottage Association shall have the authority, but not the obligation, to maintain the exterior of all residences and an easement to perform such maintenance is hereby transferred to the Cottage Association. The cost of such maintenance will be paid by the Owner whose property is maintained and will be included in this Assessment, described below.

2.03 Master Irrigation System and Landscape Maintenance. To ensure uniform maintenance of all landscaping within the Cottage Property, there shall be one common irrigation system operated and maintained by the Cottage Association. Further, all landscaping shall be maintained, by the Cottage Association and an easement to perform such landscape maintenance shall be hereby transferred to the Cottage Association. The cost of such maintenance shall be included in the Assessment, described below.

ARTICLE III COTTAGE OWNER'S SUB-ASSOCIATION, INC.

3.01 Organization. The Cottage Owner's Sub-Association, Inc. was incorporated as

contemplated by the Cottage Deed Restrictions and has carried out the functions of the Cottage Association as set forth in the Cottage Deed Restrictions for many years. The Cottage Owner's Cottage Association is a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers prescribed by law or set forth in its Articles and Bylaws and in the Cottage Deed Restrictions and as prescribed herein. Neither the Articles nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with the Addendum 1 or the Consolidated CCRs.

3.02 Membership. Any Person, upon becoming an Owner of a Lot within the Cottage Property, shall automatically become a Member of the Cottage Association. Membership shall be appurtenant to and shall run with the property interest which qualifies the Owner thereof for membership, and membership may not be severed from, or in any way transferred, pledged, mortgaged or alienated, except together with the title to the said property interest

3.03 Voting Rights. The voting rights of Members are the same as those set forth in Section 5.3 of the Consolidated CCRs, but shall be limited to Members of the Association.

3.04 Powers and Authority of the Cottage Association. The Cottage Association shall have the powers of a Texas nonprofit corporation. It shall further have the power and perform any and all acts which may be necessary or proper or incidental to the exercise of any of the express powers to it by the laws of Texas or by this Addendum 1. Without in any way limiting the generality of preceding sentences, and without in any way imposing requirements or duties, or affirmative obligations upon the Association or the Cottage Association and the Cottage Board, acting on behalf of the Cottage Association, shall have the power and authority at all times as follows:

- (A) Rules and Bylaws. To make, establish and promulgate and in its discretion to amend or repeal and/or replace such rules and bylaws not in conflict with the Consolidated CCRs or this Addendum 1, as it deems proper covering any and every aspects of its functions.
- (B) Maintenance. To paint, repair, replace, or otherwise care for all exterior Structures on all Lots, including, but not limited to roofs and exterior walls or other surfaces visible from any Common Area, Lot, or rights of way; provided that the Cottage Association shall expend no funds to maintain garage door opening equipment, air conditioning equipment, windows, gates, door fixtures, hardwood, fences, utility meters, utility lines, cable or other utility facilities. The cost of maintenance, as provided in this paragraph, shall be allocated to and paid for by Owner whose property is being maintained and the charge therefor shall constitute an "Assessment." Further, in order to ensure that repair and maintenance of properties are done in a timely manner, the Cottage Association shall be entitled to perform repairs and maintenance on any Lot, as set out in this subsection (B), when the Cottage Board deems the repair or maintenance work to be necessary and the work may be done without the need to notify or seek approval from the Owner of the Lot on which the work is being done. In addition, as more fully set out in Section 3.08 below, the Cottage Association shall have the power to maintain all lawns, shrubs, trees, and other landscaping, and sprinkler and irrigation systems.
- (C) Insurance. To obtain and maintain in effect policies of insurance which, in the opinion of

the Cottage Board, are reasonably necessary or appropriate to carry out the Cottage Association's functions.

- (D) Records. To keep books and records of the Cottage Association's affairs as is prudent and in conformity with the requirements of the Texas Property Code.
- (E) Assessments. To levy assessments as provided in Article IV below in the manner and against the property set forth in Article IV hereof in order to raise the total amount for which the levy in question is being made.
- (F) Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Cottage Association.
- (G) Conveyances. To grant and convey to any person or entity the real property and/or other interest therein, including fee title, leasehold estates, easements, rights-of-way or mortgages out of, in, on, over, or under any of the Cottage Association's property for the purpose of constructing, erecting, operating or maintaining the following:
 - a. Parks, parkways or other recreational facilities or structures;
 - b. Roads, streets, street lights, walks, driveways, trails and paths;
 - c. Lines, cables, wires, conduits, pipelines or other devices for utility purposes;
 - d. Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines, and/or
 - e. Any similar public, quasi-public or private Structures or facilities.

Nothing above contained, however, shall be construed to permit use or occupancy of any Structure or other facility in a way which would violate applicable use and occupancy restrictions imposed thereon by other provisions of this Addendum 1 or the Consolidated CCRs.

- (H) Manager. To retain and pay for the services of a person or firm (the "Manager") to Manage and operate the Cottage Association, including its property, to the extent deemed advisable by the Cottage Board. Additional personnel may be employed directly by the Cottage Association or may be furnished by the Manager. To the extent permitted by law, the Cottage Association and the Cottage Board may delegate any other duties, powers and functions to the Manager or to the Association. The members of the Cottage Association hereby release the Cottage Association, the Association and the members of the boards of both from liability for any omission or improper exercise by the Manager of any such duty, power or function so delegated.
- (I) Property Services. To pay for water, sewer, garbage removal, landscaping, gardening and all other utilities, services and maintenance for the property of the Cottage Association; to maintain and repair easements, roads, roadways, rights-of-way, parks, parkways, median strips, sidewalks, paths, trails, ponds, and other areas of the Cottage Property, as appropriate; and to own and operate any and all types of facilities for both active and passive recreation.
- (J) Other Services and Properties. To obtain and pay for any other property and services, and to

pay any other taxes or assessments which the Cottage Association or the Cottage Board is required to secure or to pay for pursuant to applicable law, the terms of this Addendum 1, the Consolidated CCRs, or the Articles or Bylaws of either the Master Association or the Cottage Association.

- (K) Construction on Cottage Association Property. To construct new Structures or additions to Cottage Association properties, subject to the approval of the Architectural Committee as required by the Consolidated CCRs.
- (L) Property Ownership. To acquire, own and dispose of all manner of real and personal property, whether by grant, lease, gift or otherwise.

3.06 Common Area. Subject to and in accordance with this Addendum 1, the Cottage Association, acting through the Cottage Board, shall have the duty to accept, own, operate and maintain all Common Area, together with all Structures of whatever kind and for whatever purpose which may be located in said areas. Notwithstanding anything herein or elsewhere to the contrary, no Member shall have any right, title, or interest in or to Lots 28 or 29, Block One, The Ranch, Section 12, by virtue of this Addendum 1.

3.07 Indemnification. Each and every director, officer, committee member, employee, servant or agent of the Cottage Association shall be indemnified by the Cottage Association to the same extent and manner as specified for the Association in Section 5.12 of the Consolidated CCRs.

3.08 Landscape Maintenance Program. To ensure uniform and proper maintenance of landscaping, the Cottage Association shall maintain all lawns, shrubs, trees, and other landscaping, and all sprinkler or irrigation systems located on the Cottage Property (which includes all Lots and any Common Area). The Cottage Association shall develop and implement a landscape and irrigation system maintenance program ("Landscape Program"). All estimated costs and expenses for the Landscape Program shall be reflected on the Cottage Association's annual budget. The costs and expenses of implementing the Landscape Program shall be paid for by all Owners on a uniform and prorata basis and shall be included in the Assessments.

ARTICLE IV FUNDS AND ASSESSMENTS

4.01 Assessments. Assessments established by the Cottage Board pursuant to the provisions of this Article IV shall be levied on a uniform basis against each Lot within the Property. The amount of the Assessment shall be determined by dividing the total amount determined by the Cottage Board to be necessary pursuant to Section 3.03 hereof by the total number of Lots within the Property at the time the Assessment is levied, as determined by reference to each Plat or a portion of the Property which is of record at the time the Assessment is levied. Each unpaid Assessment, together with such interest thereon and costs of collection thereof, as hereinafter provided shall be the personal obligation of the Owner of the Property against which the Assessment fell due, and shall become a lien against each such Lot and all Structures thereon. The Cottage Association may enforce payment of such Assessments in accordance with the provisions of this Article pursuant to the procedures set forth in Article 6 of

the Consolidated CCRs.

4.02 Maintenance Fund. The Cottage Board shall establish a maintenance fund into which shall be deposited all monies paid to the Cottage Association and from which disbursements shall be made in performing the functions of the Cottage Association under this Addendum 1. The funds of the Cottage Association must be used solely for purposes authorized by this Addendum 1, as it may from time to time be amended.

4.03 Regular Annual Assessments. Prior to the beginning of each fiscal year, the Cottage Board shall estimate the expense to be incurred by the Cottage Association during such year in performing its functions under the Addendum 1, including, but not limited to, the cost of all maintenance, the cost of enforcing the Addendum 1, and a reasonable provision for contingencies and appropriate replacement reserves less any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied as herein provided and the level of Assessments set by the Cottage Board 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, the Cottage Association may at any time, and from time to time, levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to The Cottage 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 Cottage Board may designate in its sole and absolute discretion.

4.04 Owners Personal Obligation for Payment of Assessments. The Regular and Special Assessments provided for herein and any repair and maintenance assessments assessed pursuant to this Article or Article III shall be the personal and individual debt of the Owner of the Lot covered by such Assessments. No Owner may exempt himself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Lot shall be obligated to pay such Assessments pursuant to the procedures set forth in Article 6 of the Consolidated CCRs.

54.05 Assessment Lien and Foreclosure. All sums assessed in the manner provided in this Article and Article III, but unpaid, shall bear the interest and expense reimbursement obligations specified in Article 6 of the Consolidated CCRs and the Cottage Association may impose liens on Lots of defaulting Owners and use the other methods of collection specified in Article 6 of the Consolidated CCRs.

ADDENDUM 2

PARTY WALL AGREEMENTS

Party Walls, Encroachment and Protrusion Easements. Some Structures constructed, or to be constructed, on the Lots in The Ranch Section 12-A and Barton Creek Lakeside Phase Two, the "Hilltop Property," adjoin or shall adjoin, the structure on the adjacent Lot by a wall located on or near the boundary line of two Lots. The wall or other structure separating such structures shall be and remain a party wall and shall be subject to the following provisions:

- (A) Each Owner of a Structure having a party wall covenants to do nothing to disturb the integrity and support provided by the wall or other Structure by means of penetration or otherwise and affirmatively covenants to protect such party wall from the elements. If any Owner, or such Owner's family member guests, tenants, or invitees causes any such damage or injury or fails to protect the party wall from the elements, the Owner shall be liable for the restoration thereof and for any other costs or expenses incurred in connection therewith. The Owner's liability shall be limited to the types of damages for which the Owner would be liable under Texas law.
- (B) If damage or injury is caused to a party wall by someone other than such Owners who make use of the party wall or persons for whom they are responsible or is caused by some catastrophe, such as fire, which was not the result of negligence or the willful misconduct of such Owner or persons for whom the Owner is responsible, then the restoration and other costs and expenses shall be borne equally by both such Owners, except to the extent insurance proceeds may be available.
- (C) The cost of reasonable repair and maintenance of a party wall shall be shared equally by both Owners who make use of the wall in equal proportions.
- (D) The right of any Owner to contribution from any other Owner hereunder shall be appurtenant to the land and shall pass to such Owner's successors in title.
- (E) Each Lot within the Cottage Property or the "Hilltop Property" is hereby declared to have an easement over all adjoining Lots for the purpose of accommodating any encroachment and/or protrusion due to engineering errors, errors in original construction, settlement shifting of any of the Structures constructed upon the Lot. There shall be valid easements for the maintenance of said encroachment and/or protrusions as long as they shall exist; provided, however, that in no event shall a valid easement for encroachment or protrusion created in favor of an Owner or owners if said encroachment protrusion occurred due to the willful misconduct of said Owner or Owners.
- (F) In the event a structure is partially or totally destroyed and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments and/or protrusions over adjoining Lots shall be permitted and that there shall be a valid easement for the maintenance of said encroachments and/or protrusions so long as they shall exist. Such encroachments or protrusions shall not be considered to be encumbrance either on the Common Area or on a Lot for purposes of marketability title or otherwise.
- (G) Each Owner shall at all times maintain in full force and effect casualty insurance in the amount sufficient, giving effect to any applicable deductible, to pay all costs of restoring all party walls on such Owner's Lot(s).

- (H) Restoration shall be commenced as soon as reasonably possible, and in no event more than 6 months, after the event giving rise to the need for restorations and shall be diligently pursued to completion.

FILED AND RECORDED



OFFICIAL PUBLIC RECORDS

Janet Parker

201400642

January 28, 2014 02:01:52 PM

FEE: \$224.00

Janet Parker, County Clerk

Burnet County, Texas

AMENDED AND RESTATED DECLARATION OF
CONSOLIDATED COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
BARTON CREEK LAKESIDE
THE RANCH SECTIONS ONE THROUGH TWELVE A AND THIRTEEN
AND
BARTON CREEK LAKESIDE PHASES ONE THROUGH SEVEN AND EVERY SECTION OF EACH,
EXCLUDING, HOWEVER, THE RANCH SECTION 4-A

This Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside (the "Declaration") has been approved as set forth below and shall apply to the Property (as defined below):

Recitals

WHEREAS, each of the subdivisions listed in the title above have previously adopted one or more the covenants, conditions and restrictions listed in EXHIBIT "A" hereto (the "Prior Restrictions"),

WHEREAS, pursuant to Texas Property Code Section 209.0041 the owners of more than 67% of the lots in each of the following subdivisions have elected to replace the Prior Restrictions applicable to their subdivision with this Amended and Restated Declaration of Consolidated Covenants and Restrictions for Barton Creek Lakeside:

The Ranch Sections One – Travis County Plat Records Vol. 82, Pg. 228;

The Ranch Section Two – Travis County Plat Records Vol. 84, Pg. 41D through 42A, and Burnet Plat Records Cab. 1, Slides 186 A through 186 C.;

The Ranch Sections Three through Eleven – Travis County Plat Records Vol. 84, Pg. 111A and Vol. 87, Pg. 1A, and Burnet County Plat Records Cab. 2, Slides 17 B, C, D – 21 A - C;

The Ranch Section 12-A – Travis County Plat Records Vol. 89, Pg. 23;

The Ranch Section Thirteen – Travis County OPR #199900322;

Barton Creek Lakeside Phase One – Travis County Records Plat Records Vol. 93, Pg. 312, Vol. 100, Pg. 387; Travis County OPR #20000369, 401868 and Burnet County Plat Records Cab. 2, Slides 53A, 80A, 87A, 112B and 167A and Cab 4, Slide 34A, OPR #430199, #199606400, #19970638, #199800478 and #200001741;

Barton Creek Lakeside Phase Two – Burnet County Records Cab. 2, Slide 94 A, B, C and 189A; and Travis County Records Plat Records Vol. 99, Pg. 254 and OPR #402031, #431820;

Barton Creek Lakeside Phase Three – Burnet County Records Cab. 2, Slides 112-C, 124-D, 130C, 147A, 147B, 172A, 188D and #199807087;

Barton Creek Lakeside Phase Four – Burnet County Records Cab. 2, Slides 119C-119D and OPR #199806198;

Barton Creek Lakeside Phase Five – Burnet County Records Cab. 2, Slides 120A & B, 124D-125A and 134C-D; and

Barton Creek Lakeside Phase Seven – Travis County OPR #200200026.

NOW, THEREFORE, it is hereby declared that: (i) the Property (as defined below), shall be held, sold, conveyed, used and occupied subject to the following covenants, conditions and restrictions which are for the purposes of protecting the value and desirability of the Property and which shall run with the Property and shall be binding upon all parties, their heirs, successors and assigns, having right, title or interest in or to the Property or any part thereof, and shall inure to the benefit of each owner thereof; (ii) all dedications, limitations, restrictions and reservations shown on a Plat (as defined below) and all grants and dedications of easements, rights-of-way, restrictions and related rights made prior to any portion of the Property becoming subject to this Declaration are hereby incorporated into this Declaration for all purposes as if fully set forth herein and shall be construed as adopted in each and every contract, deed or conveyance; (iii) each contract or deed conveying the Property shall conclusively be held to have been executed, delivered and accepted subject to this Declaration, regardless of whether the same is set out in full or by reference in said contract or deed; and (iv) upon the recording of this Declaration, the Ranch 1/2 Restrictions and Hidden Hills Restrictions, and the Hilltop Restrictions shall be amended, restated and replaced in their entirety by the terms and provisions of this Declaration.

ARTICLE 1 **DEFINITIONS**

As used in this Declaration, the terms set forth below shall have the meanings indicated:

1.1 Additional Land means the tract or tracts, parcel or parcels of land, other than the Property, made subject to the Restrictions by the Board in accordance with the provisions of Article 9 hereof.

1.2 Annual Maintenance Charge means the assessment made and levied by the Board against each Owner and such Owner's Lot in accordance with the Restrictions.

1.3 Architectural Review Committee or ARC means the committee formed and empowered pursuant to this Declaration to review and approve or deny plans for the construction, placement, modification, alteration, or remodeling of any Structure upon a Lot, to establish Design Guidelines, and to carry out its duties as set forth in the Restrictions and such other powers, authorities and duties delegated to it by the Board pursuant to the Restrictions.

1.4 Articles of Incorporation means the Articles of Incorporation of the Association, filed in the Secretary of State of Texas, as the same may be amended from time to time.

1.5 Association means the Barton Creek Lakeside P.O.A., Inc., a Texas nonprofit corporation, its successors and assigns, created for the purposes and possessing the rights, powers, authority and obligations set forth in the Restrictions and as otherwise permitted by applicable law, whose address for notice purposes is PO Box 598, Spicewood, Texas 78669, as may be changed by the Association from time to time.

1.6 Assessment or Assessments means assessments levied by the Association pursuant to the terms and provisions of this Declaration.

1.7 Ballot means a ballot cast by a Member given: (i) in person or by proxy at a meeting of the Association; (ii) by absentee ballot in accordance with Section 209.00592(b) of the Texas

Property Code; or (iii) by electronic ballot in accordance with Section 209.00592(b) of the Texas Property Code.

1.8 Board or Board of Directors means the Board of Directors of the Association elected by the Members in accordance with the provisions of its Bylaws.

1.9 Bylaws means the Bylaws of the Association, as amended from time to time.

1.10 Certificate of Formation means the Certificate of Formation for the Association filed with the Secretary of State of Texas, as may be amended from time to time.

1.11 Commencement of Construction means the date on which foundation forms are set for a residence.

1.12 Common Areas means any property and facilities that the Association owns or in which it otherwise holds rights or obligations. Common Area includes any property that the Association holds under a lease, license or any easement in favor of the Association. The Common Areas may be owned by the Association for the use and enjoyment of the Members, including, but not limited to, the private streets or other private roadways shown on the Plats (whether labeled as "common area lots" or otherwise).

1.13 Declaration means this Amended and Restated Declaration of Consolidated Covenants, Conditions and Restrictions for Barton Creek Lakeside.

1.14 Design Guidelines means the standards for design, construction, landscaping, and exterior items, 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 Property.

1.15 Exterior Area means the yard area of a Lot as determined by the Board.

1.16 Golf Course Lots means a Lot which shares a common boundary with a golf course or is otherwise adjacent thereto as determined by the Board or the ARC.

1.17 Hilltop Property means Lots located within Barton Creek Lakeside Phase Two as shown on the map or plat thereof recorded as Volume 99, Page 27-29, in the Official Public Records of Travis County, Texas. Barton Creek Lakeside Phase Four was subsequently carved out of Phase Two and retained the pre-existing Restrictions. "Hilltop Property" and "Barton Creek Lakeside Phases Two and Four" are synonymous.

1.18 Lot or Lots means a subdivided lot shown on a Plat excluding Common Areas.

1.19 Maintenance Fund means Annual Maintenance Charges and other fees or sources of income received and/or otherwise collected by the Association in accordance with the Restrictions.

1.20 Member or Members means every person or entity that holds membership privileges in the Association.

1.21 Mortgage means any mortgage(s) or deed(s) of trust securing indebtedness and covering any Lot.

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

1.23 Owner or Owners means the person(s), entity or entities holding all or a portion of the fee simple interest in any Lot, but does not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot pursuant to foreclosure of the lien of its Mortgage.

1.24 Passenger Vehicle means passenger automobiles, passenger vans, motorcycles, SUVs (similar to a station wagon but built on a light truck chassis) and pick-up trucks that: (a) are in operating condition; (b) are qualified by current vehicle registration and inspection stickers; (c) are in daily use as a motor vehicle on streets and highways; (d) comply with current mandatory insurance under the laws of the State of Texas; and (e) have not been modified in such a way to look materially different from the factory version of the vehicle.

1.25 Plat or Plats means a subdivision plat of any portion of the Property as recorded in the Official Public Records of Travis or Burnet Counties, Texas, and any amendments thereto.

1.26 Plans means the final construction plans and specifications (including a related site and grading plan) for any Structure of any kind erected, placed, constructed, maintained, or altered on any Lot and the landscape for the Exterior Areas of such Lot.

1.27 Property means the property more particularly described in the documents listed in Exhibit "B", attached to this Declaration.

1.28 Ranch Section 12A means Lots located within The Ranch Section 12A as shown on the map or plat thereof recorded as Volume 89, Page 23 in the Official Public Records of Travis County, Texas.

1.29 Restrictions means the restrictions, covenants, and conditions contained in this Declaration, the Design Guidelines, Bylaws, or in any rules, regulations, and policies promulgated by the Association pursuant to this Declaration, as adopted and amended from time to time.

1.30 Rules and Regulations means rules adopted from time to time by the Board concerning the management and administration of the Property for the use, benefit and enjoyment of the Owners.

1.31 Signage means any signage, lettering, decorations, banners, advertising or marketing media, awnings, canopies, window covering, or any other form of expression on a Lot or in the interior of a Structure if the same is Visible.

1.32 Structure means every structure and all appurtenances of every type, whether temporary or permanent, including but not limited to cottages, custom villas, villas, buildings, outbuildings, sheds, patios, tennis courts, swimming pools, garages, driveways, storage buildings, sidewalks, gazebos, fences, gates, screening walls, retaining walls, stairs, decks, landscaping, landscape improvements, poles, mailboxes, signs, antennae, exterior air conditioning equipment or fixtures, exterior lighting fixtures, water softener fixtures or equipment, playground equipment, and pumps, wells, tanks, reservoirs, pipes, lines, meters, towers, and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or utilities, or otherwise.

1.33 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.

1.34 Subdivision Fence means the decorative existing Kentucky style wood horse fence running along, adjacent to and/ or across the Property or portions thereof.

1.35 Supplemental Declaration means any Supplemental Declaration of Covenants, Conditions, and Restrictions hereafter recorded in the Official Public Records of Travis or Burnet Counties, Texas to bring Additional Land within the Restrictions in accordance with the provisions of Article 9 hereof.

1.36 Utility Company(ies) means any company which owns properties or facilities which properties or facilities are used for the purpose of providing utility services to the Property.

