DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS TWIN PEAKS RANCHES

STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF KENDALL

This Declaration made on the date hereinafter set forth by SATTLER ROAD RANCH, a General Partnership composed of Gail G. Wilkes and Canavan Properties, Ltd., a Texas Limited Partnership acting through its General Partner, Canavan Holdings, LLC, hereinafter referred to as "Developer" and/or "Declarant".

WITNESSETH:

WHEREAS, Developer is the owner of that certain tract of Land located in Kendall County containing 547.561 acres more or less, a description of which is more fully set forth on attached Exhibit A, which Exhibit A is incorporated herein for all purposes, thereinafter referred to as "Property" or "Subdivision;" and,

WHEREAS, it is the desire of Developer to place certain restrictions, easements, covenants, conditions, stipulations and reservations (hereinafter "Restrictions") upon and against the Property in order to establish a uniform plan for its development, improvement and sale, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of the Property.

NOW, THEREFORE, Developer hereby adopts, establishes and imposes upon the Property, and declares the following reservations, easements, restrictions, covenants and conditions applicable thereto all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of said Property, which Restrictions shall run with said Property and title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof. Developer also declares that the Property shall be subject to the jurisdiction of the "Association" (as hereinafter defined).

ARTICLE I DEFINITIONS

- Section 1.01 "Association" shall mean and refer to the TWIN PEAKS RANCHES PROPERTY OWNERS ASSOCIATION, and its successors and assigns.
- Section 1.02 "Board of Directors" shall mean and refer to the Board of Directors of the Association.
- Section 1.03 "Builders" shall mean and refer to persons or entities that purchase tracts and build speculative or custom homes thereon for third party purchasers.
- Section 1.04<u>"Tract" or "Tract"</u> shall mean and refer to any plat of land identified as a parcel or home site on the Property.
 - Section 1.05 "Member" shall mean and refer to every person or entity that holds a membership in the Association.
 - Section 1.06 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any tract including (i) contract seller (a seller under a Contract for Deed), (ii) Developer and (iii) Builders. Those persons or entities having merely a security interest for the performance of an obligation shall not be considered an Owner.
 - Section 1.07 "Temporary Residence" shall mean and refer to a residence used for no more than a nine (9) month period.

ARTICLE II RESERVATIONS, EXCEPTION AND DEDICATIONS

Section 2.01 <u>Conveyances</u>. All Restrictions created herein shall be construed as being included in each contract, deed or conveyance executed or to be executed by or on behalf of Developer, whether specifically referred to therein or not.

Section 2.02 Easements. Developer reserves for public use a utility easement ten (10) feet in width along each Tract boundary line out of the Property, conveyed by Developer to a third party purchaser. The purpose of the easement shall be the construction, maintenance and repair of utilities including but not limited to electrical systems, telegraph and telephone lines, storm surface drainage, cable television, water lines, gas lines or any other utilities as Developer sees fit to install in, across and/or under the Property. Notwithstanding, this provision creates no obligation on the part of Developer to provide utilities. All utility easements in the subdivision may be used for the construction of drainage swales in order to provide for improved surface drainage of the Tracts. Should any utility company furnishing a service covered by a general easement herein provided request a specific easement within the general easement area by separate recordable document, Developer, without the joinder of any other Owner, shall have the right to grant such easement on said Property without conflicting with the terms hereof. Any utility company serving the Property shall have the right to enter upon any utility easement for the purpose of installation, repair and maintenance of their respective facilities. Neither Developer nor any utility Company, political subdivision or other authorized entity using the easements herein described shall be liable for any damages done by them or their assigns, agents, employees or servants to fences, shrubbery, trees and lawns or any other property of the Owner of the Tracts covered by the easements.

Section 2.03 <u>Title Subject to Easements</u>. It is expressly agreed and understood that the title conveyed by Developer to any of the Tracts by deed, contract for deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, electric lighting, electric power, telegraph or telephone purposes and other easements hereafter granted affecting the Tracts: The Owners of the respective Tracts shall not be deemed to own pipes, wires, conduits or other service lines running through their Tracts which are utilized for or service to other Tracts, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of his Tract.

Section 2.04 <u>Utility Easements</u>. No building shall be located over, under, upon or across any portion of any utility easement. The Owner of each Tract shall have the right to construct, keep and maintain concrete drives, fences, and similar improvements across any utility easement, and shall be entitled to cross such easements at all times for purposes of gaining access to and from such Tracts, provided, however, any concrete drive, fence or similar improvement placed upon such Utility Easement by the Owner shall be constructed, maintained and used at Owner's risk and, as such, the Owner of each Tract subject to said Utility Easements shall be responsible for (i) any and all repairs to the concrete drives, fences and similar improvements which cross or are located upon such Utility Easements and (ii) repairing any damage to said improvements caused by the Utility District or any public utility in the course of installing, operating, maintaining, repairing, or removing its facilities located within the Utility Easements.