1.37 Visible means able to be seen from streets, adjacent Lots, or portions of the Common Area.

ARTICLE 2

USE AND OCCUPANCY

2.1 Conditions and Restrictions. All Lots within the Property will be owned, held, encumbered, leased, used, occupied and enjoyed subject to the Restrictions. Ordinances and requirements imposed by local governmental authorities are applicable to all Lots within the Property. Compliance with the Restrictions is not a substitute for compliance with such ordinances and regulations. Please be advised that the Restrictions do not purport to list or describe each restriction which may be applicable to a Lot located within the Property. Each Owner is advised to review all ordinances, requirements, regulations and encumbrances affecting the use and improvement of their Lot prior to submitting plans to the ARC for approval. Furthermore, approval by the ARC should not be construed by the Owner that any such improvement complies with the terms and provisions of any ordinances, requirements, regulations or encumbrances which may affect the Owner's Lot.

2.2 Single-Family Residential Use. Each Lot may only be used for single family residential purposes or other purposes which otherwise comply with the Restrictions and are not materially incompatible with and do not materially detract from the enjoyment of single family residential ownership by other Owners as determined by the Board.

- (a) **Prohibited Uses.** Notwithstanding any provision in the Restrictions to the contrary, no Lot or Structure thereon may be used or otherwise configured as a duplex apartment, garage apartment, or other apartment (except, however, the construction of servant's quarters will be allowed).
- (b) **Home Based Business.** Any business, commercial, and/or professional activity shall be prohibited on any Lot or in any Structure located thereon if such use, as determined by the Board: (i) creates disruptions or a nuisance to the neighborhood; (ii) can be seen, heard, or smelled by persons outside such Lot; (iii) involves the frequent visitation by clients, customers, suppliers or others; (iv) includes the Visible storing of supplies or equipment; or (v) increases, beyond that which is typical of a residence within the Property, pedestrian or vehicular traffic, parking of vehicles, deliveries, emissions of dust, smoke, gasses, chemicals odors, lights, radio signals, or discharges of non-household wastes into the sewage system. If a business, commercial, and/or professional activity otherwise complies with this Section 2.2(b), an Owner may conduct a promotional event within the Owner's residence only if the invitees of the Owner are limited to the Owner and the Owner's family and no more than two non-Members. Only one promotion event per each six (6) month period may be held by an Owner.

- (c) **Permitted Uses.** Notwithstanding any provision in the Restrictions to the contrary, the following business activities are permitted:

- (i) **Short Term Rentals.** Nothing herein shall be deemed to preclude short term rental of residences constructed on Lots for residential purposes; however, such rentals shall be subject to reasonable Rules and Regulations adopted by the Board which will be applied on a uniform basis as between Lot Owners.
- (ii) **Estate and/or Moving Sales.** An estate or moving sale conducted within ninety (90) days of the Owner's death or an Owner's date of departure from the Lot is allowed; provided, however, no such estate sale or moving sale shall last more than two (2) consecutive days and all activities of the sale shall be conducted within the residence or garage constructed on the Owner's Lot. The general public may be invited to such sale. The Board may adopt additional Rules and Regulations governing the conduct of estate or moving sales which may include permitted operation times and requirements regarding signage.

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

2.4 Marina. Notwithstanding any provision in the Restrictions to the contrary, Lot 22, Block Two, of the Ranch Subdivision, Section 4, as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas and that portion of Lot 37, Block Two, Section 4, of the Ranch Subdivision as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas lying between the western extension of the common boundary line of Lots 22 and 23, Block Two, Section 4, as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas and the northern extension of the common boundary line between Lots 20 and 21, Block Two, Section 4, of the Ranch Subdivision as shown on the map or plat thereof recorded in Volume 87, Page 2A of the Official Public Records of Travis County, Texas (the "Marina"), may be used for a marina. The Marina shall be restricted to private use by Owners and members of Barton Creek-Lakeside Country Club and Barton Creek Country Club and Resort. The operation of a Marina facility shall be limited to offering rental boats, boat and personal watercraft slips for rent or sale, and customary water recreational activities; provided however: (a) no commercial food or beverage preparation or sales may be conducted on any portion of the Marina except that non-alcoholic beverages and pre-packaged sandwiches or food which is not prepared on or upon the Marina may be offered for sale to individuals utilizing the Marina for recreational purposes; (b) in no event shall the Marina provide seating for the consumption of food or beverages for more than ten (10) individuals, unless advance written approval is obtained from the Board; and (c) under no circumstances shall alcoholic beverages be sold on any portion of the Marina without the prior written consent of the Board.

2.5 Water Treatment. Notwithstanding the forgoing or any other provision of these Restrictions to the contrary, the Lot(s) 42-44, The Ranch Section Thirteen, a subdivision in Travis County, Texas, according to the map or plat recorded in Volume 89, Page 286, in the Official Public Records of Travis County, Texas, may be used for a wastewater treatment plant and pertinent facilities and related activities, and in no event shall the Restrictions prohibit or interfere with such use.

2.6 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 Structures and landscaping thereon in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times. The Board shall determine whether a violation of the maintenance obligations set forth in this Section 2.6 has occurred. The Association shall maintain the Common Area and the streets (landscaping, walls, and sprinkler systems within the Common Area), but shall have no obligation to maintain areas maintained by public authorities.

2.7 Hazardous Activities. No activities may be conducted on or within the Property and no Structures constructed on any portion of the Property which are or might be unsafe or hazardous to any person or property. No portion of the Property may be used for the takeoff, storage, or landing of aircraft (including, without limitation, helicopters) except for medical emergencies.

2.8 Antennas. Except as expressly provided below, no exterior radio or television antennae or aerial or satellite dish or disc, shall be erected, maintained or placed on a Lot without the prior written approval of the ARC; 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 multi-channel 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 or radio broadcast signals;

(collectively, (a) through (c) are referred to herein as the "Permitted Antennas") will be permitted subject to reasonable requirements as to location and screening as may be set forth in rules adopted by the ARC, consistent with applicable law, in order to minimize Visible obtrusiveness.

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

- (a) 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
- (b) 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.

2.10 Signage. Unless otherwise prohibited by applicable law, no sign of any kind may be displayed to the public view on any Lot without the prior written approval of the ARC, including specifically, but without limitation, signs offering property or Lots for sale, rent or lease, signs advertising goods, wares or services for sale or rent, and construction company or repair company signs except for:

- (a) 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 15th 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.

- (b) permits as may be required by legal proceedings or a governmental entity; and
- (c) 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; and
- (d) real estate sales brochure boxes not larger than 10" x 15" x 5" on lots on which a residential structure exists.

Notwithstanding the foregoing, signs which include any of the following components or characteristics are prohibited: signs which contain roofing material, siding, paving materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component; signs which are attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object; signs which include the painting of architectural surfaces; signs which threaten the public health or safety; signs which are larger than four feet by six feet; signs which violate the law; signs which contain language, graphics, or any display that would be offensive to the ordinary person; or signs which are accompanied by music or other sounds or by streamers or is otherwise distracting to motorists.

2.11 Noise and Nuisances. No exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes) shall be located, used, or placed on any of the Property. Notwithstanding the foregoing, this paragraph shall not preclude the use of outdoor speakers for hi-fi, stereo, or radios if the sound level is maintained at a reasonably low level with respect to adjoining property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Property or to its residents.

2.12 Animals. No animals, including livestock, 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 upon any portion of the Property. Other than dogs and cats which are kept indoors at least 20 hours per day ("**House Pets**") when not under the direct control of the Owner, an Owner may keep on such Owner's Lot outside the residence: (a) not more than two (2) dogs or two (2) cats; or (b) one (1) dog and one (1) cat. Owners may not keep within a residence more House Pets than can be kept without creating health hazards within the residence or upon any portion of the Property. No animal shall be allowed to make an unreasonable amount of noise, or otherwise to become a nuisance. No domestic pets will be allowed on the Property other than on the Lot of its Owner unless it is either confined to a leash or within a vehicle; provided, however, dogs may be off leash within specified areas and at specified times designated by the Board (referred to herein as a "**Dog Run**"). An exit by the dog from the area of the Dog Run will be a violation of the Restrictions. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Property, and no kennels or breeding operation will be allowed. Except as provided herein, no animal shall be allowed to run at large, and all animals which are permitted hereunder shall be kept within enclosed areas (effective invisible fences are acceptable enclosures for this purpose) which must be clean, safe, sanitary, and reasonably free of refuse, insects, and waste at all times. Such enclosed area which is Visible shall be constructed in accordance with plans approved by the ARC,

shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be Visible.

2.13 Mining and Drilling. No portion of the Property 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 landscaping and Structures approved in advance by the ARC and/or the development of the Property by the Declarant.

2.14 Rubbish and Debris. No rubbish or debris of any kind may be placed or permitted to accumulate on or within the Property, and no odors will be permitted to arise therefrom so as to render all or any portion of the Property unsanitary, unsightly, offensive, or detrimental to any other property or Residents. 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 and may only be placed on the street no sooner than the evening before the day trash is picked-up from the Owner's Lot, and must be removed from the street by the evening of such day. Each Owner will 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.

2.15 Ownership and Maintenance of Fencing. Ownership of any wall, fence or hedge, with the exception of the Subdivision Fence, erected on a Lot shall pass with title to such Lot. The Owner of the Lot on which any wall, fence or hedge is located shall maintain such items in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times.

2.16 Subdivision Fence. Owners shall not damage, destroy, remove, paint or otherwise alter the Subdivision Fence in any manner and shall without limitation be prohibited from installing or constructing gates or openings in the Subdivision Fence. Owner shall be responsible for any damage, and cost attributable thereto, caused to any fence, including the Subdivision Fence, by said Owner or their respective assigns, agents, invitees and representatives. Subdivision Fence maintenance and repair shall be the responsibility of the Association. The Association reserves a permanent maintenance easement five feet (5') in width along a line generally parallel to the existing Subdivision Fence, and a working easement two (2') in width on both sides of and adjacent to the permanent maintenance easement, the intent and location regarding such easement being more particularly depicted documents listed in Exhibit "B," attached to this Declaration.

2.17 Unsightly Articles. No Visible article deemed to be unsightly by the Board shall be permitted to remain on any Lot. Without limiting the generality of the foregoing, trailers, graders, trucks other than 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 shall 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 Property except within enclosed structures or appropriately screened from view as approved by the ARC. 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 if Visible.

Except in The Ranch 12-A, each residence constructed on a Lot shall have sufficient garage space, as approved by the Board, to house all vehicles to be kept on the Lot. No garage may be permanently enclosed or otherwise used for habitation unless approved in advance by the ACC.

2.18 Parking on Lots and Storage of Vehicles. Except in connection with a party, meeting or similar event, or with repair, remodel or maintenance work on Owner's Lot, no more than two Passenger Vehicles may be parked on a driveway on a Lot within the Property. The historical practice and the expectation of the Board and many Owners that vehicles parked in driveways should be few and rare. When practicable, Passenger Vehicles on Lots shall be stored in garages when not in use. With respect to the forgoing, be advised the Board will exercise its authority to grant waivers under this (and any other) provision of the Restrictions when it deems a waiver to be necessary or appropriate. With respect to this provision, waivers will be granted when the Board determines, in its sole discretion, that enforcement would impose an undue burden on an Owner. As examples, an undue burden might arise, without limitation, when: (a) a family requires a live-in healthcare provider; and (b) more driving age adults reside in a residence than the number of garage spaces. Enforcement of this provision shall occur only when a violation is reported to the Board by an Owner who can see the parked vehicle from such Owner's Lot and is further observed by a member of the Board. Parking on lawns, ditches, open space areas or other dirt, gravel or grassy areas is prohibited. No vehicle shall be parked so as to obstruct sightlines of street intersections. Notwithstanding the foregoing, commercial vehicles, machinery, or equipment temporarily parked and in use for the construction, repair, provisioning or maintenance of a house or fixed other property on a Lot are permitted. Every vehicle parked within the Property shall be maintained in a manner such that the appearance of the vehicle does not distract from the appearance (e.g., body panels and paint should be in a condition close to the original factory condition) of the Property as determined in the sole discretion of the Board. Streets and driveways may not be used to rebuild, repaint or repair (other than minor emergency repairs) vehicles. RVs, motor homes, trailers, recreational or other vehicles with no more than two axels, the parking of which is not expressly permitted by the above, and boats and other watercraft may be temporarily parked in front of or on the driveway of a Lot for loading and unloading only, and in no event for more than 24 hours at a time. Moving such vehicle for a purpose of avoiding violating this provision is prohibited and will not toll the permitted parking period.

2.19 Parking on Streets. Except in connection with a party, meeting or similar event, or with repair, remodel or maintenance work on Owner's Lot when Owner's driveway is too small to reasonably accommodate all the vehicles or trailers of the invitees for such event, Owners shall not park and will cause invitees to such events not to park on the streets within the Property. Vehicles shall not be parked overnight on streets within the Property.

2.20 Flags – 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 a sports team flag flown only on game day ("**Permitted Flag**") and permitted to install a flagpole no more than five feet (5') in length affixed to the front of the principal residence near the principal entry or affixed to the rear of a residence ("**Permitted Flagpole**"). Only one (1) permitted Flagpole is allowed per residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the ARC. Approval by the ARC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any Lot ("**Freestanding Flagpole**").

2.21 Flags – Installation and Display. Unless otherwise approved in advance and in writing by the ARC, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, must comply with the following:

- (i) No more than one (1) Permitted Flagpoles or Freestanding Flagpole is permitted per Lot, on which only Permitted Flags may be displayed;
- (ii) Any Permitted Flagpole must be no longer than five feet (5') in length and any Freestanding Flagpole must 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'x5');
- (iv) With the exception of flags displayed on Common Area, the flag of the United States of America must be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas must 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 must comply with all applicable zoning ordinances, easements and setbacks of record;
- (vi) Any flagpole must 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 must be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must 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 property; and
- (ix) Any external halyard of a flagpole must be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

2.22 Use of Private Roads. All private roads (excluding driveways serving on Owner's Lot exclusively) located within the Property, shall be for the use of the Owners of the Lots in the Property and their guests and invitees. The Board may adopt Rules and Regulations regarding access to and use of the private roads from time to time, which may include a sticker, permit, or guest access system.

2.23 Common Areas Exempt. Notwithstanding any provision herein to the contrary, the Common Areas shall not be subject to or burdened by the building and use restrictions set forth in the Restrictions, except as to the extent the same are expressly made applicable to the Common Area by written resolution of the Board.

2.24 Compliance with Restrictions. Each Owner, his or her family, residents of a Lot, tenants, and the guests, invitees, and licensees of the preceding shall comply strictly with the provisions of the Restrictions as the same may be amended from time to time. Failure to comply with any of the Restrictions shall constitute a violation of the Restrictions and may result in a fine against the Owner in accordance with Section 6.8 of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Board on behalf of the Association or by an aggrieved Owner. 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 Restrictions, 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 ("Compliance Assessment") shall be secured by the liens reserved in this Declaration for assessments and may be collected and enforced by any means provided in this Declaration for the collection of assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s) as set forth in Article 6. Each such Owner 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 2.24 (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.

ARTICLE 3 **CONSTRUCTION**

3.1 Approval of Plans. No Structure or landscape element will be erected, placed, constructed, maintained, or altered on any Lot until the Plans for such building, landscape or improvement have been submitted to and approved in writing by the ARC. Upon completion of the proposed Structure or landscape element, the ARC reserves the right to conduct a final inspection to insure the proposed Structure(s) and/or landscape element(s) were erected, placed, constructed, maintained, etc. in accordance with approved Plans.

3.2 ARC. The ARC will be composed of not more than five (5) persons appointed by the Board. The Board may remove and replace a previously appointed member of the ARC from time to time and at any time. If the Board elects not to appoint members to the ARC, the Board shall serve as the ARC. The ARC will have the right to utilize consultants and advisors as it deems necessary or appropriate. A majority of the ARC shall constitute a quorum to transact business at any meeting of the ARC, and the action of a majority present at a meeting at which there is a quorum shall constitute the action of the ARC.

- (a) **Approval Considerations.** In determining whether such Plans shall be approved, the ARC may take into consideration factors deemed appropriate by the ARC. Such factors may include, without limitation, the following:
- (i) compliance with these Restrictions;
 - (ii) quality, texture and color of the building materials or improvements;
 - (iii) harmony of external design of such building or improvement with existing and proposed buildings and improvements and with the design or overall character and aesthetics of the Property;
 - (iv) location of such building or improvement within the Lot on which it will be constructed or placed;

- (v) the number of square feet to be contained in such building or improvement;
 - (vi) installation of a pressure reducing valve if deemed necessary by the Owner or the Owner's representative on those Lots with water pressure in excess of eighty pounds per square inch (80 p.s.i.);
 - (vii) possible interference or conflict with the use or enjoyment of the Property or any amenities relating thereto, including specifically, but without limitation, any marina, golf course, clubhouse, tennis courts, or golf course paths; and
 - (viii) compliance with laws, ordinances, rules or regulations of any county, state municipal or other governmental authority (provided that approval by the ARC should not be construed by the Owner that any Structure complies with the terms and provisions of any such laws, ordinances, rules or regulations of any county, state municipal or other governmental authority).
- (b) **Submission and Approval of Plans.** The ARC shall approve or disapprove the Plans in accordance with the following procedures:
- (i) Three (3) complete sets of Plans shall be delivered to the ARC at the address set forth in the Rules and Regulations.
 - (ii) If the Plans are approved by the ARC, a letter of approval, including a description of qualifications or required modifications, if any, will be prepared and dispatched, along with one complete set of Plans, to the owner. Such approval shall be dated and shall not be effective for construction commenced more than three hundred sixty (360) days after such approval. If construction is not commenced within three hundred sixty (360) days after such approval, the Owner shall not begin construction in accordance with the previously approved Plans until the Plans have been resubmitted and reapproved by the ARC in accordance with the provisions of this Section 3.2.
 - (iii) If the Plans are disapproved by the ARC, one set of such Plans shall be returned marked "Disapproved."
 - (iv) Disapproved Plans shall be accompanied by a statement of reasons for disapproval.
 - (v) The Board may require payment by any party who submits Plans for approval of a cash fee to compensate for the expense of reviewing such Plans. If the Board considers that the circumstances so warrant, the Board may increase such fee without the joinder or consent of any other party.
 - (vi) The ARC may from time to time promulgate and publish Architectural Standards Bulletins. A copy of such Architectural Standards Bulletins in effect at the time will be furnished to Owners on request. Such Architectural Standards Bulletins will supplement the Restrictions and may make other and further provisions not inconsistent with the provisions of this Declaration as to the approval and disapproval of plans and specifications, ensuring compliance with approved plans and specifications, prohibited materials, and other matters relating to the appearance, design,

and quality of improvements. Such Architectural Standards Bulletins, as they may be promulgated from time to time by the ARC, shall be recorded in the Official Public Records of Travis and Burnet Counties, Texas and upon recordation will be automatically incorporated into the Restrictions.

- (c) **Appeals.** Owners may appeal decisions of the ARC to the Board, in which case the determination of the Board shall be final and in its sole discretion. All decisions made by the ARC which are not appealed to the Board within thirty (30) days of their issuance shall become final and deemed to have been approved by the Board. In the event the Board is the ARC hereunder, the decision of the Board shall be final, conclusive, and non-appealable.
- (d) **No Liability.** No approval of Plans, and no publication of Architectural Standards Bulletins shall ever be construed as representing or implying that such Plans, specifications, or standards will, if followed, result in a properly designed structure. Such approvals and standards shall in no event be constructed as a representation or guarantee by the Board that any structure will be built in a good or workmanlike manner. Neither the members of the ARC nor the Board or its representatives, shall be liable in damages to anyone submitting Plans to the ARC for approval, or to any Owner or lessee of any part of the Property, by reason of or in connection with the approval or disapproval or failure to approve any Plans submitted. Every person who submits Plans to the ARC for approval agrees, by submission of such Plans, and every Owner or lessee of any portion of the Property, by acquiring title thereto or interest therein, that he will not bring any action or suit against the ARC or Board or the members of the either, or their representatives, for any damages arising from the approval of Plans or the design or construction of any residence or Structure.
- (e) **Grandfather Clause.** Each completed Structure on a Lot as of the date this Declaration is recorded in the Official Public Records of Travis and Burnet is hereby approved and the prior approval thereof, if any, is hereby ratified. Notwithstanding the foregoing, all existing Structures shall be subject to the Restrictions and modifications to existing Structures must be approved as set forth herein.

3.3 Decoration, Maintenance, Alteration, and Repairs. Subject to the provisions of this Section 3.3, and subject to the Rules and Regulations, each Owner shall have the right to maintain, repair and replace Structures and landscaping located upon such Owner's Lot provided the Structure or landscaping: (i) existed on the date this Declaration is recorded in the Official Public Records of Travis and Burnet and the Owner can provide reasonable evidence thereof; or (ii) was previously approved by the ARC. Any such permitted maintenance, repair or replacement shall be performed in a good and workmanlike manner and in a manner that causes minimum inconvenience to other Owners and does not constitute a nuisance. Notwithstanding the foregoing, the Board may require any Owner to remove or eliminate any Visible object situated on such Owner's Lot, if, in the Board's sole judgment, such object detracts from the visual attractiveness of the Property.

3.4 Construction Activity. No building material of any kind or character shall be placed or stored upon any Lot more than thirty (30) days before the construction of a Structure or improvements is commenced. All materials permitted to be placed on a Lot shall be placed within the property lines of the Lot. At the completion of such building or improvements, any unused materials shall be removed immediately from the Lot. After Commencement of Construction of any Structure or improvements on the Lots, the work thereon shall be prosecuted diligently, to the end that the Structure or improvements shall not remain in a partly finished condition any longer than

reasonably necessary for completion thereof. Unless otherwise approved in writing by the Board, the construction of any Structure or improvement on a Lot shall be completed within three hundred sixty (360) days from date of Commencement of Construction, excepting delays due to strikes, war, acts of God or other causes beyond the control of the Owner.

3.5 Temporary Structures. No Structure of a temporary character, trailer (with or without wheels), mobile home (with or without wheels), or modular or prefabricated home, tent, shack, barn, or any other out-building structure or building, other than the permanent residence to be built thereon, shall be placed on any Lot, either temporarily or permanently.

3.6 Construction Materials. Only new construction materials (except for used brick) shall be used in constructing any Structure or improvements situated on a Lot. Unless otherwise approved in writing by the Board, all residential Structures and related physical improvements such as a detached garage and/or cabana, if any, situated on any Lot shall have not less than seventy-five percent (75%) masonry construction, or its equivalent (at the discretion of the ARC), on the exterior wall area (plywood siding is not allowed). Detached garages may have wood siding of a type and design approved expressly by the ARC. All attached garage interiors must be sheetrocked and painted, but detached garages located sixty-five feet (65') or more from the front property line of a Lot are not required to have their interiors sheetrocked or painted. In determining whether any building has seventy five percent (75%) masonry construction, or its equivalent, on the exterior wall area, there shall be excluded from the exterior wall area measurements those portions of such exterior wall area which are doors, windows and covered porch walls.

3.7 Exterior Color Schemes.

- (a) Plans must include the designation of the color and material of all external surfaces of a Structure and are subject to ARC approval. With respect to Phase Two and Four (Hilltop Property) and the Lots therein only, the residential Structures and related physical improvements such as a detached garage and/or cabana, if any, constructed on any Lot shall have a common exterior appearance as determined by the ARC, including without limitation, concrete tile roofs, exterior masonry, exterior painting, and outdoor lighting of uniform design, material and color.
- (b) Further, to ensure that the exterior appearances remain uniform, the Association shall have the authority, but not the obligation, to maintain the Exterior Area of all such residences. There is hereby created and granted to the Association an easement upon, across, over and under all the Lots within Phase Two to exercise the power and authority granted under this Section 3.7. The cost of such maintenance will be paid by the Owner whose property is maintained and will be included in the Assessments, described below. Each Owner 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 3.7 (including the cost, fees, expense, liability, claim of 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.

3.8 Air Conditioners. No window, roof, or wall type air conditioner that is Visible shall be used, placed or maintained on or in any Structure.

3.9 Garbage Disposals. The kitchen in each residence shall be equipped with a garbage disposal unit, which garbage disposal unit shall at all times be kept in a serviceable condition.

3.10 Landscaping. Prior to occupancy of any Lot, the Exterior Area of the Lot must be landscaped in accordance with a landscape plan previously submitted to and approved by the ARC, in accordance with the provisions of Section 3.2. Prior to occupancy of a Lot, the portions of the front yard of a Lot for which grass is specified by such approved plan must be completely sodded or hydro-mulched with grass; and must have shrubs or other landscaping planted adjacent to the front of the residence constructed thereon to screen from view the foundation of such residence. An underground sprinkler system sufficient to serve the grass and plant areas specified in such approved landscape plan is mandatory. The above restrictions with respect to front yards will also apply to any back or side yard of a Golf Course Lot which abuts the golf course. Not more than twenty five percent (25%) of any front or side yard of a Lot may be covered by rock material. Lots which abut portions of the golf course lying adjacent to the Property shall be required to landscape the areas thereof which abut the golf course in a manner which provides an aesthetically pleasing visual effect from the golf course. Lots which abut two or more street right-of-ways may be required by the Board to plant upright, non-spreading trees which are appropriate for close proximity to streets, together with ground cover, shrubs, flowers, plants and other landscaping that enhance the beauty of the Lot and result in the continuity of landscape design and integrity throughout the Property. If the requirements of this Section 3.10 are not satisfied, the Board, at its election, may cause said maintenance, repair, and good order to be maintained, in which case the cost of same shall be billed by the Association to the Owner of the Lot, and same shall be paid by said Owner. Any such charges shall be due immediately and shall be secured and bear interest in the same manner as Assessments.

3.11 Walls, Fences, and Hedges. No fence, wall or other improvement shall be erected, placed, or altered on any Lot at any point nearer to any street than the building setback lines as shown on the Plat, or as provided below. No fence, wall, hedge, or similar structure or growth shall be constructed or permitted to grow higher than the lower of: (i) eight feet in height, or (ii) in excess of any applicable governmental restriction regarding the same. All fences and walls, with the exception of the Subdivision Fence, wherever located on a Lot must be of ornamental iron or masonry construction, except chain link fences shall be permitted to enclose swimming pools if such fence is not Visible. All fences, with the exception of the Subdivision Fence, are subject to Section 3.15 hereof.

3.12 Roofing. Roofs shall be constructed only as follows: built-up flat roofs, concrete or ceramic tile, wood shake, wood shingle, or approved metal; provided, only concrete tile may be used for Lots within the Hilltop Property of a color approved in writing by the ARC. If wood shingle is used, only "Number 1 Perfection" wood shingle shall be used, unless otherwise approved in writing by the ARC, if metal is used, the metal surface must have a dull finish upon installation, and must meet ARC approval as to type and finish. No composition shingles shall be allowed. Any other type of roofing material shall be permitted only with the advance written approval of the ARC. In addition, roofs may be constructed with "Energy Efficiency Roofing" with the advance written approval of the ARC. For the purpose of this Section 3.12, "Energy Efficiency Roofing" means shingles that are designed primarily to: (i) be wind and hail resistant; (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (iii) provide solar generation capabilities. The ARC will not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (A) resemble the shingles used or otherwise authorized for use within the community; (B) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (C) 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 in the

Restrictions. In conjunction with any such approval process, the Owner should submit information which will enable the ARC to confirm the criteria set forth in this Section 3.12.

3.13 Solar Energy Device. Solar Energy Devices may be installed by an Owner on such Owner's Lot with the advance written approval of the ARC.

- (a) Application. To obtain ARC approval of a Solar Energy Device, the Owner shall provide the ARC 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"). The Solar Application shall be submitted in accordance with the provisions of Section 3.2 of this Declaration.
- (b) Approval Process. The ARC will review the Solar Application in accordance with the terms and provisions of Section 3.2 of this Declaration. The ARC will approve a Solar Energy Device if the Solar Application complies with this Section 3.13 **UNLESS** the ARC makes a written determination that placement of the Solar Energy Device, despite compliance with this Section 3.13, will create a condition that substantially interferes with the use and enjoyment of property within the Property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The ARC'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.
- (c) Approval Conditions. Unless otherwise approved in advance and in writing by the ARC, each Solar Application and each Solar Energy Device to be installed in accordance therewith must comply with the following:
 - (i) The Solar Energy Device must be located on the roof of the residence, detached garage or cabana 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 will be located on the roof of the residence, detached garage or cabana, the ARC 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 10 percent above the energy production of the Solar Energy Device if installed in the location designated by the ARC. If the Owner desires to contest the alternate location proposed by the ARC, the Owner should submit information to the ARC which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device will 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 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 must conform to the slope of the roof and the top edge of the Solar Device must be parallel to the roofline; (c) the color of the frame, support brackets, or piping or wiring associated with the Solar Energy Device's Visible exterior must be silver, bronze or black.

3.14 Rainwater Harvesting Systems. Rain barrels or rainwater harvesting systems (a "Rainwater Harvesting System") may be installed with the advance written approval of the ARC.

- (a) Application. To obtain ARC approval of a Rainwater Harvesting System, the Owner shall provide the ARC with the following information: (a) the proposed installation location of the Rainwater Harvesting System; and (b) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the "Rain System Application").
- (b) Approval Process. The decision of the ARC will be made in accordance with Section 3.2 of this Declaration.
- (c) Approval Conditions. Unless otherwise approved in advance and in writing by the ARC, each Rain System Application and each Rainwater Harvesting System to be installed in accordance therewith must comply with the following:
 - (i) The Rainwater Harvesting System must be consistent with the color scheme of the residence constructed on the Owner's Lot, as determined by the ARC.
 - (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 determined by the ARC.
 - (v) If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be Visible, the ARC may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. See Section 3.14(d) for additional guidance.
- (d) Guidelines. If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be Visible, the ARC 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, the application should describe methods proposed by the Owner to shield the Rainwater Harvesting System from the view of any street, Common Area, or another Owner's Lot. When reviewing a Rain System Application for a Rainwater Harvesting System that will be installed on or within the side yard of a Lot, or would otherwise be Visible, any additional requirements imposed by the ARC 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 determined by the ACC.

3.15 Sight Lines. No fence, hedge or shrub, with the exception of the Subdivision Fence, that obstructs sight lines at elevations between two (2) and six (6) feet above any roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in case of a rounded property corner, from the intersection of a street property line with the intersection of a driveway or alley pavement. No trees shall be permitted to remain within

such distances of such intersections unless the foliage line is maintained at a sufficient height to prevent obstruction of such sight lines.

3.16 Slabs. Not more than two feet (2') of vertical surface of concrete slab of any residence or other Structure shall be Visible, unless otherwise approved in writing by the Board, and landscaping, as required by Section 3.10 above shall be used to screen such exposed slab. Any slab in excess of two feet (2') in height above finished grade shall have at least that excess in height covered with siding or masonry used in constructing the residence or other Structure. Any residence or other Structure with a pier and beam foundation shall have all mechanical, electrical, plumbing lines and fixtures located thereunder screened from view from any Common Area, public or private street and from adjacent Lots. Any residence or other Structure with an elevated deck shall have its open space below such deck screened from public view and view from adjacent Lots. The ARC, in its sole discretion, will determine the adequacy of any screening technique employed.

3.17 Driveways. No driveways or roadways may be constructed on any Lot to provide any access to any adjoining Lot or other portion of the properties unless otherwise approved in writing by the ARC. Each Lot must be accessible to any adjoining street by a driveway suitable for such purposes before the residential structure located on any such Lot may be occupied or used. No Owner may block any drainage ditch (including road ditches) or drainage gutters on curb and coter streets. Specifications for and construction of all drain tiles, culverts in or over any drainage ditch, or driveway transitions to the public streets and the material used therefore, whether to be installed in connection with a driveway or otherwise, must be approved by the Board. Each residence must include off-street parking space for a minimum of two (2) Passenger Vehicles. Driveways are to be constructed out of concrete or other surface specifically approved by the ARC.

3.18 Garages. Except on Lots in the Ranch Section 12A, each residence shall have, either as an integral part of or attached to the residence or as a separate detached structure, a garage capable of accommodating at least two (2) but not more than four (4) standard-size passenger automobiles. Each such garage shall be connected to the adjacent street by means of a driveway. All garages shall have a minimum width of twenty (20) feet and a minimum length of twenty-two (22) feet as measured from the inside wall of the garage. All garages must have either a single overhead door with a minimum door width of sixteen (16) feet for a two-car garage, or two (2) sixteen (16) foot doors for a four car garage, or two (2), three (3), or four (4) individual overhead doors, each a minimum of ten (10) feet in width, and a service door. All overhead doors shall be electrically operated and shall be kept closed when not in use. No Front Entry Garages (as hereinafter defined) shall, except as hereinafter provided, be constructed within the Property. The term "Front Entry Garage" shall refer to any garage the plane of the entry way to which is not rotated on an axis at the middle of such entry way at least ninety degrees (90°) from each position at which such garage would be located if it were located in such manner that the plane of the entry way is parallel to the street abutting such Lot (if the abutting street right of way is a straight line) or is parallel to each tangent on the curve of the street abutting such Lot (if the abutting street right-of-way is not a straight line). If the Lot abuts two streets, separate tests shall be applied with respect to each street. Notwithstanding anything contained herein to the contrary, it shall be permissible to construct a Front Entry Garage if the doors of such Front Entry Garage are completely obscured from view from any street abutting the Lot in question by a residence or improvement otherwise permissible under and approved in accordance with the Restrictions. In addition, the ARC, in its discretion, may approve the construction of a Front Entry Garage pursuant to the procedure for the approval of plans set forth in Section 3.2 of this Declaration.

3.19 Central Water. Each residence situated on a Lot shall be connected to the central potable water supply system constructed by the Board or by any successor entity. The Rules and

Regulations shall provide general requirements for the elevation and connection to such utilities as the ARC may from time to time require.

3.20 Above Ground Swimming Pools. Moveable above ground-swimming pools are strictly prohibited within the Property, except for pools less than six feet (6') in diameter.

3.21 Trees. No live trees with a circumference larger than twenty-eight (28) inches may be removed from any Lot or destroyed without the prior written consent of the ARC. For the purpose of determining the size of the tree, the circumference will be measured one foot above the average natural level of the ground at the base of the tree, and the ARC ruling on the circumference of any tree is final and binding on all parties. No concrete, asphalt, or impervious cover of any kind shall be placed within the drip line of any tree twenty-eight (28) inches or larger in circumference without the prior written consent of the ARC. The drip line is defined as the line on the ground directly below the farthest extremities of the branches of the tree. The ARC's determination of the location of the drip line shall be final and binding on all parties. Parking areas located within the drip line of any tree twenty-eight (28) inches or larger in circumference shall be constructed of a pervious or porous cover such as porous asphalt, grass create, or other similar material, unless the use of other materials is approved in writing by the ARC prior to construction.

3.22 Boat Docks, etc. Boat docks, boat houses, piers, bulkheads and other similar structures shall be constructed from materials which are and shall be architecturally designed to be harmonious with the environment and must be lighted in accordance with applicable laws and regulations. All boat houses and boat slips (not including personal water craft slips) must be covered and contain no more than two slips (not including slips for personal water craft), unless a greater number is approved by the ARC. The foregoing provisions of this paragraph shall not apply to any Lot or Lots on which the ARC shall permit the construction of a marina or similar facility which will be available to all Members.

3.23 Wells. No water or other wells may be drilled on any Lots.

3.24 Size of Residences and Location on Lot. No residence shall have more than the number of stories reflected for such Lot in Exhibit "C", or exceed a maximum height reflected for such Lot in Exhibit "D". No residence with an interior area of less than the applicable minimum number of square feet set forth on Exhibit "E", exclusive of the attached garages, porches, or other appurtenances or appendages, shall be erected on any Lot. No Structure or improvements shall be located on any Lot between the building setback lines shown on the Plat pertaining to such Lot and the street right-of-ways on which such Lot fronts or which are adjacent to any side Lot line of such Lot. In addition, no Structure or improvements shall be located nearer to a Lot line than the distance indicated for such Lot on Exhibit "F" attached hereto and incorporated by reference. The Plat sets forth certain setback lines for each Lot and no Structure or improvements shall be erected closer to the front, side or rear Lot lines than such setback lines. For the purposes of this Section 3.24, eaves, steps, and open porches shall not be considered to be a part of the Structure or improvement; provided, however, that the foregoing shall not be construed to permit any portion of a Structure or improvement or any such eave, step, or open porch on a Lot to encroach upon another Lot. For the purposes of the Restrictions, the front Lot line of each Lot shall coincide with and be the property line having the smallest or shortest dimension abutting any street right-of-way. Unless otherwise approved in writing by the ARC, each residence shall face the front Lot line of the Lot upon which it is constructed, and each detached garage shall be provided with a driveway access from the front of the Lot. Such access into the garage must comply with the terms stated in Section 3.18 and with all requirements established by the ARC. During original construction, the ARC, at its sole discretion, is hereby permitted to approve deviations in the location of improvements upon the Lot, subject to setback shown on the recorded Plat and previous recorded instruments.

3.25 Irrigation and Solid Waste Composting. Anything in the Restrictions to the contrary notwithstanding, the Restrictions do not restrict the: (i) installation of measures promoting solid-waste composting or vegetation, including grass clippings, leaves, or brush, or leaving grass clipping uncollected on grass; or (ii) implementing efficient irrigation systems, including underground drip or other drip systems; provided, however, prior to the installation of such devices, the Owner must obtain approval of the ARC with respect to the size, type, shielding, and materials, for or the location of any such device and any other appurtenance thereto. See Section 3.14 for the procedures associated with the review and approval of Rainwater Harvesting Systems.

3.26 Additional Restrictions. The terms, provisions, and restrictions of that certain variance applicable to the Lots 29 and 30 of Barton Creek Lakeside, Phase One as set forth in that certain Variance recorded as Document 1999013403 in the Official Records of Travis County, Texas are not affected by this Declaration and remain in full force and affect.

ARTICLE 4

RESERVATIONS AND EASEMENTS

4.1 Reservations of and Right to Grant Easements. The Board on behalf of the Association reserves the right to grant utility easements within the Lots, Common Area, private roads and rights-of-way shown on the Plat to utility providers or other parties designated by the Board for the construction, addition, maintenance, and operation of all utility systems (which systems shall include systems for drainage purposes) now or hereafter deemed necessary by Board for all utility purposes, including systems of electric light and power supply, drainage, telephone service, cable television service, gas supply, water supply, and wastewater services, including systems for utilization of services resulting from advances in science and technology. There is hereby created an easement upon, across, over, and under all of the Property for ingress and egress for the purpose of installing, replacing, repairing, and maintaining all utilities. By virtue of this easement, it shall be expressly permissible for the utility providers and other entities supplying services to install and maintain pipes, wires, conduits, service lines, or other utility facilities (which facilities shall include drainage facilities) or appurtenances thereto, on, above, across, and under the Property within the drainage and utility easements now or from time to time existing and from service lines situated within such easements to the point of service on or in any structure. Notwithstanding anything contained in this Section 4.1, no utilities (including drainage) or appurtenances thereto may be installed or relocated on the Property until approved by the Board. The Utility Companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the Plat, and to trim overhanging trees and shrubs located on portions of the Property abutting such easements. There is also reserved, for the use of all utility providers, an unobstructed aerial easement ten feet (10') wide from a plane fifteen feet (15') above the ground upward, located adjacent to the said easements reserved hereby, and all easements shown on the Plat for electric facilities. The Common Areas may be used for utility and drainage purposes.

4.2 Modification of Easements. The Board reserves the right to make changes in and additions to all easements for the purpose of aiding in the most efficient and economic installation of utility systems. Any such amendment shall be made in accordance with applicable state, county and municipal law.

4.3 Notice. The Association hereby expressly reserves the right to maintain, repair, sell, or lease such lines, utilities, drainage facilities, and appurtenances located within the Common Area to any municipality or other governmental agency or to any public service corporation or to any other person.

4.4 Conservation Easements. All reservations of conservation easements filed of record by applicable to any portion of the Property for the purpose of compliance with the Lower Colorado River Authority Nonpoint Source Pollution Control Ordinance are hereby ratified and the Association will have the authority to exercise such easements to the extent necessary to comply with such ordinance.

4.5 Easement of Enjoyment to the Common Areas. An easement is hereby granted to each Owner in and to the Common Area as such for each such Owner's use and enjoyment of the Common Area and for access to each such Owner's Lot, such easement being subject to the Rules and Regulations adopted from time to time by the Board and to the Board's right to control the use and operation of the Common Areas pursuant to the Restrictions and applicable law. No Owner shall construct any improvements on any of the Common Areas without the express prior written consent of the Board.

4.6 Maintenance Easement. An easement is hereby granted to the Association to enter upon the Exterior Areas of all of the Lots for the purposes of landscaping, maintaining and repairing the Common Areas in accordance with the terms and provisions of these Restrictions.

ARTICLE 5

MANAGEMENT AND OPERATION OF THE ASSOCIATION

5.1 Management by Association. The affairs of the Property shall be administered by the Association. The Association shall have the right, power, and obligation to provide for the management, construction, maintenance, repair, replacement, administration, insuring, and operation of the Property as provided for in the Restrictions and pursuant to applicable law. The Association, acting through the Board, shall be entitled to enter into such contracts and agreements, concerning the Property as the Board deems reasonably necessary or appropriate to maintain and operate the Property as contemplated by these Restrictions, including without limitation, the right to grant utility and other easements for uses the Board shall deem appropriate and the right to enter into agreements with adjoining or nearby land owners or governmental entities on matters of maintenance, trash pick-up, repair, administration, security, traffic, operation of recreational facilities, or other matters of mutual interest.

5.2 Membership in Association. Each Owner shall be a Member of the Association and such membership shall terminate automatically when such ownership ceases. Upon the transfer of ownership of a Lot, howsoever achieved, the new Owner thereof shall, concurrently with such transfer, become a Member in the Association.

5.3 Voting Rights. The right to cast votes by Ballot and the number of votes which may be cast for election of members of the Board and on all other matters to be voted on by the Members shall be calculated as follows:

- (a) The Owner of each Lot shall have one (1) vote for each Lot so owned. In the event of the resubdivision of any Lot into two or more Lots, the number of votes to which such Lot is entitled shall be increased as necessary to retain the ratio of one (1) vote for each Lot resulting from such resubdivision. No resubdivision shall be effective, unless the same is approved by the appropriate governmental entity in accordance with applicable law, and duly recorded in the Official Public records of Travis or Burnet County, Texas, as applicable. In the event of the consolidation of two (2) or more Lots for purposes of construction of a single residence thereon, voting rights and Assessments shall continue to be determined according to the number of original Lots contained in such consolidated Lot. Nothing herein shall be construed

as authorization for any resubdivision or consolidation of Lots; such actions are subject to and require the prior approval of the ARC.

- (b) In the event that ownership interests in a Lot are owned by more than one Member of the Association, such Members shall exercise their right to vote in such manner as they may among themselves determine, but in no event shall more than one vote be cast for each Lot. Such Owners shall appoint one of them as the Member who shall be entitled to exercise the vote of that Lot at any meeting of the Association. Such designation shall be made in writing to the Board and shall be revocable at any time by actual written notice to the Board. The Board shall be entitled to rely on any such designation until written notice revoking such designation is received by the Board. In the event that a Lot is owned by more than one Member of the Association and no single Member is designated to vote on behalf of the Members having an ownership interest in such Lot, then none of such Members shall be allowed to vote. All Members of the Association may attend meetings of the Association and all voting Members may exercise their vote at such meetings either in person or by proxy. The Board may exercise the voting rights with respect to Lots owned by it.

5.4 Meetings of the Members. Annual and special meetings of the Members of the Association shall be held at such place and time and on such dates as shall be specified in the Bylaws.

5.5 Election and Meetings of the Board of Directors. The Board of Directors shall be elected and shall meet in the manner set forth in the Bylaws.

5.6 Disputes. In addition to its other powers conferred by law, the Bylaws or hereunder, the Board shall be empowered to create procedures for resolving disputes between Owners and the Board or the Association, including appointment of committees to consider and recommend resolutions of any such disputes.

5.7 Professional Management. The Board may retain, hire, employ, or contract with such professional management as the Board deems appropriate to perform the day to day functions of the Association and to provide for the construction, maintenance, repair, landscaping, insuring, administration, and operation of the Property as provided for herein and as provided for in the Bylaws.

5.8 Board Actions in Good Faith. Any action, inaction, or omission by the Board made or taken in good faith shall not subject the Board or any individual member of the Board to any liability to the Association, its Members, or any other person.

5.9 Ratification of Assignment of Declarant's Rights. In the then applicable Declarations of Covenants, Conditions and Restrictions ("CCRs") covering various subdivisions within Barton Creek Lakeside the Declarant had retained unto itself certain rights under and with respect to such CCRs. Pursuant to assignments recorded in the Official Public Records of both Travis and Burnet Counties, Texas, Declarant assigned to the Association all of Declarant's rights under such CCRs. Those assignments are hereby ratified and the powers vested in the Association, and the delegation of some of those powers to the Board is hereby ratified and affirmed, provided, however, neither the Association nor the Board shall have the unilateral right to amend these Restrictions as the Declarant had in the covenants, conditions and restrictions these Restrictions supplant.

5.10 Administration of Common Area. The Board shall have the exclusive right to control the use, maintenance, and operation of the Common Area. Such right includes, without limitation, the following:

- (a) The right to charge reasonable admission, rental, and other fees for the use of any facility comprising a portion of the Common Area.
- (b) The right to permit non-Owners to use the Common Area on terms acceptable to the Board.
- (c) Subject to the limitations set forth in this Section 5.10(g) below, the right to borrow money for the purpose of maintaining, operating, constructing, or installing improvements and/or landscaping and sprinkler systems in the Common Areas of all of the Lots and, in connection with any such borrowing, to grant a lien against the Common Areas to secure the Association's obligation to repay such money.
- (d) The right to restrict the rights of an Owner who violates any of the provisions of these Restrictions to use the Common Area in accordance with the provisions of this Section 5.10.
- (e) Subject to the limitations set forth in Section 5.10(g) below, the right to dedicate or transfer all or any part of the Common Area that have been conveyed to the Association to any public agency, authority, or utility, and to sell, lease, or pledge those Common Area to any third party, if the Board deems such action to be in the best interests of the Association; provided, such dedication, transfer, sale, lease or pledge does not prevent the Owners from using the Common Area.
- (f) The right to contract for and cause to be built and maintained in the Common Area swimming pools, tennis courts, boat docks, a golf course, and such other recreational facilities as the Board may, in its discretion, deem to be in the best interests of the Association.
- (g) Any lien or other security interest encumbering the Common Areas to secure indebtedness as provided under Section 5.10(c) and any dedication or transfer, sale, lease or pledge of any of the Common Area as provided under Section 5.10(e) shall be made subject to the covenants, conditions, restrictions and easements set forth in, or granted pursuant to, this instrument, or set forth of record at the time this instrument is recorded, including, without limitation, the easement granted to each Owner in and to the Common Area for each such Owner's use and enjoyment thereof as such and the easement granted under Section 4.5; and no foreclosure sale or deed in lieu thereof, nor any dedication, transfer, sale, lease or pleading, covering or affecting all or any of the Common Areas shall operate to cut off, affect, diminish or impair (i) the right of the Owners hereunder (or by separate instrument granted pursuant to any authority therefor set forth in this instrument) to use any enjoy the Common Areas as such, or (ii) the easement granted under Section 5.10(a). The Board's rights to control the operation of the Common Areas as set forth in the Restrictions are not a warranty or representation that any of such rights are contemplated or will be exercised by the Board. Furthermore, Board shall have no responsibility whatsoever to construct any improvements in the Common Area.

5.11 Sub-associations. Nothing herein shall be construed to amend or supplant the right, duties and privileges of the sub-associations described in the either the Restatement of First

Supplement to the Hidden Hills on Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions For The Ranch, Section Three through Eleven recorded at Vol. 11150, Pg. 1108 of the Official Public Records of Travis County, Texas, or the Supplemental Declaration Subjecting Additional Property To Declaration, and Additional Covenants, Conditions and Restrictions for Additional Property recorded at Vol. 8467, Pg. 65 of the Official Public Records of Travis County, Texas.

ARTICLE 6

MAINTENANCE EXPENSE CHARGE AND MAINTENANCE FUND

6.1 Payment of Annual Maintenance Charge. Each Lot shall be subject to an Annual Maintenance Charge of \$700.00 per year. The amount of the Annual Maintenance Charge for each Lot may be increased or decreased by the Board from time to time, but not more often than once per year. However, if any such change increases the Annual Maintenance Charge by more than twenty percent (20%) of the amount of the Annual Maintenance Charge in the preceding calendar year, the change must be approved by a vote of at least a majority of the votes of Members, by vote taken not less than ten (10) days prior to the first day of January of the year in which such increase is scheduled to become effective.

6.2 Payment of Annual Maintenance Charge by The Association. Notwithstanding anything to the contrary herein, all Lots while owned by the Association shall be exempt from the payment of an Annual Maintenance Charge.

6.3 Maintenance Fund. The Annual Maintenance Charges collected by the Association shall be paid into the Maintenance Fund and shall be held, managed, invested, and expended by the Board, at its discretion, for the benefit of the Property and the Owners of Lots therein. The Board shall, by the way of illustration and not by way of limitation, expend the Maintenance Fund for the administration, management, and operation of the Property and for the landscaping maintenance, insuring, repair, and operation of, and the construction of improvements on, the Common Area; for the enforcement of these Restrictions by action at law or in equity, or otherwise, and the payment of court costs as well as reasonable and necessary legal fees; and for all other purposes that are, in the discretion of the Board, desirable in order to maintain the character and value of the Property and the Lots therein. The Board and its individual Members shall not be liable to any person as a result of actions taken by the Board with respect to the Maintenance Fund, except for willful misdeeds.

6.4 Special Assessments. The Association may levy and collect Special Assessments to pay in whole or in part the cost of any major replacement, repair or maintenance of a capital improvement on Common Area without the approval or concurrence of the Members to the extent that the Board determines that the projected funds in the Maintenance Fund after the payment of the costs of such major replacement, repair or maintenance would be insufficient to prudently provide for the continued fulfillment of the Associations obligations hereunder. A "major replacement, repair or maintenance of a capital improvement" means any replacement, repair or maintenance of an existing capital improvement the cost of which would exceed \$300.00 per Lot. The Association may levy or collect a Special Assessment for the acquisition of a new capital improvement provided the Special Assessment is approved by a vote of at least sixty percent (60%) of the votes of Members.

6.5 Enforcement of Assessments.

- (a) The Annual Maintenance Charge assessed against each Owner shall be due and payable on the second (2nd) day of each January thereafter. Any such amount not

paid and received by the tenth (10th) day of each January thereafter shall be deemed delinquent, and, without notice, shall bear interest at the lower of (i) one and one half percent (1.5%) per month, or (ii) the highest contract rate per annum allowed by law from the date originally due until paid.

- (b) To secure payment of the Annual Maintenance Charge, Special Assessments and Compliance Assessments (see Section 2.24) levied hereunder, and any other sums due hereunder (including without limitation interest, late fees, fines or delinquency charges), a continuing assessment lien shall be and hereby is reserved in and to each Lot and is hereby assigned and transferred to the Association, which lien shall be enforceable as hereinafter set forth by the Association or the Board on behalf of the Association.
- (c) Each Owner, by acceptance of a deed to a Lot on which a lien has been imposed, hereby expressly recognizes the existence of such lien as being prior to his ownership of such Lot and hereby vests in the Association the right and power to bring all actions against such Owner or Owners personally for the collection of all sums assessed in the manner provided in this Article 6 or this Declaration. The payment of all sums assessed in the manner provided in this Article 6 is, together with late charges and interest as provided in this Declaration and all costs of collection, including attorney's fees as herein provided, secured by the continuing Assessment lien granted and reserved to the Association, and will bind each Owner's Lot(s), and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien will be superior to all other liens and charges against such Lot, except only for: (i) tax liens; (ii) all sums secured by a first mortgage lien or first deed of trust lien of record, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot in question and (iii) home equity loans or home equity lines of credit which are secured by a second mortgage lien or second deed of trust lien of record; provided that, in the case of subparagraphs (ii) and (iii) above, such Mortgage was recorded before the delinquent Assessment was due. The Association will have the power to subordinate the aforesaid Assessment lien to any other lien. Such power will be entirely discretionary with the Board, and such subordination may be signed by an 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 or Owners of the Lot covered by such lien and a description of the Lot. Such notice may be signed by one of the officers of the Association and will be recorded. Each Owner, by accepting a deed or ownership interest to a Lot subject to this Declaration, will be deemed conclusively to have granted a power of sale to the Association to secure and enforce the Assessment lien granted or reserved hereunder. The Assessment liens and rights to foreclosure thereof will be in addition to and not in substitution of any other rights and remedies the Association may have by law and under this Declaration, including the rights of the Association to institute suit against such Owner or Owners personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien. In any foreclosure proceeding, such Owner or Owners will be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association will 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 will report to said Mortgagee any unpaid Assessments remaining unpaid

for longer than sixty (60) days after the same are due. The lien hereunder will not be affected by the sale or transfer of any Lot; 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 will be extinguished, provided that past-due Assessments will 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 will 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 6.5, the Association will upon the request of the Owner execute a release of lien relating to any lien for which written notice has been filed as provided above, except in circumstances in which the Association has already foreclosed such lien. Such release will be signed by an officer of the Association. Except as otherwise provided by applicable law, the sale or transfer of a Lot will not relieve the Owner of such Lot 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 and on the date of such conveyance Assessments against the Lot remain unpaid, or said Owner owes other sums or fees under this Declaration to the Association, the Owner will pay such amounts to the Association out of the sales price of the Lot, and such sums will be paid in preference to any other charges against the Lot other than liens superior to the Assessment lien and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot which are due and unpaid. The Owner conveying such Lot will remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the expenses associated with updating the Association's records upon the transfer of a Lot to a third party.

It is the intent of the provisions of this Section 6.5 to comply with the provisions of Article 3810, Texas Revised Civil Statutes, relating to non-judicial sales by power of sale and, in the event of the amendment of said Article 3810 hereafter, which amendment is applicable hereto, the President of the Association, acting without joinder of any other Member or Owner or Mortgagee or other person may, by amendment to these Restrictions filed in the Official Public Records of Travis County or Burnet, Texas, as applicable, amend the provisions hereof so as to comply with said amendments to Article 3810.

6.6 Equality of Assessments and Charges. Any Assessments or charges under this Article 6, whether annual or special, payable by each Lot shall be determined by dividing the total Assessment or charge fixed by the Association by the total number of Lots in the Property (excluding Common Area). Notwithstanding any provision hereof to the contrary, any Fine (as defined in Section 6.8 below) or amount assessed pursuant to Section 6.8, which is specifically attributable to fewer than all of the Owners and/or attributable to a specific Owner, shall be borne, pro-rata if applicable, by the Owners(s) to whom the Fine or amount is specifically attributable.

6.7 Maintenance of Non-Source Point Pollution "Controls and Transfer of Maintenance Obligations Upon Dissolution. The owner of the facility shall assume the obligation to maintain the non-point source pollution controls required under the Lake Travis Non-Point Source Pollution Control Ordinance (the "**LCRA Ordinance**") to operate the Wastewater Treatment Plant located in Section Thirteen. The Association shall maintain the non-point source pollution controls in accordance with best management practices required by the LCRA Ordinance. Upon dissolution

of the Association, the maintenance obligations shall be transferred to an appropriate non-profit entity. The Association shall not be dissolved until such time as an entity, acceptable to the Lower Colorado River Authority, accepts the maintenance obligations.

6.8 Fines. The Board of the Association shall have the right at any time and from time to time to establish, impose or collect fines ("Fines"), which Fines may be imposed on a daily basis. The Fines may be imposed in the discretion of the Board against Owners who or which are in violation of any provision of these Restrictions or the Rules and Regulations; provided, prior to imposing Fines, the Board shall provide the Owner(s) with notice of the violation and a reasonable opportunity to cure the same. Notice of Fines imposed upon an Owner shall be provided by written notice to the Owner at her, his or its last known address on the books and records of the Association. All Fines shall be also secured by a lien reserved for Assessments and may be collected in the same manner as Assessment to the extent permitted by applicable law.

6.9 Fines Are Owner's Obligations. The amount of any Fine or assessment with respect to any Lot shall be the personal obligation of the Owner of such Lot. Notwithstanding anything to the contrary, suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the Owner's obligation hereunder. No Owner may avoid or diminish such personal obligation by the abandonment of such Owner's Lot or any building or improvements thereon.

ARTICLE 7

INSURANCE

The Association will not be required to maintain insurance on the Structure or improvements constructed upon any Lot. The Association may, however, obtain such 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 will be a common expense to be included in the Assessments levied by the Association. The acquisition of insurance by the Association will be without prejudice to the right and obligation of any Owner to obtain additional individual insurance.

ARTICLE 8

FIRE AND CASUALTY: REBUILDING

8.1 Rebuilding. In the event of a fire or other casualty causing damage or destruction to a Lot or the Structure or improvements located thereon, the Owner thereof shall within three (3) months after such fire or casualty contract to repair or reconstruct the damaged portion of such Structure or improvements and shall cause such Structure or improvements to be fully repaired or reconstructed in accordance with the original Plans therefor, or in accordance with new Plans presented to and approved by the ARC, and shall promptly commence repairing or reconstructing such Structure or improvements, to the end that the Structure or improvements shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof. Alternatively, such damaged or destroyed Structure or improvements shall be razed and the Lot restored as nearly as possible to its prior condition.

8.2 Payment of Insurance Proceeds. All insurance proceeds and other funds received by the Association from policies acquired pursuant to these Restrictions as a result of fire or other casualty loss causing damage or destruction to Common Area shall be applied toward the cost of repair, restoration, or rebuilding of the damaged Common Area. Any funds remaining after the repair, restoration, or rebuilding of such damaged Common Area shall be retained by the Board as part of the Maintenance Fund.

8.3 Indemnity of Association. Each Owner shall be responsible for any costs incurred as a result of such Owner's negligence or misuse or the negligence or misuse of: (i) his family, tenants, guests, invitees, agents, or employees; or (ii) any other resident or occupant of his Lot, and shall indemnify the Association and all other Owners against any such costs.

ARTICLE 9
ANNEXATION OF ADDITIONAL LAND

9.1 Addition by Board. Situations may arise in the future in which it would be advantageous to expand the Property (but the Board does not hereby obligate itself to expand the Property) by adding, from time to time, Additional Land. These Restrictions, subject to any special covenants, conditions or restrictions which may be imposed on the Additional Land as approved by the Board shall become effective with respect to any such annexed Additional Land on the date on which there is filed for record in the Official Public Records of the county or counties in which the same are located, a Supplemental Declaration to that effect signed and acknowledged by the Board and the Owner of the Additional Land. Such Supplemental Declaration shall describe the Additional Land and list the Lots that then constitute the Property, shall refer to these Restrictions, and shall declare that the Restrictions shall apply to and affect such Additional Land that Board intends to add to the Property. The Supplemental Declaration shall specify the number of Lots that are being annexed to the Property. Upon the filing of the Supplemental Declaration, each Lot comprising the Additional Land shall be included within the definition of Lots as set forth in Article 1 hereof. The Board may cause to be recorded as many separate Supplemental Declarations as may be desired from time to time and at any time, to effect the annexation of Additional Land.

9.2 Encompassing Nature of the Restrictions. Upon the filing of a Supplemental Declaration in compliance with the provisions of Section 9.1 annexing Additional Land, the Restrictions shall further apply to and affect all of the property described in these Restrictions and the property described in any such Supplemental Declaration and shall also bind all Owners of any part of such property with the same effect as if the property described in the Supplemental Declaration were originally: (i) subject to and described in these Restrictions and (ii) included within the definition of Property hereunder.

9.3 Board's Power-of-Attorney. Each Owner hereby appoints the Board as its attorney-in-fact for the purpose of effecting the provisions of this Article 9, and the power hereby granted to the Board shall be, and is, a power coupled with an interest and is irrevocable.

9.4 Additional Land Not Subject to Restrictions Until Annexation. These Restrictions, including but not limited to this Article 9, do not presently create any interest in or with respect to the Additional Land, and these Restrictions shall not affect in any manner all or any part of such Additional Land unless and until a Supplemental Declaration is filed with respect thereto or to a portion thereof in accordance with this Article 9.

ARTICLE 10
AMENDMENT TO DECLARATION AND SUBDIVISION AND
DURATION OF RESTRICTIONS

10.1 Amendment by Board. Notwithstanding anything to the contrary contained in these Restrictions, the Board shall have the right at any time, with the consent of a majority of the Members as evidenced by a duly called vote of the Members, to amend these Restrictions by an instrument in writing duly signed, acknowledged by the Board and filed for record in the Official Public Records of Travis County and Burnet County, Texas. The Bylaws of the Association may be amended as therein set forth.

10.2 Amendment. These Restrictions may be amended by an instrument in writing signed by Members having not less than two-thirds (2/3rds) of the total votes in the Association that may be cast thereupon, but no such amendment shall be effective until a written notice thereof is duly recorded in the Official Public Records of each county in which the Property or portion thereof affected is located. The Bylaws of the Association may be amended as set forth in the Bylaws.

10.3 Duration. These Restrictions shall remain in full force and effect until January 1, 2026, and shall be extended automatically for successive ten (10) year periods; provided, however, that these Restrictions may be terminated on January 1, 2026, or on the commencement of any successive ten (10) year period; by filing for record in the Official Public Records of each county, in which the Property or portion thereof affected is located, an instrument in writing signed by Members having not less than two-thirds (2/3rds) of the total votes in the Association that may be cast thereupon.

ARTICLE 11

MISCELLANEOUS

11.1 Severability. In the event of the invalidity or partial invalidity or partial unenforceability of any provision or a portion of these Restrictions, the remainder of these Restrictions shall remain in full force and effect. Notwithstanding the foregoing, in the event some or all of these Restrictions are declared to be invalid or partially unenforceable to an extent that the Board determines that reverting to the covenants, conditions and restrictions which these Restrictions restated and replaced ("Prior CCRs") is preferable to continuing with these Restrictions as judicially modified, then the Board may declare these Restrictions nullified, in which event: (i) the Prior CCRs shall be reinstated; and (ii) any actions taken by the Board or the ARC in reliance on these Restrictions shall, if necessary to sustain their legitimacy, be automatically ratified by the Members and deemed to have been validly adopted by the Prior CCRs.

11.2 Rules and Regulations. The Rules and Regulations may be amended from time to time by the Board. The Rules and Regulations are of equal dignity with, and shall be enforceable in the same manner as, the provisions of these Restrictions, but in the event of a conflict, these Restrictions shall control. Each owner, by accepting conveyance of a Lot, agrees to comply with and abide by the Rules and Regulations, as the same may be amended from time to time.

11.3 Exhibits. The exhibits attached hereto are hereby incorporated by reference into these Restrictions for all purposes as if set out verbatim herein.

11.4 Number and Gender. Pronouns, whenever used herein, and of whatever gender, shall include natural persons and corporations, entities, and associations of every kind or character, and the singular shall include the plural, and vice versa, whenever and as often as may be appropriate.

11.5 Articles, Sections and Interpretation. Article and section headings in these Restrictions are for convenience of reference and shall not affect the construction or interpretation of these Restrictions. Unless the context otherwise requires, references herein to Articles and Sections are to Articles and Sections of these Restrictions. The inclusion of phrases like "unless approved by the Board," "without the prior approval of the Board," "without the prior written approval of the ARC," etc. shall be interpreted as adding emphasis, and shall not be interpreted to mean that the Board or ARC does not have the right to grant variances, approvals, exceptions, waivers and the like with respect to Sections hereof in which such language does not appear. The terms, provisions, and standards set forth in this Declaration shall be determined by the Board.

11.6 Delay in or Failure of Enforcement. No delay in enforcing the provisions of these Restrictions with respect to any breach or violation thereof shall impair, damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or any similar breach or violation thereof at any later time or times. No provision in these Restrictions, articles of the Association, Bylaws or the Rules and Regulations is abrogated or waived by reason of any failure to enforce same, irrespective of the number of violations or breaches that may occur.

11.7 Limitation of Liability. Without limiting or modifying any other disclaimer, standard or limitation of liability set forth in these Restrictions, the Board, as well as its partners, agents, employees, officers, directors, partners, and their respective officers, directors, agents, and employees, shall not be liable to any Owner or lessee of the Property or any portion thereof or to any other party for any loss, claim, or demand in connection with a breach of any provision of these Restrictions by any party other than Board.

11.8 Enforceability. The covenants, conditions and restrictions adopted and established for the Property by these Restrictions are imposed upon and made applicable to the Property and shall run with the Property and shall be binding upon and inure to the benefit of and be enforceable by the Board, the Association, each Owner, purchaser, grantee, owner, and lessee in the Property, or any portion thereof, and the respective heirs, legal representatives, successors, and assigns of the Property, the Association and each such purchaser, grantee, Owner, and lessee.

11.9 Remedies. In the event any one or more persons, firms, corporations, or other entities shall violate or attempt to violate any of the provisions of these Restrictions, the Board, the Association, each Owner, purchaser, grantee, owner, or lessee of the Property, or any portion thereof, may institute and prosecute any proceeding at law or in equity (i) to abate, prevent, or enjoin any such violation or attempted violation or (ii) to recover monetary damages caused by such violation or attempted violation.

[signature page follows]

EXECUTED to be effective on the date this instrument is recorded which was JANUARY 3, 2013 ~~December~~ 2012.

RANCH HOA:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF THE RANCH HOMEOWNERS ASSOCIATION, INC. TO ATTEST TO THE FACT THAT THIS AMENDMENT WAS APPROVED BY A VOTE OF MORE THAN 67 PERCENT OF THE TOTAL VOTES ALLOCATED TO PROPERTY OWNERS IN THE RANCH HOMEOWNERS ASSOCIATION, INC.

By: James E. Lamar
James E. Lamar
President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY ~~2012~~ 2013 by James E. Lamar, President of the Ranch Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

By: Randy Whitehead
Randy Whitehead
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY ~~December, 2012~~ 2013 by Randy Whitehead, Secretary of the Ranch Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

HIDDEN HILLS HOA:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF THE PROPERTY OWNERS ASSOCIATION OF HIDDEN HILLS ON LAKE TRAVIS, INC., TO ATTEST TO THE FACT THAT THIS AMENDMENT WAS APPROVED BY A VOTE OF MORE THAN 67 PERCENT OF THE TOTAL VOTES ALLOCATED TO PROPERTY OWNERS IN THE PROPERTY OWNERS ASSOCIATION OF HIDDEN HILLS ON LAKE TRAVIS, INC.

By: James E. Lamar
Printed Name: James E. Lamar
President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ²⁰¹³~~2012~~ by James E. Lamar, President of the Property Owners Association of Hidden Hills on Lake Travis, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

By: Randy Whitehead
Randy Whitehead
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ²⁰¹³~~December, 2012~~ by Randy Whitehead, Secretary of the Property Owners Association of Hidden Hills on Lake Travis, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

HILLTOP HOA:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF THE HILLTOP PROPERTY OWNERS ASSOCIATION, INC. TO ATTEST TO THE FACT THAT THIS AMENDMENT WAS APPROVED BY MORE THAN 67 PERCENT OF THE TOTAL VOTES ALLOCATED TO PROPERTY OWNERS IN THE HILLTOP PROPERTY OWNERS ASSOCIATION, INC.

By: James E. Lamar
Printed Name: James E. Lamar
President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ~~2012~~ 2013 by James E. Lamar, President of the Hilltop Property Owners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

By: Randy Whitehead
Randy Whitehead
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ~~December, 2012~~ 2013 by Randy Whitehead, Secretary of the Hilltop Property Owners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

BCL MASTER:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF BARTON CREEK – LAKESIDE MASTER PROPERTY OWNERS ASSOCIATION, INC. TO ATTEST TO THE FACT THAT THIS AMENDMENT WAS APPROVED BY A VOTE OF MORE THAN 67 PERCENT OF THE TOTAL VOTES ALLOCATED TO PROPERTY OWNERS IN BARTON CREEK – LAKESIDE MASTER PROPERTY OWNERS ASSOCIATION, INC.

By: James E. Lamar
James E. Lamar
President

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, 2013 by James E. Lamar, President of the Ranch Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

By: Randy Whitehead
Randy Whitehead
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, 2013 by Randy Whitehead, Secretary of the Ranch Homeowners Association, Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)



Jay Arch Ballou
Notary Public Signature

BARTON CREEK LAKESIDE P.O.A., INC.:

EXECUTED AND ACKNOWLEDGED BY THE PRESIDENT AND SECRETARY OF BARTON CREEK LAKESIDE P.O.A., INC. TO AFFIRM ITS ACCEPTANCE OF THE RIGHTS, DUTIES, PRIVILEGES AND RESPONSIBILITIES ASSIGNED AND DELEGATED TO IT BY THESE RESTRICTIONS.

By: 
Thomas Rasmussen
President

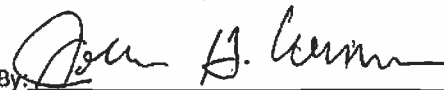
THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of January, ²⁰¹³~~2012~~ by Thomas Rasmussen, President of Barton Creek Lakeside P.O.A., Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)




Notary Public Signature

By: 
John Washburn
Secretary

THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 3 day of JANUARY, ²⁰¹³~~December, 2012~~ by John Washburn, Secretary of the Barton Creek Lakeside P.O.A., Inc., a Texas non-profit corporation, on behalf of said non-profit corporation.

(SEAL)




Notary Public Signature

EXHIBIT "A"

PRIOR RESTRICTIONS

The Ranch Section One: Restated and Amended Declaration of Covenants, Conditions and Restrictions recorded in Vol. 8457, Pg. 620 of the Real Property Records of Travis County, Texas; and Vol. 321, Pg. 680 of the Real Property Records of Burnet County;

The Ranch Section Two: Supplemental Declaration Subjecting Additional Property to Declaration and Additional Covenants, Conditions and Restrictions for Additional Property, recorded in Vol. 8467, Pg. 65, of the Real Property Records of Travis County, Texas; and Vol. 322, Pg. 21 of the Real Property Records of Burnet County, Texas;

The Ranch Sections Three through Twelve A and Thirteen, except, however, The Ranch Section 4-A, and Barton Creek Phases One through Five and Seven and all sections, if any, thereof: Hidden Hills on Lake Travis Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Ranch, Sections Three through Eleven, recorded at Vol. 10755, Pg. 240 of the Real Property Records of Travis County, Texas and in Vol. 435, Pg. 830 of the Real Property Records of Burnet County, Texas, and supplements thereto filed at Vol. 11150, Pg. 1108 and Vol. 11267 Pg. 0624 of the Real Property Records of, and OPR #2005189845 of Travis County, Texas;

Phases One through Five and all sections, if any, of each: Barton Creek Lakeside Phase One Supplemental Declaration Subjecting Additional Property to Declaration and Additional Covenants, Conditions and Restrictions for Additional Property, recorded in Vol. 12261, Pg. 917, of the Real Property Records of Travis County, Texas, and recorded in Vol. 618, Pg. 865 of the Deed Records of Burnet County, Texas;

Barton Creek Lakeside Phases Two and Four: Barton Creek Lakeside Declaration of Covenants, Conditions and Restrictions for the Hilltop Property dated April 18, 1997, recorded in Vol. 12928, Pg. 1143, of the Real Property Records of Travis County, Texas, and in Vol. 745, Pg. 294 of the Official Public Records of Burnet County, Texas;

Barton Creek Lakeside Phase Three: Ratification and Adoption of Declarations of Covenants, Conditions and Restrictions for Barton Creek Lakeside Phase Three Sections 1 through 6 recorded at Vol. 0782, Pg. 0076; Vol. 0830, Pg. 0313; Vol. 0830, Pg. 0313; Vol. 0881, Pg. 0170; Vol. 0912, Pg. 0462; and Vol. 0943, Pg. 0093 of the Official Public Records of Burnet County, Texas; and

Barton Creek Lakeside Phase Five: Ratification and Adoption of Declarations of Covenants, Conditions and Restrictions Barton Creek Lakeside Phases Five Sections 1 - 3 recorded at Vol. 0806, Pg. 0134; Vol. 0811, Pg. 0960; and Vol. 0843, Pg. 0782 Official Public Records of Burnet County, Texas; and Vol. 13380, Pg. 4088; of the Real Property Records of Travis County, Texas. (With respect to BCL Phase Five Section 3 see also the plat for that section listed above).

EXHIBIT "B"

PROPERTY

[Note to Lot owner/voters: Any subdivisions which do not approve the adoption of the Consolidated CCRS may be stricken from the list in this exhibit.]

The Property subject to the Restrictions is each residential lot depicted in each of the following Plats:

<u>The Ranch Sections One</u>	Travis County Plat Records Vol. 82, Pg. 228; and
<u>The Ranch Section Two</u>	Travis County Plat Records Vol. 84, Pg. 41D through 42A, and Burnet Plat Records Cab. 1, Slides 186 A through 186 C
<u>The Ranch Sections Three through Eleven</u>	Travis County Plat Records Vol. 84, Pg. 111A and Vol. 87, Pg. 1A, and Burnet County Plat Records Cab. 2, Slides 17 B, C, D – 21 A - C;
<u>The Ranch Section 12-A</u>	Travis County Plat Records Vol. 89, Pg. 23;
<u>The Ranch Section Thirteen</u>	Travis County OPR #199900322;
<u>Barton Creek Lakeside Phase One</u>	Travis County Records Plat Records Vol. 93, Pg. 312, Vol. 100, Pg. 387; Travis County OPR #20000369, 401868 and Burnet County Plat Records Cab. 2, Slides 53A, 80A, 87A, 112B and 167A and Cab 4, Slide 34A, OPR #430199, #199606400, #19970638, #199800478 and #200001741;
<u>Barton Creek Lakeside Phase Two</u>	Burnet County Records Cab. 2, Slide 94 A, B, C and 189A; and Travis County Records Plat Records Vol. 99, Pg. 254 and OPR #402031, #431820;
<u>Barton Creek Lakeside Phase Three</u>	Burnet County Records Cab. 2, Slides 112-C, 124-D, 130C, 147A, 147B, 172A, 188D and #199807087;
<u>Barton Creek Lakeside Phase Four</u>	Burnet County Records Cab. 2, Slides 119C-119D and OPR #199806198;
<u>Barton Creek Lakeside Phase Five</u>	Burnet County Records Cab. 2, Slides 120A & B, 124D-125A and 134C-D; and
<u>Barton Creek Lakeside Phase Seven</u>	Travis County OPR #200200026.

EXHIBIT "C"
Stories

Residential Structures on any Lot within the Section or Phase listed below shall have not more floors than the number of floors indicated for such Section of Phase or Lots therein. The ARC shall have the right to impose additional requirement with respect to stories and grant exceptions to these requirements.	
The Ranch Section One:	No maximum
The Ranch Section Two:	
General	No maximum
Additional Property	One and Two stories are permitted
The Ranch Section Three through Eleven:	Two and one-half (2-1/2) stories
BCL Phase One:	Two (2) stories
BCL Phase Two: (Hilltop Property)	Same as Section 3 - 11
BCL Phase Three:	Two (2) stories
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	Same as Section 3-11
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "D"
Height Restrictions

No Structure on any Lot within the Section or Phase listed below shall be of a height which exceeds height indicated for such Section or Phase or Lots therein. The height of each residence shall be measured from the average elevation of the finished ground grade; front to rear of the residence, to the highest point of the structure, excluding chimneys, ventilators and antennae, as more particularly shown on <u>Exhibit "D-1"</u> attached hereto and incorporated herein by reference. Chimneys, ventilators and antennae shall be no higher than six (6) feet above the residence on which they are located. The ARC shall have the right to impose additional setback requirement with respect to height of Structures and grant exceptions to these requirements.	
The Ranch Section One:	As determined by the ARC to preserve lines of sight and views enjoyed by neighboring Lots.
The Ranch Section Two:	As determined by the ARC to preserve lines of sight and views enjoyed by neighboring Lots.
The Ranch Section Three through Eleven:	Thirty Five Feet (35')
BCL Phase One:	
All Lots except the following:	Thirty Feet (30'),
Lots 3, 4, 5, 6 and 7	The lower of Thirty Feet (30') or 910 feet above sea level
Lots 8 and 10	The lower of Thirty Feet (30') or 915 feet above sea level
Lots 26, 27, 28 and 29	Twenty-Five Feet (25')
BCL Phase Two: (Hilltop Property)	Thirty Five Feet (35')
BCL Phase Three:	
Section 1	Twenty Five Feet (25')
Section 2, except Lot 9	Twenty Five Feet (25')
Section 2, Lot 9	Thirty Five Feet (35')
Sec. 3 Lots 6, 7, 8, 10, 11 & 12	Twenty Five Feet (25')
Sec. 3 Lots 1 – 5 and Lot 9	Thirty Five Feet (35')
Section 4	Thirty Five Feet (35')
Section 5	Thirty Five Feet (35')
Sec. 6 Lots 1 & 4	Thirty Feet (30')
Sec. 6 Lots 2 & 5	Twenty Five Feet (25')
Sec. 6 Lot 3	Twenty Three Feet (23')
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	
General	Same as Section 3-11
Section Two, Lot One	Twenty Five feet (25')
Section Two Lots 9-14	See Plat
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "D-1"

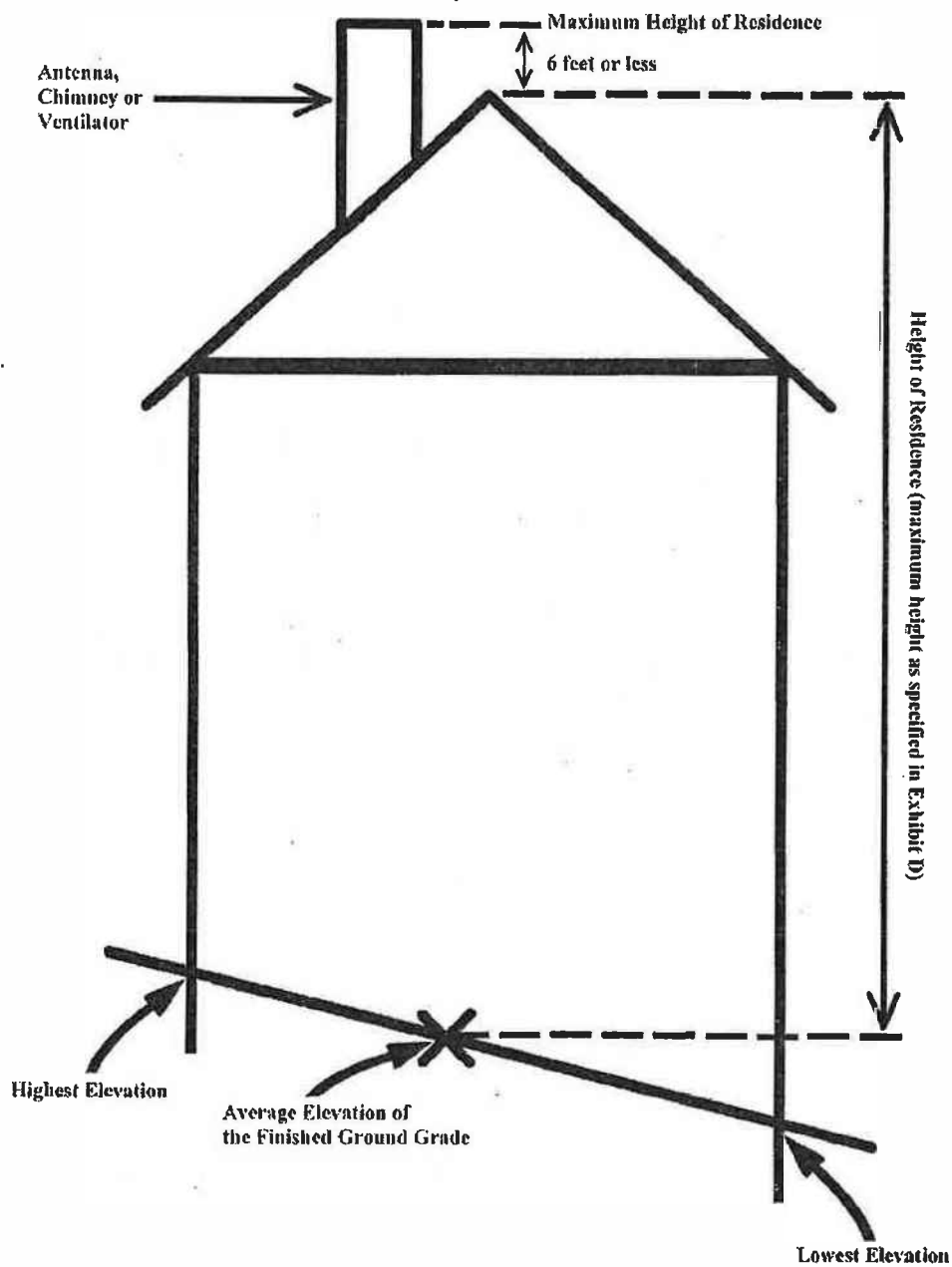


EXHIBIT "E"
Minimum Floor Area

All single family residential structures constructed on any Lot within the Section or Phase listed below shall have a floor area of not less than the number of square feet indicated for such Section of Phase or Lots therein. Such floor area shall be exclusive of porches (open and closed), patios, garages, carports, balconies, and decks. The ARC shall have the right to impose additional floor area requirement and grant exceptions to these requirements.	
The Ranch Section One:	3000 square feet
The Ranch Section Two:	
General	3000 square feet
Additional Property	1,700 square feet
The Ranch Section Three through Eleven:	
One (1) story	2,200 square feet
One and one-half (1-1/2) story	2,400 square feet
Two (2), and two and one-half (2-1/2) story	At least 1.500 square on the first floor
BCL Phase One:	2,600 square feet
BCL Phase Two: (Hilltop Property)	
Villas	2200 square feet
Custom Homes	2200 square feet
Cottages	1800 square feet
BCL Phase Three:	
BCL Phase Four:	Same as BCL Phase Two
BCL Phase Five:	Same as Section 3-11
BCL Phase Seven:	Same as Section 3-11

EXHIBIT "F"

Set Backs

No part of the Structure located on any Property within the Section or Phase listed below shall be constructed within the indicated number of feet of the listed line for such Section or Phase or Lots therein. Notwithstanding the setbacks listed below, the location of all Structures shall comply with the minimum setbacks shown on the Plat for such Property. The ARC shall have the right to impose additional setback requirement and grant exceptions to these requirements. In all event all county and plat setback requirements, if any, will be observed. In addition to the extent the following setback requirements call for a greater setback than the county or plat requirements, the following setbacks will be observed:	
All Golf Course Lots	
Rear Setback:	Forty Feet (40') unless a different rear set-back is specified below.
The Ranch Section One:	
Rear Setback:	Twenty feet (20') or the Bluff Line, whichever is farther from the lot line
Front Setback:	Twenty-Five Feet (25')
Side Setback:	Seven and One Half Feet (7.5')
The Ranch Section Two:	Except as set forth below, the set-backs prescribed for The Ranch Section One shall apply to the Lots in this section. The "left side Lot line" shall be the side Lot line of the Lot that will be to a person's left if that person is facing the Lot and standing at the middle of the street Lot line for that Lot, and the "right side Lot line" of that Lot shall be the other side Lot line of that Lot.
Garden Property	"Garden Property" consists of Lots Fifteen (15) through Forty (40) of The Ranch Section Two. All plat and county set back requirements, if any, shall be observed.
Rear Setback:	Twenty Feet (20')
Front Setback:	No closer than Twenty Five Feet (25') from the street.
Lots 19 through 25	Seven and One Half Feet (7.5') from right side Lot line
Lots 15 through 18 and Lots 26 through 40	Seven and One Half Feet (7.5') from left side Lot line
The Ranch Section Three through Eleven:	
General	
Rear Setback:	As Indicated on the Plat
Front Setback:	As Indicated on the Plat
Interior/ Side Setback:	Ten Feet (10').
BCL Phase One:	
General	For Lots not listed in the table below
Rear Setback:	Twenty-Five Feet (25')

Front Setback:	Twenty-Five Feet (25')
Interior/ Side Setback:	Ten Feet (10')
From any major thoroughfare or collector street	Twenty-Five Feet (25')
From Waterfall Hill Parkway	Fifteen (15')

(all setbacks are in feet)

<u>LOT NO.*</u>	<u>LEFTSIDE**</u>	<u>RIGHTSIDE**</u>	<u>BACK</u>
3	15	15	25
4	15	15	25
5	15	15	40
6	20	10	40
7	15	20	40
8	10	15	40
9	16	15	40
10	10	15	40
11	10	10	40
12	10	10	40
13	25	20	15
14	10	10	40
15	10	10	40
16	10	10	25
17	10	10	25
18	10	10	25
19	10	10	25
20 ¹	25	10	10
21	25	25	10
24 ²	15	16	15
25	10	10	25
26	10	10	25
27	10	10	25
28	20	10	60
29	50	25	30
39	15	15	15
40	15	15	15
41	10	10	15
42	10	10	15

* All Lot references are to Lots in Phase One.

**The left side and right side refer to the respective sides of the Lot viewed when standing in the front of the Lot (the street side) and facing the Lot. Except as expressly provided herein, where a Lot has more than one side that abuts a street, the side of the Lot with the greatest street frontage is the front of the Lot.

1. In addition, no building structure, tennis court, or swimming pool shall be located nearer than twenty-five (25) feet from Cloudland Court without the express prior written approval of ARC.
2. In addition, no building structure, tennis court, or swimming pool shall be located

nearer than fifteen (15) feet from Waterfall Hill Parkway without the express prior written approval of ARC.	
BCL Phase Two: Hilltop Property	
General:	
Rear Setback:	Twenty Five Feet (25')
Front Setback:	Twenty Five Feet (25')
Side Setback:	Ten Feet (10')
Villas, Custom Villas, and Cottages	Same as General and no building structure, tennis court or swimming pool shall be located nearer than twenty five feet (25') from any major thoroughfare or collector street.
BCL Phase Three:	Same as The Ranch Section 3 – 11
BCL Phase Four:	Same as Phase BCL Two
BCL Phase Five:	
General	Same as The Ranch Section 3 – 11
Section One, Lots 1-4	
Rear Setback:	One hundred seventy five foot (175') on the northwest sides of the Lots as depicted on the Setback Line Sketch prepared by James E. Garon and attached as Exhibit A to a document filed in Volume 855, Page 0147 of the Official Public Records of Burnet County, Texas
Section Two, Lot 1	All as depicted on the Survey Plat prepared by James E. Garon and attached as Exhibit A to a document filed in Volume 855, Page 0147 of the Official Public Records of Burnet County, Texas
South & West	Twenty five foot (25') on the south and west sides of the Lot
Northeast	Ten foot (10') on the northeast side of the Lot
Rear Setback	Ten foot (10') on the southeast side of the Lot
BCL Phase Seven:	Same as The Ranch Section 3-11

MINUTES

Board of Directors

**Barton Creek Lakeside P.O.A., Inc.
Barton Creek-Lakeside Master Property Owners Association, Inc.
The Ranch Homeowners Association, Inc.
Hilltop Property Owners Association, Inc., and
Property Owners Association of Hidden Hills on Lake Travis, Inc.**

December 21, 2012

A special joint meeting of the Board of Directors of Barton Creek Lakeside P.O.A., Inc.(the "POA") and Barton Creek-Lakeside Master Property Owners Association, Inc., The Ranch Homeowners Association, Inc., Hilltop Property Owners Association, Inc., and Property Owners Association of Hidden Hills on Lake Travis, Inc.(the "Instated POAs")was held on December 21, 2012. Present were POA Board and Instated Board members Tom Rasmussen, David Birsa, Randy Whitehead and Tom Neslage. POA Board members Rich Paterson and John Washburn were present... Instated POA Board members Fairy Robinson and Jim Lamar were present. POA Board and Instated POA Board member Harvey Cody attended via teleconference. Bob Dilley, Sheri Munsch, Joe Cutrer and Bruce Mills also attended.

David Birsa called the meeting to order. The Boards of each of the Instated POAs unanimously approved the minutes of all of their prior meetings and each Board, after motions duly made and seconded, adopted the following resolution:

"RESOLVED that all of the actions of the Board of Directors and the officers of this corporation acting in their official capacities during the last year be, and they are hereby, ratified and confirmed."

Thereupon, the meetings of the Instated POAs adjourned.

The first order of business of the POA was election of officers for of the POA. Upon motion duly made and seconded, the following officers were unanimously elected, to serve until their successors are qualified and elected:

- President Tom Rasmussen
- Vice President David Birsa
- Treasurer Rich Paterson
- Secretary John Washburn

Upon motion duly made and seconded, the minutes of the (a) November 11, 2012 regular meeting of the Board, (b) November 27, 2012 special meeting of the Board, (c) December 1 special meeting of the Board and (d) December 2, 2012 annual meeting of the Members were unanimously approved.

Bob Dilley reported that the ARC was scheduled to meet on January 3, 2013. He advised that six homes are in process, pending or recently completed. Bob noted that the nonrefundable \$1200 inspection fee generally exceeded the cost to the POA of required inspections and suggested that any unused portion should become refundable. The Board agreed to take the matter up at its next regularly scheduled meeting.

The Board discussed the need to improve the website provided through Associa. Harvey Cody, Jim Lamar and Sheri Munsch discussed current problems and issues that need to be resolved.

Bruce Mills asked the Board to assist him on preventing motor vehicles from using a shortcut across private property on the hill near the water tanks. The Board agreed to have the guard gate provide commercial vehicles with a warning to cease using the shortcut and to put a sign at each end of the shortcut on common property stating that vehicular traffic is prohibited.

The Board discussed the effect replatting of lots should have on voting and assessments. Upon motion duly made and seconded, the following resolution was adopted by a vote of 6-0, with John Washburn abstaining:

WHEREAS, the following has come to the Boards' attention:

1. The language in the Consolidated CCRs ("CCCRs"), approved by the Members on December 2, 2012, incorporated the language with respect to the number of Assessments to be paid and of votes assigned to lots which are replats of multiple lots into a single lot is language contained in the Barton Creek Lakeside ("BCL") Phase One and Phase Two CCRs, which applied to BCL Phases One through Five but have been superseded by the CCCRs;
2. With respect to the number of Assessments and Votes attributable to a replatted lot Section 5.3(a) of the CCCRs says: ". . . . In the event of the consolidation of two (2) or more Lots for purposes of construction of a single residence thereon, voting rights and Assessments shall continue to be determined according to the number of original Lots contained in such consolidated Lot;"
3. Because the CCRs which applied to the Ranch Sections One through 13 and Phase 7 contained no language on the number of Association Assessments to be paid and of votes assigned to lots which are replats of multiple lots into a single lot, and prior to the adoption of the CCCRs the Association adopted the practice of collecting one assessment and assigning one vote to each lot irrespective of whether the lot was always a single lot or had been replatted as a signal lot;
4. The adopted practice has been applied by the Association everywhere in BCL irrespective of the language in the CCRs applicable to BCL Phases One through Five;

WHEREAS, the Board is of the opinion that the better rule is not the one contained in the CCCRs, but rather the one adopted by the Association prior to the adoption of the CCCRs;

WHEREAS, the Board intends to propose during 2013 an amendment to the CCCRs to change the provisions with respect to the effect of replatting lots on the number of Association Assessments and votes assigned to such lots;

WHEREAS, the Board assesses the likelihood of the Member approval of such a proposed amendment to be very high; and

WHEREAS, to make annual maintenance fee assessments on the basis of language in the CCCRs which the board assesses will likely be changed by amendment would cause unwarranted tumult and administrative burden of refunding assessments if such amendment is approved;

WHEREAS, the CCCRs are silent as to whether Section 5.3(a) is to be prospective and/or retroactive;

WHEREAS, Section 11.2 grants the Board the authority to make and amend Rules and Regulations and Section 11.5 says: ". . . . The terms, provisions, and standards set forth in this Declaration shall be determined by the Board;"

RESOLVED, the Association will make 2013 Annual Maintenance Assessments in accordance with the customary practices of the Association everywhere in Barton Creek Lakeside, subject to additional assessments with respect to replatted lots in the event the amendment described above is not approved by the Members in 2013; and

RESOLVED, the Board hereby adopts a Regulation determining that the language of Section 5.3(a) is to be interpreted to apply prospectively only from and after the effective date of the CCCRs, and lots for which applications for replats have been filed with the county prior to the effective date of the CCCRs will, if the county subsequently approves such application, be considered to have been replatted prior to the effective date of the CCCRs.

The Board discussed an issue relating to the authority of the Cottage Subassociation. Upon motion duly made and seconded, the following resolution was unanimously adopted:

WHEREAS, the CCRs known as "Cottage Property Deed Restrictions" which both annexed the Cottage Properties of The Ranch Section 12-A into The Ranch Section 3-11 and established, authorized and set for the rules with respect to the "Cottage Owners Sub-Association" and included language with respect to Party Walls and related Easements, i.e., Articles IV through VI of the Cottage Deed Restrictions and definitions of terms used in those Articles attached hereto as Exhibit A ("Ranch 12-A Provisions");

WHEREAS, Section 5.11 of the CCCRs says: "Nothing herein shall be construed to amend or supplant the right, duties and privileges of the sub-associations [Ranch 12-A (Cottages) and Ranch 2 (Garden Homes)];"

WHEREAS, the Ranch 12-A provisions were inadvertently omitted from the CCCRs,

RESOLVED, The Board hereby adopts a Regulation determining that the language of Section 5.11 of the CCCRs is to be interpreted to mean that the enforcement of the Ranch 12-A Provisions are part of the rights, duties and privileges of the Cottage Owners Sub-Association, and, as such, the Ranch 12-A Provisions remain in full force and effect

The board expressed its appreciation to Harvey Cody for all of his work on the above resolutions and for his work on the revised CCRs and mergers.

Upon motion duly made and seconded, the Board unanimously agreed to authorize the closure of the POA bank account at Security State Bank.

Upon motion duly made and seconded, the Board unanimously agreed to authorize the President of the POA and the Treasurer of the POA or either of them individually, to oversee and authorize payments to be made on behalf of the POA by Associa.

Upon motion duly made and seconded, the Board unanimously appointed the following Committee Chairs:

- | | |
|-------------------|------------------|
| • Landscape | Sabine Lamar |
| • Road | Rosemary DeHaven |
| • Security | David Birsa |
| • POA Enhancement | Tom Neslage |
| • Maintenance | Randy Whitehead |
| • Legal | Harvey Cody |

Upon motion duly made and seconded, the Board unanimously appointed the following as members of the Architectural Review Committee:

- Steve Seavall, Chair
- Rosemary DeHaven
- George Blankenship
- Bob Dilley
- Sheri Munsch
- Jimmy Caldwell, Technical Advisor

The Board discussed a proposal for installing new security cameras at the front gate and unanimously authorized the Maintenance Committee so spend up to \$5000.00 to have them purchased and installed.

In executive session, the Board discussed retaining Joe Cutrer as a consultant for the 2013 calendar year and unanimously agreed to do so.

In open session, the Board reviewed and adopted a preliminary budget for 2013, subject to refinement at the January regular Board meeting.

Thereupon the meeting adjourned.



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dana Debeauvoir

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

January 04 2013 12:52 PM

FEE: \$ 216.00 2013002780

Notice of confidentiality rights: If you are a natural person, you may remove or strike any or all of the following information from any instrument that transfers an interest in real property before it is filed for record in the public records: your Social Security number or your driver's license number.

General Warranty Deed

Date: April 17, 2017

Grantor: LSLP Barton Creek, LLC a Delaware Limited Liability Company

Grantor's Mailing Address:

LSLP Barton Creek, LLC a Delaware Limited Liability Company
665 Simonds Road
Williamstown, MA 01267-2105

Grantee: Barton Creek Lakeside P.O.A., Inc.

Grantee's Mailing Address:

Barton Creek Lakeside P.O.A., Inc.
11149 Research Blvd., Suite 100
Austin, Texas 78759

Consideration:

TEN and NO/100---(\$10.00)---DOLLARS and other valuable consideration to the undersigned paid by the Grantee herein named, the receipt of which is hereby acknowledged, and for which no lien expressed or implied, is retained to secure same.

Property (including any improvements):

BEING Lot Nos. 20 and 21 Block A, Barton Creek Lakeside Phase 7, a subdivision in Travis County, Texas, according to the map or plat of record in Document No. 200200026, Official Public Records of Travis County, Texas.

Reservations from and Exceptions to Conveyance and Warranty:

Validly existing easements, rights-of-way, and prescriptive rights whether of record or not; all presently recorded instruments, other than liens and conveyances, that affect the property; taxes for 2017 and all prior years, the payment of which Grantee assumes; and subsequent assessments for 2017 and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the consideration, receipt of which is acknowledged, and subject to the reservations from and exceptions to conveyance and warranty, grants, sells and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

When the context requires, singular nouns and pronouns include the plural.

LSLP Barton Creek, LLC
A Delaware Limited Liability Company
By: American Land Partners, Inc.,
a Delaware Corporation, Manager

By: Price Kever
Price Kever, Authorized Agent

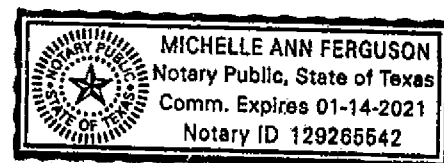
THE STATE OF TEXAS §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 17th day of April, 2017, on behalf of LSLP Barton Creek, LLC, a Delaware Limited Liability Company, by American Land Partners, Inc., a Delaware Corporation, Manager, by Price Kever, Authorized Agent.

[Signature]
Notary Public

AFTER RECORDING, RETURN TO:

Slater Pugh, Ltd. LLP
8400 N. Mopac Expressway
Suite 100
Austin, Texas 78759



2



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

[Signature]
DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

April 27 2017 01:15 PM

FEE: \$ 30.00 2017066977



750 1500 2250
SCALE 1" = 200'

MAP OF
THE RANCH
SECTIONS ONE THRU TWELVE-A
AND
BARTON CREEK LAKESIDE
PHASE I THRU 7
TRAVIS AND BURNET
COUNTIES, TEXAS

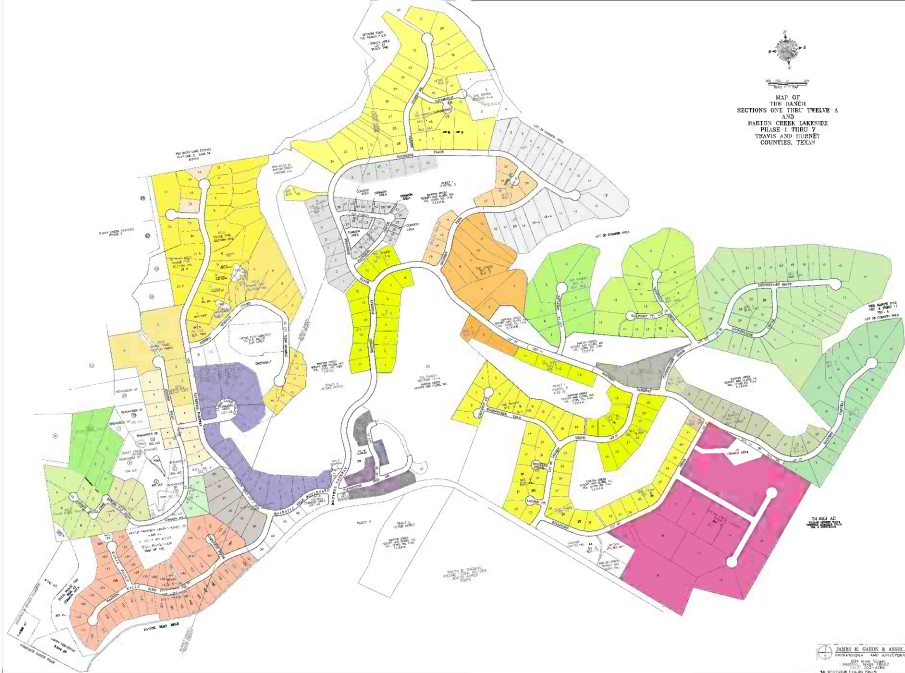


JAMES F. GARON & ASSOC.
PROFESSIONAL LAND SURVEYORS
804 W. 14th Street
BOSTON, TEXAS 75002
(512) 363-1165
FAX: (512) 363-1166

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MAP OF
THE RANCH
SECTIONS ONE THRU TWELVE A
AND
BARTON CREEK LAKESIDE
PHASE I THRU V
TARRANT AND GUNTER
COUNTIES, TEXAS



Many of you have raised the issues of slow speed and poor reliability for internet service in BCL. You face challenges when attempting to stream video from your cable provider or other services like Netflix. Downloading and uploading files and photos in a reasonable amount of time can be a challenge. Often the number of devices using your internet service result in even slower speeds, especially when you have guests and family visiting, and can even impact the bandwidth available for others using your same service provider.

Today we have several providers that service our community, each with “speeds up to” caveat and several with data caps that can limit speeds once that cap is reached. Few, if any of us, enjoy the higher end speeds and many of us exceed the data caps associated with our current providers. Based on growing demand for internet services it's clear that the existing structure (DSL which was developed in the early 90's) is very far behind today's technology, is struggling to support our current our needs, and will only deteriorate as our community population grows and demand for speed and bandwidth increases.

For some time, the Board of Directors (BOD) has been looking into ways to improve the internet speed and access for property owners in our POA now, as well as to address our exploding requirements for more bandwidth, and to keep our community and property values viable and competitive for the future. At our January 17 meeting, board members voted in favor of recommending to the community that BCL proceed with the project, subject to a vote of our home and lot owners as per Barton Creek Lakeside Covenants.

This communication provides background on our growing needs, outlines the research we've done to meet them, discusses some benefits we'll enjoy with significantly improved access, and presents an overview of the project we are presenting to the community on February 9th, 2019. During this meeting, you'll be able to hear from the BOD and from our proposed provider to learn more about this project and have your questions answered before we bring this to the POA for a vote.

Our Growing Needs

Today people are demanding increasing bandwidth (speed) from their internet providers to be able to use the growing number of “things” that connect to the internet. The Internet is an increasingly essential part of our everyday lives. It used to be who can connect, now it is what can connect, and that number is growing increasingly large. How many of us have and use smart phones, tablets, computers, cable TV on-demand programming, streaming services like Netflix and Amazon Prime, smart TVs with apps and gaming, and smart home features like Ring doorbells, doors and lights that can be managed remotely with your phone or devices like Alexa? Each and every device takes up bandwidth on your network as well as your

services provider's and slows your speed of access.

Today, developers of communities like BCL consider high speed internet running on an optical fiber infrastructure essential to the project. High speed internet is now considered a utility just like electricity or water and is as common place in new communities as roads. Americans will average 50 internet-connected devices in their homes over the next five years or so, all running on broadband networks that have to handle the traffic. "Get high speed right or get punished in the marketplace. I wouldn't say buyers ask for it, they expect it! If it's not there, they won't live there," said Greg McDonald, director of telecom support for Greystar. And several of our neighbors have experienced this personally when deals on homes and lots were canceled once prospective buyers learned that BCL did not have high speed internet.

The BOD's Research

Members of the BOD contacted several major internet suppliers, such as ATT, Verizon and Spectrum. None were interested in providing genuine, reliable high-speed internet service to BCL because of our "remote" location and relatively small number of customers. However, the BOD was able to locate a few companies which were interested in servicing BCL. As these companies were vetted one stood out, Clarus-SW.

Clarus is a highly respected fiber optic provider with extensive experience providing high speed internet access and service to high demand users in colleges and universities.

The BOD formed a team to research a potential relationship with Clarus that would provide our community true high speed and reliable internet service. The team has met with Clarus several times to understand the specifics about bringing high speed internet to BCL in a consumer-oriented and cost-effective way. The POA has retained the services of a Telecommunication attorney who has expertise in this field, to make sure the neighborhood is properly represented.

The team also researched the possibility of establishing a 5G network. What they learned was that 5G networks are more suitable to high population areas. A 5G network actually runs on fiber and has a limited range. Because of that, a 5G network requires large numbers of "cells" to be connected to the fiber network—one reason 5G is suitable in large cities with devices ranging from street lights, security cameras, parking meters and trash cans to provide the connectivity to install the cells. Another issue with the 5G network is that its signals cannot penetrate exterior walls, making fiber to the home even more important as the number of internet-connected devices in the average home increases.

How a Fiber Network Benefits Us

With a fiber optic infrastructure, home and lot of owners in the BCL POA will enjoy genuine and reliable high speed internet services. We'll:

- Have high speed service of 1 Gigabyte service — not “up to 1Gb” but actually 1Gb of service. That's 1000 Mb and is nearly 1000 times faster than what many of us have today.
- Connect many devices in our home without each connection slowing us down.
- Stream HD movies or other video without any buffering or outages.
- Be able to successfully use Voice Over Internet Protocol (VoIP) phone service delivered through our internet connection instead of using our local phone company for local and long-distance calls at a fraction of the cost of a traditional phone line.
- Access, download and upload large files, images, audio and video files, virtually instantly.
- Operate our security systems and smart home features easily.
- Have the option to eliminate cable service and rely on less costly streaming services like Hulu.
- Use services like Skype and Facetime without the video freezing during our calls.
- Participate in online seminars training from educators anywhere in the world.
- Avoid the frustration of delays in accessing information and the dreaded buffering of video and audio downloads.
- Eliminate the comments on the slowness of our internet from our guests and family members from more “urban” areas.
- Be able to take advantage of the rapidly growing area of Telemedicine, eliminating long waits or trips to doctors for relatively minor issues.

Project Details

The BOD has received a proposal from Clarus for installation of fiber to every lot in the BCL POA. The proposal includes:

- Micro-trenching along the curbs to install the fiber backbone and repair of curbs.
- Connections to existing homes.
- Provision of high-speed internet (bandwidth) 1Gbps x 1 Gbps. Contract duration for 5 years, with a fixed monthly price.
- Maintenance of the fiber network and bandwidth.
- 30 days support to homeowners after initial installation.
- Trenching each property to bring fiber to existing POA homes and repair of

property.

- Providing a high-speed modem and connection to the fiber network for each home.
- 24 x 7 customer service
- Beginning work immediately upon approval, with completion of the project targeted for Q3 2019.

Trenching will begin as soon as possible once there is an approval by the members of the POA. Because of the increasing demand for fiber, there is a very high demand for trenching companies, so the costs of trenching are increasing almost monthly.

Projected Costs

The project will cost the POA about an estimated \$1.95M.

The project cost is broken down into 2 phases.

Phase 1 — Fiber construction cost

This is the cost of all hardware and installation of the fiber in the neighborhood, including microtrenching, installation, set up and testing. The total cost including taxes for this phase is ~ \$1,737,074.

When spread over the current 470 lots/homes in the BCL POA, the special assessment per lot fee is \$3,696.00. POA members can make a one-time payment of \$3696.00 or can choose to spread the payments over 4 years. Years 1 - 3 would result in annual payments of \$1091.00, while year 4 would be \$1,020.

Phase 2 — Per home Installation cost

The phase 2 cost includes bringing fiber from the street to the home by trenching, burying the fiber and repairing the trench. It includes the connection to the fiber network and a high-speed modem. The estimated special assessment fee per home is approximately \$850. Homeowners may make a one-time payment or choose to make 4 annual payments of about \$245 each.

The phase 2 cost is only applicable to existing homes. Lot owners will not be liable for this cost. When a new home is constructed an installation cost will be quoted at that time.

To summarize, if you do not have a house on your lot you are only liable for the phase 1 cost. If you currently have a house on your lot, your cost will be phase one plus phase 2. If you build a house in the future, you will be quoted a phase 2 price during the construction phase – you will have already paid the phase 1 cost.

Internet Access Fee

A monthly fee of \$79.95 will be charged to all POA homeowners for Internet services

only. This fee will remain fixed for the term of the contract which is 5 years. The homeowner may choose to continue using their current service providers for TV, phone, etc or they can use other providers who can piggyback on the fiber optic network. Any additional services will be the choice and financial responsibility of the homeowner. We are working with Clarus to provide additional information and support regarding these services, how to set them up and the cost. More information will be forthcoming, but wanted to get an overview out to the neighborhood as we are firming up details.

In order to address as many questions or concerns you may have during the February 9th meeting, please forward any questions you have to:

bclmanager@goodwintx.com.

Thank you,

Barton Creek Lakeside POA Board

Dear Property Owners,

In preparation for the broadband meeting this Saturday, February 9th from 2-4 at Spicewood Elementary located at 1005 Spur 191, I wanted to take a few minutes to provide some basic information and answer a few related questions from residents.

The Problem: The basic topic of discussion is the lack of acceptable internet access for the Barton Creek Lakeside community. This has been a sore subject for many residents for years. Given the increasing importance of internet access, this situation has been getting progressively worse over the years.

BCL is using a 1970's technology, DSL (data subscriber line) which uses copper wire originally deployed for telephone services. DSL speeds max out at about 12mbps down and 1mbps up, if conditions are excellent. To make matters worse, our primary provider is Frontier and they have been trying to sell off the copper plant for the past decade. Consequently, they have not been investing in maintenance. The result has become a liability left for the community to resolve. Many of us have communication pedestals like the one pictured to the right in our front yards. If you ever wondered why things are so bad, all you have to do is look inside.



The Solution: For the past several years the POA Board (and many concerned residents) have been painfully aware of the problem and started looking for alternatives. Not only are we stricken by a growing lack of basic services readily available to other communities, the internet is becoming an essential component of basic communication, security and privacy. New video surveillance technology that many BCL residents have tried to deploy, does not work without reliable internet connectivity.

Moreover, the lack of reliable internet is depressing the value of real estate. A brief Google search will reveal that fiber will improve average real estate value by between 3 and 8%. More recent information from Broadband Communities Magazine contributor Mike Render, indicates that upgrading from copper to fiber will increase values by as much as 3%. There has been an increasing number of lot and home sales that have fallen through blaming the lack of high-speed internet as the reason.

Findings: The basic problem is the underlying business model of investment and acceptable return. Incumbent service providers like AT&T, Spectrum, Verizon, Frontier are obligated to provide acceptable returns to their stockholders. This does not include investment in BCL for two reasons: 1) too rural, and 2) too few customers to make it financially profitable.

The good news is that the market is changing. There are smaller, more focused companies like Clarus Broadband that view the lack of investment by incumbent providers in underserved communities like BCL as a business opportunity. Specifically, they believe that the only way to address our current problems and position us for the explosion of new web-based services is to deploy and own our own fiber infrastructure.

“We have been watching the evolution of the internet for the past 15 years” notes Dave Daugherty, Clarus’s founder and chairman. “As a preferred internet managed service provider for student housing, (arguably the most demanding of internet subscribers) we have learned that you don’t want to trust incumbent providers if you can afford not to”.

Clarus has provided us with a proposal to help fund, deploy, operate and support our own internet utility. Although some of the related electronic components of the proposed system will change with improvement of technology, the fiber plant has an expected service life of roughly 40 years.

For many of us tired of the lack of reliable service and the growing range of new web-based services currently beyond our reach, we have been aggressively looking for an acceptable alternative. After numerous meetings with homeowners, Clarus and incumbent providers, the POA Board recommends the proposal from Clarus.

Basic elements of the Clarus proposal includes the following:

- The installation of the backbone fiber ring in BCL which will be microtrenched.
- The connection of the backbone (backhaul) to LCRA fiber.
- The connection to each existing and soon to be completed homes at a cost to the homeowner which will depend upon distance from each home to the curb.
- Clarus will also provide in-home wireless support to homeowners on a case-by-case basis.
- Free onsite technical support for the first 30 days of service
- Free customer support Monday through Friday from 8 to 8.
- Regularly scheduled social events where Clarus will get to know and stay in touch with residents’ concerns and questions. These meetings will also give us an opportunity to share current information on the internet, emerging technology and services.
- Up to one Gig of bandwidth will be provided to residents for \$79.95 per month (locked for 5 years) which is significantly cheaper what most members are paying in the aggregate for combined services.
- The cost of the fiber to your home plus the in-home terminating device will average \$850 per home. Any variance in the average cost per home will provided by Clarus during installation and addressed through the POA.

Legal: The BOD recognizes our lack of expertise in things related to the internet and has engaged one of the top telecom attorneys in the country to review our contract and ensure BCL’s interests are protected. Once the fiber plant has been deployed, Clarus will be responsible for ongoing customer support, and maintenance. If they do not perform, BCL can terminate the service agreement and retain another managed service provider.

Is there a cost savings to homeowners with this project?

The Board and market research clearly say, Yes.

A sampling of homeowners in the neighborhood was queried regarding their total cost for the for phone, internet and video entertainment (TV). The average is over close to \$250.

Internet - The internet service will be \$79.95 per month for up to 1 Gbps of service.

Telephone - Telephone service over the internet ranges from \$7 to \$25 per month depending on how many countries you wish to call free.

Video - There are many options currently available including services like Hulu, Amazon, Netflix, uTube, and Direct Now. These services range from \$8 to \$40 per month.

Total Cost – In summary, all the services typically used by members will total roughly \$150 per month. This represents a total saving of about \$100 per month. Individual cases will vary depending on what the homeowner chooses to purchase. The proposed service will provide reliable, high-speed internet connectivity.

We expect there to be many questions from property owners regarding this proposal and we welcome the opportunity to share information on this exciting project. We will take the time to address these questions on a case-base-case basis. More importantly, experience has taught us to expect the unexpected. The reactive break/fix service culture of incumbent internet service providers was never designed to support evolving demands on the internet. Moving forward we need a proactive service partner, tied to the ongoing satisfaction of our community. We believe Clarus is that partner. We invite you to come, visit with Clarus this Saturday at Spicewood Elementary at 2pm or via web conference at <https://zoom.us/j/3882272025> and draw your own conclusion.

Clarifications and Questions

1. Several owners asked about the connection fee from the street to the house. The \$850 connect fee was an average cost based on the neighborhood. Taking into account owner feedback, we are changing the way this cost is charged. Clarus will now provide each homeowner an individual cost based upon the proximity of their home to the street when it comes time to connect. This route will be approved by each homeowner in the spring and they will receive an as-built showing where their route to the home is located. The homeowner will then pay their unique 'road to home' cost for connection directly to the POA board.
2. It was misquoted in the prior information letter that Clarus would supply 24/7 call center support service. The proposal from Clarus covers, at no charge, call support service Monday – Friday from 8am – 8pm. While there will be 24/7 support service available, there is a charge to call outside these hours. This support is in addition to the 30 days support to homeowners after the initial install.

3. **Where and how is fiber getting into the neighborhood?** Clarus will be purchasing fiber in bulk from the LCRA. LCRA has fiber accessibility at their utility location on Paleface Ranch Road. Clarus will then run fiber from there across Hayne Flat Rd. The cost for this is not being passed on to our community. Clarus, using a micro trenching contractor, will then install the fiber down all streets in Barton Creek Lakeside. After installation and successful testing of the system, installation to homes will begin.
4. **Do I have to pay the monthly service fee of \$79.95 if I don't have a house?** No, if you do not have a home on your property you will not have a monthly service fee.
5. **What are the property owner's payment options for covering the cost to have the fiber infrastructure installed in the neighborhood?** After suggestions from owners, the board is looking at several payment options. The options being considered to pay for the capital improvement project include giving the property owners the choice of paying the per lot cost in a lump sum or financing the amount over 4 years.
6. **What about 5G?** All the major carriers are in various stages of introducing this technology. While 5G holds many potential advantages, its evolution needs to be better understood. It is still a developing technology, that is being rolled out in a few major urban cities. It is a great technology in urban areas as it takes a higher density cell tower / antenna network to operate, which urban areas are able to accommodate. Any expansion into rural areas like ours will be a long time in the future, not soon enough to solve our issues.
7. **Do I need to attend the information meeting to vote?** No, the information meeting is scheduled to allow residents to ask questions, meet the Clarus representatives and to get to know more about the proposed project. Ballots will be mailed after the information meeting.
8. **Who will be responsible for the maintenance of the fiber?** Clarus will be responsible for the cost of maintaining the fiber network within their control. Any fiber breaks or issues beyond Clarus' control will be at the cost of the POA or resident that caused the issue.

Here is a list of helpful links that discuss everything from property value to cord cutting entertainment services to fiber communities and how they work:

Walsh- a fiber to the home community: <http://www.bbpmag.com/Features/0817-Walsh.php>

Increased Property Values: <http://www.bbpmag.com/Features/0513feature-Render.php>

Cord Cutting and reducing costs: <https://www.wsj.com/articles/free-easy-and-legal-how-to-stream-great-tv-and-movies-without-spending-a-dime-11549202400>

Broadband Do-It- Yourselfers by Dave Daugherty- <https://bbcmag.epubxp.com/i/1040924-oct-2018/66?m4=>

Entertainment Options (Cord Cutting)

Video Services		Voice Services	
Netflix:		OOMA:	
	Basic- \$8.99/month		Basic- Free with \$99 hardware
	Standard- \$12.99/month		Premium- \$9.99/month
	Premium- \$15.99/month	Vonage:	\$9.99/month
Hulu:		Magic Jack:	\$35/year
	Basic- \$7.99/month		
	LiveTV- \$39.99/month		
SlingTV:			
	Orange- \$25/month		
	Blue (sports)- \$25/month		
PlutoTV:	Free		
YouTube TV:	\$40/month		

Glossary of Terms:

ONT- Optical Network Terminal: This device is like a cable modem. This device will sit in your house and will provide you a wired connection to the network. You can connect a router to the ONT to connect wirelessly or Clarus can install an Orbi wireless system for you.

Router: Turns your wired internet signal into a wireless internet signal

OLT/OLT Cabinet- Optical Line Terminal: This outdoor cabinet will sit at the secondary entrance of BCL. This will house the BCL network equipment which will be managed by Clarus.

NIU (or NID)-Network Interface Unit/Device: This box which is similar to the utility boxes that are attached to your house now, will house your fiber connection. From the NIU, Clarus will run a cable to the inside of your house to connect to the ONT.

MST-Multiple Service Terminal: MST is a pre-determined access point of the fiber. An MST will be located near the curb and will be the point where we connect multiple houses to the network. From the MST, construction crews will (upon resident approval) direct bury a fiber line from the MST to the NIU located on the side of the house.

VoIP- Voice over IP: This is phone service over internet. This can be as simple as turning on 'WiFi Calling' on your smart phone to setting up a 'land line' service through a VoIP service such as Vonage.

MSOs-Multiple Service Operators: Charter, Spectrum, Cox. Clarus provides the network management and support of residents as a white labeled service for these operators.

Backhaul Fiber: Fiber that runs from the Paleface Substation to the Secondary entrance of BCL

Broadband: Any highspeed internet

FTTH- Fiber to the home: is the installation and use of optical fiber from a central point directly to individual buildings such as residences, apartment buildings and businesses to provide unprecedented high-speed Internet access

Barton Creek Lakeside POA Board

Follow-up Information package 3 from
Recent Owners' meeting for the
High Speed Internet Project

We are providing some additional clarifications and answers in follow up to the February 9th meeting at Spicewood Elementary. We attempted to capture the meeting via a web cast, so we could record and make it available to those that weren't in attendance however the acoustics and logistical setup at the school did not allow this, so we apologize.

How we got here:

This proposal is the result of member requests over the last several years asking what the board could do regarding the poor internet. We met with multiple service providers. No one was interested in providing services for this project, due to our neighborhood remoteness, lack of infrastructure and small number of homes. A nearby developer introduced us to Clarus after he had researched the issue and found no other options.

We contacted Clarus who did a site inspection, attended a board meeting and began discussing commercial options.

Several of our residents have summer houses out of state in similar neighborhoods who have recently engaged a fiber provider to design, install, and manage a high speed internet for their development. They found that the best approach was for the development to own the infrastructure. After reviewing this with our attorney, the board decided that this was our best option also. We then asked Clarus to submit a proposal based on BCL POA owning the fiber infrastructure.

There will be a vote of the members in accordance with our governing documents, the Declaration and By-Laws. The voting process is governed by Art. 6.4 of the Declaration since the fiber installation is a capital expense and 6.4 states that the Association may levy a special assessment for the acquisition of new capital provided the assessment is approved by a vote of at least 60% of the votes of the Members. No timeline for the vote has been set. The ballot will be sent out both electronically and by mail.

Installation Process

[hyperlink..... Add Barton CreekLakeside FINAL \(Clarus presentation from Saturday\) PDF document access here](#)

Will the POA secure a loan to cover the cost of the fiber infrastructure

Yes. The reason a loan is being secured is to allow the property owners the option to extend the payment over 4 years if needed. The loan would not be required if the assessment was paid up front as in previous special assessments.

What happens if Clarus cuts utility, water sprinkler lines, electric dog fences, etc during the installation of the fiber in the homeowner's yard.

Clarus will be responsible for all repair costs. Clarus will work with each homeowner prior to any trenching, to determine the least intrusive path through the yard to the house.

Who owns the fiber backhaul from the substation on Paleface Ranch into BCL.

Clarus owns the backhaul and is responsible for the maintenance and care.

Has Clarus ever done an installation in a neighborhood like ours?

Not in a residential neighborhood like ours. There are 5-6 projects in various planning stages with communities like BCL. Clarus has 15 years' experience providing managed internet services for student housing, apartments, hospitals and are uniquely suited to provide long-term, solution-oriented service frameworks. It is important to realize Clarus is not building any of the products that will be used to implement the Fiber Optics Network. They will utilize equipment that is being used all over the world today. They will be using industry leaders such as Corning Optical, CommScope and Brycomm to sub-contract and deploy the fiber. Clarus has an extensive history in the design, operation and management of gigabit Fiber Optic Networks, which is what we need.

Why is there only one proposal?

The board reached out to the major providers in the area. None were willing to bid on the project. If the Board was not comfortable that Clarus could successfully complete and manage the project we would not be moving forward with them. We have retained

one of the best telecommunications attorneys in the state to guide us. We will not move forward until he is satisfied we have a solid contract that protects our interest.

We did find another community that undertook a similar type project as ours. The community has approximately 280 homes and 30 lots, owns their infrastructure which delivers 250 mbps and is a 10-year contract. Very similar terrain as our community. Their project infrastructure cost was \$1,800,000.00 vs our estimate today of \$1,955,000.00. Their project was started almost a year ago. Our community is larger requiring more infrastructure and the service delivers 4 times the service speed (1,000 mbps or 1 gig). The Board feels comfortable we are getting a fair price based upon this comparison, considering we have a larger community (increased infrastructure cost), increased service speed capability and 9 months of inflationary cost and still come within 8% of their project cost.

How long has Clarus been in business and how many customers?

Clarus has been in business for 15 years and has over 60,000 customers

Have BCL owners had problems with the current BCL internet?

From one owner: "When I moved here in late 2017, I was told by Frontier that there were no available internet connections in BCL, they said I would have to wait until someone in the neighborhood canceled their service before they would hook me up. It took 3 months for us to get internet. My wife had to live with her sister in Austin for those 3 months because she needs internet access for her job.

Other new members have had similar experience with Frontier. This is in addition to slow service and service drops.

Will fiber technology soon become obsolete?

Fiber is the future of high-speed internet and will be the system of choice for decades, fiber is the future. The large communications companies are full speed ahead with fiber installation all over the nation.

What happens if Clarus goes out of business or does not perform as per the contract?

Our telecommunications attorney will address this in the contract. There are multiple internet providers that would be willing to replace Clarus if required.

Regarding the SLA addressing internet (up and down) speeds. What is the high end (up & down) speed in the SLA? Likewise, what is the slowest speed that will be tolerated in the SLA, prior to a penalty being levied against our provider. What is the guaranteed “up time” for the service prior to penalties being assessed.

Our attorney will guide us on this. He has worked 1,000's of contracts like this one, so he knows what should be expected based on Clarus's claim of 1 gig up and 1 gig down. He is also addressing performance-based metric's that Clarus must meet and what happens should they fail to achieve them.

In the unlikely event our provider fails to perform, and our agreement is terminated, we must consider the following. We own the neighborhood fiber, however, the backbone network (to its connection with LCRA) is owned by our provider. I propose, if there is a failure to perform issue that creates an end to our contract that we (as part of our contract) would assume the backbone fiber. I suggest this be done as a penalty with no additional cost to the POA.

The attorney will address this issue in the contract. If the attorney is not convinced that BCL's rights are reasonably protected, we will not move forward with the contract.

Just read an Article today that google fiber is having to pull out of Louisville - as the shallow trenches were having problems.

Google Fiber tried to poor-boy the Louisville installation and only went 3" deep. We are going 12" deep. This is one of the reasons that our construction partner (Brycomm) elected not to do business with Google Fiber in Austin, did not want their name associated with this kind of poor decision making.

This micro trenching might not be a problem at all- and we would all feel a lot better - if we know they'd done this in neighborhoods before - with hilly street drainage.

Brycomm is incredibly reputable, is Austin based and as such does a significant amount of work in the Austin area, so they are quite familiar with the various challenges in the area. Staying with a local contractor who is familiar with our area only strengthens the belief they will do it correctly. Their client list consists of major companies in the local area including the LCRA, GAANT, Leander ISD and Manor ISD as just a few.

[Add Broadband Community Summit Link](#)

The best solution to our internet issue is to install a state-of-the-art optic network throughout our neighborhood. Such a solution will not only resolve the problems that currently afflict the networks in our community but will advance Barton Creek Lakeside reputation as an innovative and forward thinking premier residential community.

Please keep forwarding your questions and refer to any of the previous documents or the new attached documents should you have questions.

Thank you,

BCL POA Board

High Speed Internet Information package 4

1GB is an extremely high level of service, are there any cost benefits for a 100mb service in the initial \$1.7M costs or the \$80 monthly fee? If so, are they significant?

There are no cost savings in the Infrastructure cost, by lowering the speed and no other cost changes on the Clarus side. Operating costs, including support, backhaul and transport would stay the same regardless of the speeds provisioned at the ONT (1G port) within the home. Clarus would still provide the same levels of service and same equipment to operate the network. Bandwidth is purchased by the meg (Mbps). If we were to look at a 250mbps package, we could consider reducing the overall pipe size to our community. The issue there is that we are charged per meg and our cost would rise (per meg). It is much more cost effective to buy a 10Gig pipe than say a 5Gig or less. At the end of the day, our cost is minimally reduced along with the end user cost.

The backhaul will be sized according to the aggregate regional demand. It will flex to accommodate peak usage. Clarus is responsible for allocating the correct amount of bandwidth into the community and bears the financial responsibility of the upkeep. This will be in the agreement between Clarus and BCL. Google's provisioning of bandwidth in South Austin is they allocate 10Gbps for every 6,000 homes. Clarus is allocating 10Gbps for 250 homes within BCL. As we bring other neighborhoods onto the Spicewood network. We will increase our pipe size (overall bandwidth from data center).

Can you show me an example of where I can save money if this goes thru? If I can save on monthly fees, are there any offsetting additional expenditures required to obtain those savings?

One example from a resident:

Researching streaming options, it is easy to find and use if you have fast internet like Clarus would bring. To cut the DIRECT TV or Dish, streaming is the next step to take.

Hulu + Live TV will run 44.95 monthly and get 60 Channels and nice cloud DVR storage to record programs and add HBO for \$5.00 & Starz for 8.99 and if more than 3 screens are to be viewed at any one time, the unlimited screens option is \$14.99.

So, 59.00 monthly with HBO AND STARZ if only 3 TV screens would be on together. Add on unlimited screens if say grand kids are over and each watches a separate TV and that is 14.99 extra - \$74.00 now. Even add on Amazon Prime for 12.99 monthly for tons of movies, etc. A lot of folks probably already have Amazon Prime anyway just for the 2-day n/c shipping all year long.

Netflix runs about 13.00 monthly for a good plan.

The internet cost should be a moot point comparing current monthly and the Clarus option.

Direct TV, pending options you currently have will run between \$150 - \$250/mo., so savings of \$50 to \$150 per month.

Resident 2 example:

I currently pay over \$115/mo. for satellite internet. We get poor service at best, no service during poor weather conditions and it slows down as we reach our usage limit. Even if I make no other changes, I'll be saving greater than \$50/mo. and will have high speed service that will not be interfered with during bad weather. I will eventually increase my savings, as I'll gradually drop some of my movie channels and go with a streaming service and may just keep a basic TV package.

See the attached BCL Current vs Proposed Cost Comparison for additional information.

Are there any offsetting additional expenditures required to obtain those saving?

There may be some additional expenditures depending upon what options you chose but streaming services like Netflix or Amazon Prime don't require any upfront expenditures and can be turned off monthly and travel with you anywhere.

Article on streaming.

https://epaper.statesman.com/popovers/dynamic_article_popover.aspx?guid=7f6a6b8d-3588-42d9-96b8-125b44d3ba80&pbid=0bd3b62f-2574-4676-88da-58d1361460ab&utm_source=app.pagesuite&utm_medium=app-interaction&utm_campaign=pagesuite-epaper-html5_share-article

https://www.komando.com/tips/544081/update-streaming-service-price-changes-on-netflix-hulu-youtube-apple-and-others?utm_medium=nl&utm_source=totd&utm_content=2019-03-18

What does high speed internet mean? What speeds are currently available within BCL and what would be the speed of the proposed fiber optic?

The most prominent provider within BCL is Frontier. Many companies advertise high speed as 6-25 megabits per second (mbps). Because of technology limitations, many residents receive much lower speeds, 1-4 mbps. Other vendors such as satellite broadcast companies also offer service with slightly higher download speeds. Upload speeds from current suppliers are generally much slower. This means that as more devices and homes connect we will require more internet bandwidth and wi-fi speeds than we currently can provide. The proposed plan would deliver a speed approximately 1 gigabit upload and download (1,000 mbps). This would, in essence, future proof our community to handle the growing Wi-Fi and highspeed technologies demand.

Why don't we just "sit and wait" for this to be provided by a vendor in the future and perhaps fiber optic could become obsolete in a few years?

Speeds with Frontier will continue to denigrate as more homes are built due to the obsolete, 35-year-old copper wire technology. The Board has reached out to all major potential highspeed suppliers including Frontier, Grande Communications, ATT, Spectrum, Verizon. None were interested or have current plans to upgrade to fiber optic systems in BCL due to our small size. Further, satellite companies including Direct TV (owned by ATT) have announced that at some point they will be decommissioning their satellites due to the inability to broadcast in high definition - (analog obsolescence). While no one can say for sure what the future holds, fiber optic is the platform which will be used for the foreseeable future (our lifetimes) because, after all, it transmits at the speed of light.

I don't use much in the way of internet or Wi-Fi, why should I spend the money? I don't believe I need or want it.

The money is being spent to acquire a community owned asset that has important value. Not only will our homes have the ability to handle the rapidly growing new technologies (smart TV's, home security, telemedicine, etc.), it will improve our home values and keep our community competitive with coming home development. We have learned that Hines Corporation which owns the 750 acres adjacent to Thomas Ranch would like to begin development late this year. Ralph Thomas has also indicated to us that he will be making a major announcement of financial and development partners with timetables soon. If we don't upgrade our communications, our home values could suffer. The community will own the network and therefore be able to manage the asset.

Why does Barton Creek Lakeside need the upgrade?

We all live in the BCL community and the Board is tasked with recommending and implementing projects that are deemed to be in the best interest of the community. A good example is the current development of the second entrance into BCL which is under construction. Some residents came forward to say, "I don't need it, I don't want to pay for it and I'll never use it. Let those individuals who wish to use the gate pay a fee to cover the full cost of building, maintaining and operating costs." The board took the viewpoint that while many residents won't use the new entrance, it would be in the best interest of the community to have the second controlled entrance. This example is why we now recommend upgrading our telecommunications services. We ask all residents to consider the fact we are a community. The board was asked by owners to see what could be done to improve the internet service in the community. The Clarus proposal was the only one submitted, for reasons stated above. It will now be up to the owners of Barton Creek Lakeside to vote on the proposal.

A recent comment from a previous homeowner: **When we had a home at BCL across the street from the vacant lot, I was frustrated with internet connections, too, and had to drive to the top of Waterfall Hill Parkway to find a signal.** This is not the type of poor service our residents should be forced to live with.

Discover how communities are investing in their own Internet infrastructure to promote economic prosperity and improve quality of life.

<https://muninetworks.org/reports/municipal-broadband-demystifying-wireless-and-fiber-optic-options>

Why are we using a start-up company with no current customers and no operations?

Below is a brief company overview of Clarus. As you will see they are a well-established company that specializes in 1G high speed fiber internet services. It is important to realize Clarus is not building any of the products that will be used to implement the Fiber Optics Network. They will utilize equipment that is being used all over the world today. They will be using industry leaders such as Corning Optical, CommScope and Brycomm (an Austin based company) to sub-contract and deploy the fiber. Clarus has an extensive history in the design, operation and management of gigabit Fiber Optic Networks, which is what we need.

Opportunity

Economic development, education, healthcare, entertainment and other quality of life factors increasingly rely on high-speed internet connections. However, outside of the top 280 metropolitan statistical areas, there is a dearth of high-speed internet availability, akin to pre-rural-electrification America of four score ago. Small-town America, particularly economic development boards and rural electric cooperatives, recognize that high-speed networks are critical to attracting businesses and retaining population. Developers of new master planned communities and suburbs less than an hour's drive from major population centers recognize that high-speed internet availability is crucial to home sales.

Although 10 Mbps is sufficient for most web surfing, and 25 Mbps is sufficient for 4K video, 8K video may require 80 – 100 Mbps: as streaming, gaming and smart home devices proliferate, households will demand 300M – 1Gbps connections and beyond. Many rural markets are limited by legacy copper networks that can only provide 10 – 30 Mbps connections and are thus either underserved or unserved markets. Fiber optic networks will readily provide desired connection speeds and can be upgraded to 10 Gbps speeds and beyond by upgrading equipment at nodes and terminals.

Operations

Clarus Broadband has served the student housing market under its Korcett brand and is one of the leading providers of managed internet services in that high-demand, high-density market. Since 2004, it has provided white-labeled solutions for major MSOs (Multiple Service Operators) and has matured operational runbooks for networks serving demanding customers with, on average, 7-9 devices per student. It has also sold equipment and managed internet services for traditional MDU, independent school districts and hospitals.

Clarus is accustomed to supporting all types of topologies. Many of their supported sites are high rise to mid-rise to garden style apartments, but they also support many “cottage style” residences. These are the same as single family residences and are comprised of single residences and sometimes duplex style housing. Fiber is brought up to the outside of each of the structures and Clarus manages these connections. An example below of a current installation that Clarus manages is the Retreat in Tucson, AZ. Each building has a fiber line that terminates within the residence and is supported on the Clarus network. This specific community has 100 buildings, all fiber fed, all managed by Clarus since 2013. Other examples of this “cottage style” topology in Clarus’ portfolio include, Aspen Heights San Antonio, Aspen Heights Auburn and others.



Clarus now applies its accumulated knowledge to developing fiber networks for lower-density networks in rural communities. Operationally, rural networks using passive optical network architecture are less maintenance intensive than student housing networks, and a single household typically connects less devices to its network than a dorm suite of four students. The challenge of building a low-density network in a community versus a high-density network for a multiple dwelling unit environment is one of cost. Clarus is identifying master planned communities and rural areas with population density and economic demographics for profitable fiber network deployment by using a combination of techniques, including:

- (1) Partnering with master planned community developers to build in-house broadband companies;
- (2) Signing long-term bulk rate deals, and acquiring customers in bulk, by selling services to developers and home owners associations for entire communities, often prior to development;
- (3) Partnering with power distributors required by SCADA regulations to deploy fiber to electric substations for grid security to use fiber strands for data transport;
- (4) Offering additional services, such as over-the-top video, cybersecurity, and cellular backhaul to boost network profitability;
- (5) Using point-to-point wireless networks when fiber deployment costs would not result in profitability;

Resident comment: I think it is suspicious that our selected attorney is a personal friend of David.

When the board decided to engage in more in-depth conversations with Clarus, the BOD realized they needed the expertise of an attorney that specializes in Telecommunications. The board contacted the legal firm of Munsch Hardt Kopf & Harr, P.C. and asked for a recommendation. They said **THE ONLY** Telecommunications attorney they recommend is Ian Davis. We then contacted Ian, told him what we are proposing for our neighborhood and scheduled a meeting with him face to face in Dallas. It was during this meeting Ian mentioned he knew David as they have chaired many industry panels together as well as having presented at many conferences, they are both highly regarded as leaders in their respective fields. Ian is rated as a Super Attorney which is a rating given to a few outstanding attorneys who have attained a high level of peer recognition and professional achievement. He was selected in 2008 to the Rising Stars level in his profession. As such we believe we have the top-rated telecommunications attorney in the state representing the best interest of the community.

How do we know the contract with Clarus will be in our favor?

Ian is contracted by the Barton Creek Lakeside POA and as such has the legal responsibility to look after the best interest of Barton Creek Lakeside, he is not contracted with Clarus. He has done hundreds of contracts, similar to what we are proposing, all over the US and some international. With his wealth of experience, he knows what these companies should be held accountable to and if he isn't in agreement that we have a good contract, we will not proceed.

Did Joe Gillen pay for the backhaul from LCRA to his property?

Yes. There could be opportunities for other investors as well, including Barton Creek Lakeside. The BOD has no interest in becoming an investor for the backhaul hardware.

If this doesn't pass, there is private funding that will make it happen.

There are no private funding proposals being considered by the board. The initial proposal from Clarus, where they were willing to finance and own the infrastructure, was not accepted by the board, as it required a 10-year term contract and would result in a much higher cost per owner. Having an outside group own the infrastructure, would reduce the amount of control, input and cost of services to our Barton Creek Lakeside community.

Doesn't having the fiber backhaul terminating in The Enclave put BCL at risk, if the property gets sold in the future?

No. There is a utility easement being put in place allowing BCL access to the fiber.

The POA is not allowed to take on debt as per the CC&R's!

That statement is absolutely false. There is nothing in the current bylaws stating that the POA cannot take on debt for capital improvements and it has been confirmed by the attorney. This comment was made by an owner referencing an out of date set of CC&R's. As a reminder, the **ONLY** reason the board is considering a loan for the capital improvement is because the BOD has agreed to allow the assessment fee to be paid out over a 4-year term, unlike previous assessments where the total assessment was due immediately.

When will the vote take place?

We don't have an exact time frame yet but would like to get the ballots out shortly. The ballot will be sent by both email and postal mail to make sure we get the ballot in the hands of all our owners. It is important all owners vote. An email will be sent out a few days prior to the ballot being released, to let owners know to expect the ballot.

BCL Current Actual vs. High Speed Internt Proposal - Cost comparisons

CURRENT ACTUAL PHONE + INTERNET + TV					
Frontier phone/Internet 90.00		90.00		90.00	
1		2		3	
Dish + Golf		DirecTV Select		DirecTV Premier	
America's top 200	82.99	SELECT 145 channels	58.99	PREMIER 300 channels	151.99
Includes Golf		Multiples TV 4	21.00	Movies Extra Pack	4.99
Local channels	12.00	Advanced Receiver Svc	10.00	Regional Sports Fee	8.49
DVR incl. equip- 3 TVs	15.00	Protection Plan	8.99	Multiples TV 4	21.00
3 addl receiver	21.00	DVR	10.00	Advanced Receiver Svc	10.00
		Whole home DVR Svc.	3.00	Protection Plan	8.99
		(don't have at least 4 channels I would like)		DVR	10.00
				Whole home DVR Svc	3.00
Tax to be added		Tax to be added		Tax to be added	
Total TV 130.99		Total TV 111.98		Total TV 218.46	
Total 220.99		201.98		308.46	

of months to Breakeven w/o variable CONNECTION fee

- Cons
- Learn new operations of TV run by your computer
 - Cloud DVR only holds your recordings for 90 days.
 - May not have all the local channels depending streaming service you select.
 - Relatively immature technology compared to satellite TV

FIBER OPTIC with PHONE + INTERNET + STREAMING TV			
Example of most expensive packages offered at this time.			
Clarus		80.00	80.00
VOICE OVER INTERNET (Phone)		10.00	10.00
1		2	
DISH SLING Streaming via Fiber Optics		DirecTV NOW Streaming via Fiber Optic	
Orange and Blue package 50 channels		40.00	Gotta Have It package 75.00
			125+ channels that include Golf Channe
			for 3 TVs and equip
Cloud DVR 50 hours, unlimited time		5.00	Cloud DVR 100 hours stored for 90 days
Sports Extra		10.00	HBO
Hollywood		10.00	Cinemax
			Showtime
			Starz
			+ 4th stream
Although will cost \$4.00 more per month, I will have all the channels I want and don't currntly have.			
Tax to be added			Tax to be added
Total TV		65.00	S 116.00
		155.00	206.00

Breakeven from DISH + Golf	# mo.
\$ 3,700	56.07

Breakeven from DirecTV Premier	# mo.
\$ 3,700	36.11

Breakeven from DirecTV Select	# mo.
Although will cost \$4.00 more per month, I will have all the channels I want and don't currntly have.	

- Pros
- Speed!
 - Don't lose service in thunderstorm
 - One service between multiple homes assuming high-speed internet, cancelling multiple service agreement in each location.
 - No need for technical service
 - No monthly equipment charge for hardware, except DVR
 - No annual contract
 - Can start and stop service and monthly charge at will.
 - VOICE OVER INTERNET service allows for keeping your current phone #.

BCLPOA High-Speed Internet Proposal Summary

COST COMPONENTS – a. ONE-TIME or b. FINANCING OPTION

1. Infrastructure to the Lot
 - a. Approximately ~ \$3,700, or
 - b. 4 annual principal and interest payments
 - i. Due April 1, 2019 - ~ \$1,300
 - ii. Due Jan. 31, of 2020, 2021 and 2022 - ~ \$1,000 each year
2. Connection fee to the House
 - a. Based on footage from the street to the home is ~ \$4.50 per foot.
3. Monthly Service fee - \$79.95 (home only not applicable to lots)

EXAMPLES BASED ON STATUS ON IMPROVEMENT ON LOT

Lot-only, for each platted lot owned:

1. Infrastructure (Installation) - ~ \$3,700
2. No other cost until a home is built on the lot.

Lot with a home on it:

1. Infrastructure (Installation) - ~\$3,700
2. Connection fee to the House – Based on footage to the home at ~ \$4.50 per foot.
3. Monthly Service fee (Telecommunications Service Charge) - \$79.95
4. Owner may opt out of the connection fee (~\$4.50 / ft) if they want to retain their current internet provider, however, homeowner is responsible to pay the Monthly fee. This is in response to a question a homeowner asked.

FOR Other Possible Situations

1. Owner has 2 lots, one with Home built on it, one empty –
 - a. Infrastructure (Installation) fee for 2 lots - ~\$ 3,700 X 2 = \$7,400
 - b. Connection fee to the Home – Based on footage to the home at ~ \$4.50 per foot.
 - c. Monthly Service (Telecommunications Service Charge) fee to the Home - \$79.95.
 - d. No other Monthly Service fee on lot without home.
2. Other situations – please contact Michael Fruge (mwfruge59@gmail.com.)



Clarus

BUILDING STRONGER COMMUNITIES ONE CONNECTION AT A TIME.



Clarus

FIBER CONSTRUCTION AND NETWORK MANAGEMENT

PRESENTED FOR
BARTON CREEK
LAKESIDE

www.clarusbroadband.com

13359 N HWY 183, #406 PMB 306
AUSTIN, TX 78750

PREPARED BY

**CLARUS
BROADBAND**



Locally Owned and Operated

Clarus is a locally owned and operated company in Austin founded in 2004. Clarus is filled with Hill Country locals so we know what your needs are, because they are our needs too!

Leaders in the Industry

We are widely acknowledged as a one of the leading providers of managed internet services in student housing. We have been building and supporting standards-based, white-labeled service organizations for nearly two decades.

Suited for your Community

Over the years, we have improved and extended our knowledgebase to deliver the most reliable, high performance service platform available for student housing, hospitals and K-12 environments. We are uniquely suited to provide long-term, solution-oriented service frameworks for master planned communities.

**GET
CONNECTED.
STAY
CONNECTED.**



Residential Services

(for Barton Creek Lakeside Homeowners)

This is a turn-key service designed to help the POA understand, design, deploy gigabyte Internet services and then develop and manage a robust broadband utility. This is an asset management service. Basic service components include:

Consulting: Data gathering and preliminary relationship building, typically required to understand the POA's specific needs and the underlying business plan for broadband revenue harvesting.

Infrastructure Design & Deployment: Using data collected during the consulting phase of services, Clarus will design and deploy the telecommunication infrastructure required to meet existing and future needs.

Asset Management: Once the core infrastructure has been deployed, Clarus will begin turning up residential services. Our primary objective is the deployment and management of the broadband asset to provide essential internet service to BCL residents.

Clarus Asset Management

Homeowner Expectations: Create an environment to facilitate the real-time exchange of information between Clarus and residents in support of sustained broadband performance.

Asset Management: Clarus asset management services utilize customer feedback obtained through social networking to maintain a 60-month operational horizon.

Local Investment and Ownership: Finally, the investment and maintenance of a fiber-based broadband amenity is expensive and nontrivial. Clarus asset management services are predicated on the idea that ownership of the fiber infrastructure remains with the POA. During the term of the Managed Service Agreement, Clarus will manage the asset to facilitate optimal operation and financial performance.



Clarus Asset Management cont.

Bottom Line: A robust, futureproof broadband utility is mission critical to improving and protect the property value and quality of life for BCL homeowners. Clarus Asset Management Services are designed to establish and maintain the underlying fiber infrastructure.

Service Overview

BCL Residential Bandwidth Tier: up to 1 Gbps X 1 Gbps

Clarus Management and Support of Network

Toll Free Customer Support for residents

Term - 5 years

Gigabyte Bandwidth

What is 1 Gig and how does it compare to what I have now?

One gigabit per second (Gbps) is 1000 megabits per second (Mbps). Currently in Barton Creek Lakeside, the majority of residents are receiving anywhere from 3-50 Mbps. A gig speed is light years beyond what is currently available at BCL.

What can I do with 1 Gig?

There's nothing you can't do with 1 Gig! Everyone in your house can stream movies, play music or games online, all at the same time with virtually no lag time. You can do all of this and more with 1 Gig.



Community Partnership

Clarus is committed to becoming an active member within the Barton Creek Lakeside Community. We stay engaged with our customers to receive real-time feedback. Such engagements include:

Community social events provided by Clarus

Dedicated web page to gather feedback from residents directly to improve our services

Quarterly Business Reviews for health status of network

Dedicated Account Representative

The Benefits

Improved Home Valuation

Researchers at the University of Colorado and Carnegie Mellon University studied about half a million home sales from 2011 to 2013. They investigated the relationship between broadband connections, such as fiber, and house prices. They found that access to fiber internet added 3.1% to the value of a home. The median home value used in the study was \$175,000. The 3.1% increase would be an additional \$5,437 to the median value. That is equal to adding a full fireplace or a half bathroom.

A more recent study was conducted by the Fiber To The Home (FTTH) Council. They found that there was a higher per capita GDP in communities where gigabit internet was available. They also found that homes sold for 7% more if they had access to 1 gigabit broadband.

Fiber internet doesn't just benefit your home, it's great for communities too. Areas that have access to fiber are more attractive to businesses, especially tech companies where high-speed internet is a must. More businesses = more jobs, which leads to a better economy. A community like this will be attractive to house hunters.

"The evidence is mounting: investment in fiber improves the economic performance of a community as well as its quality of life," said FTTH Council President and CEO Heather Burnett Gold. "Around the United States, leaders at the local level have started to think about how their community's Internet infrastructure is a catalyst for economic, educational, and governmental innovation."

Virtual Healthcare

Travel to distant specialists is not necessary when Telehealth is used. That means patients can save the cost of travel, the expense of staying in the 'big city,' if the distance is such that an overnight stay is necessary.

Hospitalized patients whose care is supervised by a specialist via Telehealth have the advantage of staying in their home community where family and friends can easily visit. Studies have shown that recovery is faster when patients are close to home.

Patients can receive care rather than foregoing treatment to save time and money.



Telecommuting

- Improving productivity
- Better for your health and the environment
- Keeping older generations in the workforce
- Decreasing costs
- Reducing employee turnover
- Telecommuting provides a better future for work

With a quarter of all employed Americans working from home, telecommuting has moved beyond being just another Millennial trend. It's become a way of life, disrupting the traditional workplace as we know it with employees who are happier and more productive.



Construction of the Network

Construction Inside the Neighborhood

Construction can be disruptive-

While construction is necessary part of building a fiber network, Clarus tries to minimize disruption for the residents.

When micro- trenching will be completed on the neighborhood roads, Clarus will alert the POA to make sure everyone is aware of our presence to minimize the inconvenience.

Construction of the Fiber Network

Construction starts with the backhaul which is the fiber connecting the neighborhood to the lit fiber. This starts at the substation at Paleface Rd. to the beginning of BCL neighborhood.

The backhaul fiber will be strung aerially through use of existing and new utility poles.

The backhaul fiber will end at the OLT (outdoor cabinet) located at the secondary entrance of Barton Creek Lakeside.

Inside the neighborhood, construction crews will install fiber through micro trenching which will take about one month. Micro trenching is a unique, non-invasive installation method that securely rests the fiber in between the neighborhood road and curb. This type of fiber installation is very neat and precise and has no negative impact on the roads or curbs.

The fiber will go through the entire neighborhood and end at pre-determined road-side access points (MSTs) to service multiple homes.

From there the fiber will be directly buried from road-side access point to a Network Interface Device (NID) located on the outside of the house similar to a utility box.

From there, the resident will call to schedule a time that a technician can come out to install an ONT (optical network terminator) inside the home with built in wireless connectivity to connect their home to the network.





Clarus

Construction of the Fiber Network cont.





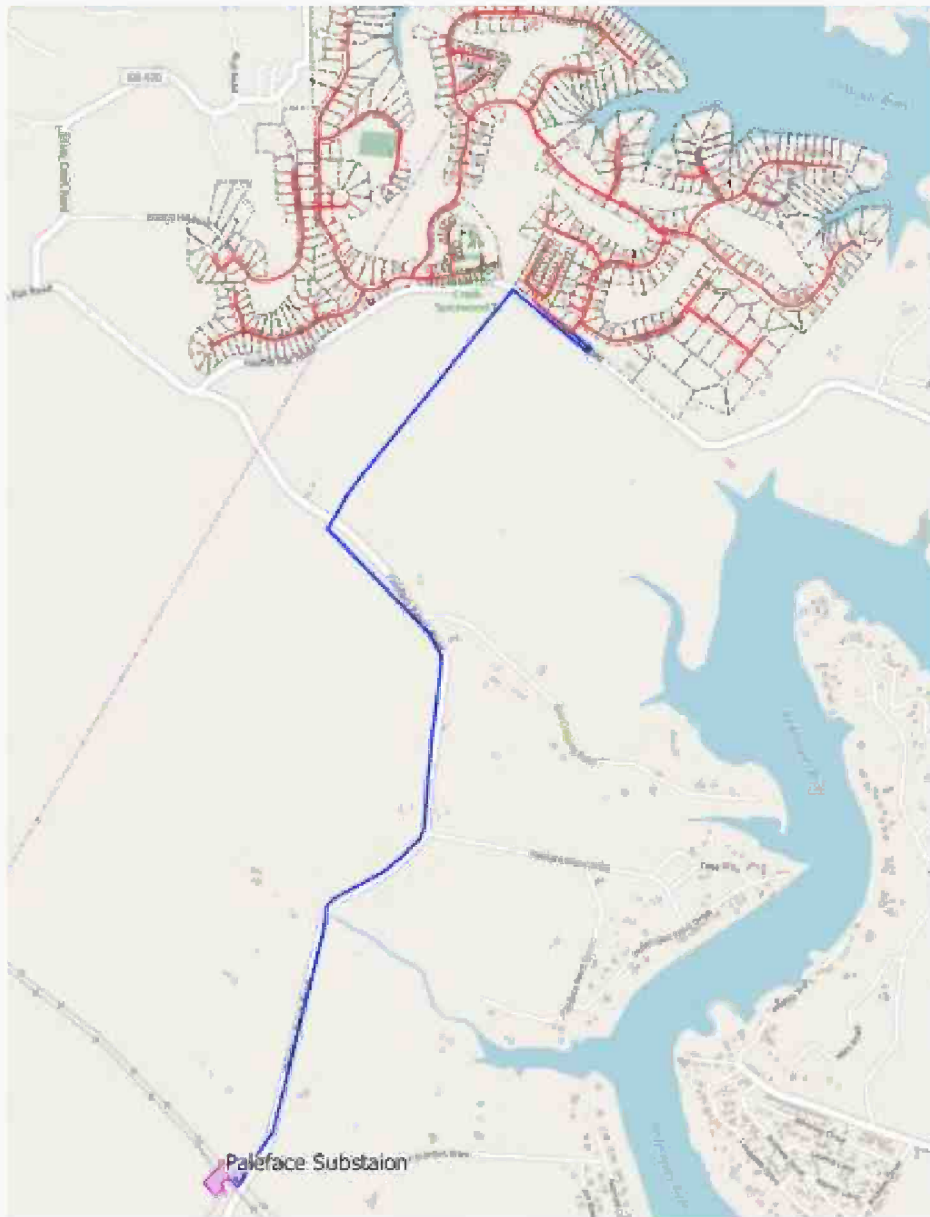
Clarus

Construction of the Fiber Network cont.



Fiber Map of Backhaul from Paleface Substation to OLT Cabinet

 Fiber path around neighborhood  Backhaul fiber path





Step One: We install fiber on the outside of your home

After construction is completed of the fiber ring around the neighborhood, Clarus certified installers will bring fiber cables from the curb to the outside of each home near other utility boxes. A NIU (network interface unit; shown; right) will be installed on the side of your home. We do not make appointments for this part of the installation.

When we arrive at your home, we will let you know we are working on your property. If you are not at home, we will still install the fiber drop.



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STAY
CONNECTED.



Step two: We contact you to schedule an in-home installation

Homes in the neighborhood will be installed in phases. When your home is ready to be scheduled, an email will be sent by your POA letting you know it is time to schedule an appointment.

After receiving this email, you may call to schedule your in-home installation. This is also the time to purchase any optional wireless packages so a technician can install all necessary equipment in your home to get to provide optimal connectivity.

You might have a fiber drop and NIU quite a while before we contact you to schedule your in-home installation. No need to worry. We will let you know as soon as we are ready to do the inside installation.

Step three: Installation inside your home

Your Installation Specialist will give you a call about 30 minutes prior to your appointment start time. The Installation Specialist will install a fiber jack inside your home that connects to our fiber lines from outside of your home. Then the Installation Specialist will install any other devices that come with your Clarus service plan, show you how to use them, and make sure everything is working smoothly.

As soon as your in-home installation is complete, you can start enjoying your amazing internet access!



**GET
CONNECTED.
STAY
CONNECTED.**



Clarus Broadband Customer Service

Clarus is here to help you. We offer phone support from 8am to 8pm Monday thru Friday. When you call into Clarus, you'll hear a live person on the other end, ready to help you. If your issue requires an on-site technician, we will handle that too!

Clarus will also provide a on-site support technician during the first 30 days following the installation of the network to help out with any in-home network questions.



**GET
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STAY
CONNECTED.**

Installing in the Home

Optional Wireless Packages for Residents

Clarus will install an ONT in your house that will provide you with a wired connection to the network. To connect wirelessly, you can use your current router; however, if you would like to upgrade your wireless or have wireless provided and installed through Clarus, we offer a wireless package outlined below:

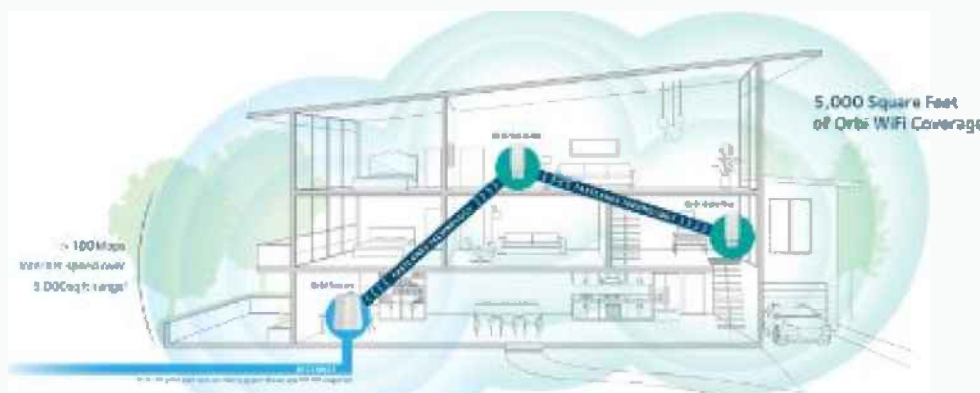
clearWIFI Package-

To enhance wireless- \$408 made to support 0-4,000 sq. ft homes (includes installation)

-Additional satellites can be added for every 1500 sq. ft. for \$178/each



clearWIFI Package: Example of Wireless Equipment Layout





THANK YOU!

WE LOOK FORWARD TO WORKING WITH YOU.



BUILDING STRONGER COMMUNITIES ONE CONNECTION AT A TIME.

A Message From Your Community

Many of you have raised the issues of slow speed and poor reliability for internet service in BCL. You face challenges when attempting to stream video from your cable provider or other services like Netflix. Downloading and uploading files and photos in a reasonable amount of time can be a challenge. Often the number of devices using your internet service result in even slower speeds, especially when you have guests and family visiting, and can even impact the bandwidth available for others using your same service provider.

Few, if any of us, enjoy the higher end speeds and many of us exceed the data caps associated with our current providers. Based on growing demand for internet services it's clear that the existing structure (DSL which was developed in the early 90's) is very far behind today's technology, is struggling to support our current our needs, and will only deteriorate as our community population grows and demand for speed and bandwidth increases.

For some time, the Board of Directors (BOD) has been looking into ways to improve the internet speed and access for property owners in our POA now, as well as to address our exploding requirements for more bandwidth, and to keep our community and property values viable and competitive for the future. At our January 17 meeting, board members voted in favor of recommending to the community that BCL proceed with the project, subject to a vote of our home and lot owners as per Barton Creek Lakeside Covenants.

This communication provides background on our growing needs, outlines the research we've done to meet them, discusses some benefits we'll enjoy with significantly improved access, and presents an overview of the project we are presenting to the community on February 9th, 2019. During this meeting, you'll be able to hear from the BOD and from our proposed provider to learn more about this project and have your questions answered before we bring this to the POA for a vote.

Our Growing Needs

Today people are demanding increasing bandwidth (speed) from their internet providers to be able to use the growing number of “things” that connect to the internet. The Internet is an increasingly essential part of our everyday lives. It used to be who can connect, now it is what can connect, and that number is growing increasingly large. How many of us have and use smart phones, tablets, computers, cable TV on-demand programming, streaming services like Netflix and Amazon Prime, smart TVs with apps and gaming, and smart home features like Ring doorbells, doors and lights that can be managed remotely with your phone or devices like Alexa? Each and every device takes up bandwidth on your network as well as your services provider’s and slows your speed of access.

Today, developers of communities like BCL consider high speed internet running on an optical fiber infrastructure essential to the project. High speed internet is now considered a utility just like electricity or water and is as common place in new communities as roads. Americans will average 50 internet-connected devices in their homes over the next five years or so, all running on broadband networks that have to handle the traffic. “Get high speed right or get punished in the marketplace. I wouldn’t say buyers ask for it, they expect it! If it’s not there, they won’t live there,” said Greg McDonald, director of telecom support for Greystar. And several of our neighbors have experienced this personally when deals on homes and lots were canceled once prospective buyers learned that BCL did not have high speed internet.

The BOD’s Research

Members of the BOD contacted several major internet suppliers, such as ATT, Verizon and Spectrum. None were interested in providing genuine, reliable high-speed internet service to BCL because of our “remote” location and relatively small number of customers. However, the BOD was able to locate a few companies which were interested in servicing BCL. As these companies were vetted one stood out, Clarus-SW.

Clarus is a highly respected fiber optic provider with extensive experience providing high speed internet access and service to high demand users in colleges and universities.

The BOD formed a team to research a potential relationship with Clarus that would provide our community true high speed and reliable internet service. The team has met with Clarus several times to understand the specifics about bringing high speed internet to BCL in a consumer-oriented and cost-effective way. The POA has retained the services of a Telecommunication attorney who has expertise in this field, to make sure the neighborhood is properly represented.

The team also researched the possibility of establishing a 5G network. What they learned was that 5G networks are more suitable to high population areas. A 5G network actually runs on fiber and has a limited range. Because of that, a 5G network requires large numbers of “cells” to be connected to the fiber network—one reason 5G is suitable in large cities with devices ranging from street lights, security cameras, parking meters and trash cans to provide the connectivity to install the cells. Another issue with the 5G network is that its signals cannot penetrate exterior walls, making fiber to the home even more important as the number of internet-connected devices in the average home increases.

How a Fiber Network Benefits Us

With a fiber optic infrastructure, home and lot of owners in the BCL POA will enjoy genuine and reliable high speed internet services. We'll:

- Have high speeds of 1 Gigabyte service. That's 1000 Mb and is nearly 1000 times faster than what many of us have today.
- Connect many devices in our home without each connection slowing us down.
- Stream HD movies or other video without any buffering or outages.
- Be able to successfully use Voice Over Internet Protocol (VoIP) phone service delivered through our internet connection instead of using our local phone company for local and long-distance calls at a fraction of the cost of a traditional phone line.
- Access, download and upload large files, images, audio and video files, virtually instantly.
- Operate our security systems and smart home features easily.
- Have the option to eliminate cable service and rely on less costly streaming services like Hulu.
- Use services like Skype and Facetime without the video freezing during our calls.
- Participate in online seminars training from educators anywhere in the world.
- Avoid the frustration of delays in accessing information and the dreaded buffering of video and audio downloads.
- Eliminate the comments on the slowness of our internet from our guests and family members from more "urban" areas.
- Be able to take advantage of the rapidly growing area of Telemedicine, eliminating long waits or trips to doctors for relatively minor issues.

Project Details

The BOD has received a proposal from Clarus for installation of fiber to every lot in the BCL POA. The proposal includes:

- Micro-trenching along the curbs to install the fiber backbone and repair of curbs.
- Connections to existing homes.
- Provision of high-speed internet (bandwidth) up to 1 Gbps. Contract duration for 5 years, with a fixed monthly price*.
- Maintenance of the fiber network and bandwidth.
- 30 days support to homeowners after initial installation.
- Trenching each property to bring fiber to existing POA homes and repair of property.
- Providing a high-speed modem (ONT) and connection to the fiber network for each home.
- Beginning work immediately upon approval, with completion of the project targeted for Q3 2019.

Trenching will begin as soon as possible once there is an approval by the members of the POA. Because of the increasing demand for fiber, there is a very high demand for trenching companies, so the costs of trenching are increasing almost monthly.