ARTICLE III
USE RESTRICTIONS

AMENDED

Section 3.01 Single Family Residential Construction. Except as provided below, no building shall

be erected, altered, placed or permitted to remain on any Tract other than one dwelling unit per each Tract to be used for single family residential purposes. One guest/servants house may be built provided said guest/servants house contains no less than five hundred (500) square feet, no more that one-half the size of the main dwelling, is built after or while the main dwelling is being built and has prior approval of the Association. All main residences must have a garage. Guests/servants houses must be of the same general construction as the main dwelling and are subject to the roofing and masonry requirement of Sections 3.07 and 3.11 below. Detached garages and workshops may not be constructed on the Property prior to the main dwelling being built. Barns and/or storage buildings may be constructed on the property prior to the main dwelling being built provided they are approved in writing by the Association prior to being erected, altered or placed on the property. All structures must be approved in writing by the Association prior to being erected, altered or placed on the Property. The term "dwelling" does not include either double wide, industrialized or manufactured homes, or single wide mobile homes, or prefab houses regardless of whether the same are placed upon permanent foundation, and said homes are not permitted within the Subdivision. All dwellings must have at least two thousand (2000) square feet of living area for one story homes and two thousand five hundred (2500) square feet of living area for two story homes, with at least one thousand two hundred fifty (1250) square feet on the ground floor, excluding porches, and be built with new construction material. Any building, structure or improvements commenced on any tract shall be completed as to the exterior finish and appearance within nine (9) months from the commencement date. Detached garages shall be of the same general construction as the main dwelling and located on the tract according to the Association approved building site plan and shall be suitable for not less than two (2) automobiles. All garages must face the side or rear Tract line. No carports shall be allowed.

Notwithstanding anything contained in this Section 3.01, the dwelling currently existing in the subdivision located on the Tract identified as Tract 20 more fully described on Exhibit B shall be considered in compliance with these restrictions. If the owner of such dwelling desires to renovate, repaint or reconfigure the outside of the structure, such owner must get approval of the Association and such renovations, repainting and reconfiguration must comply with these restrictions, unless otherwise agreed to by the Association. Ordinary and typical repairs shall not be subject to the Association approval.

Section 3.02 <u>Composite Building Site</u>. Any Owner of one or more adjoining Tracts (or portions thereof) may, with the prior written approval of the Association, and with approval of the Kendall County Commissioner's Court, if required, consolidate such Tracts or portions into one building site, with the privilege of placing or constructing improvements on such resulting site, in which case the side setback lines shall be measured from the resulting side Property lines rather than from the Tract lines as indicated on the Plat. Combined Tracts shall nevertheless be considered as separate Tracts for assessment purposes, unless otherwise determined by the Association. Public utility and drainage easements are exempt from this provision.

Section 3.03 <u>Location of the Improvements upon the Tract.</u> No building of any kind shall be located on any tract nearer than one hundred feet (100') from any Property line, provided however, as to any tract, the Association may waive or alter any such setback line, if the Association in the exercise of the Association's sole discretion, such waiver, or alteration is necessary to permit effective utilization of a tract. Any such waiver or alteration must be in writing and recorded in the Official Public Records of Kendall County, Texas. All dwellings placed on Subject Property must be equipped with a Septic tank system that meet all applicable laws, rules, standards and specifications, and all such dwellings must be served with water and electricity.

Section 3.04 <u>Use of Temporary Structures</u>. No structure of a temporary character, whether trailer, motor home, basement, shack, garage, barn or other outbuilding shall be maintained or used on any Tract at any time as a residence, either temporarily or permanently, except as provided below. No Tract shall be used as a camping ground. A property owner may use an RV camper or motor home as

for camping purposes no more than seven (7) days out of a thirty (30) day period (i.e. no more than seven (7) consecutive days) and may use an RV camper or motor home as a temporary residence during construction, provided an approved septic system has been installed and the RV camper or motor home is placed behind the construction site and out of sight of any road. After the dwelling is complete an RV camper or motor home may be stored on the tract provided it is stored in compliance with Section 3.17 of these restrictions. The Declarant or the Association shall have the right to have any RV or motor home found to be in violation of these restrictions removed and stored at the expense of the owner; and, for these purposes Declarant and/or the representative of the Association is granted express written consent to remove the same without penalty or offense.

Guests quarters located inside of a Barn which is constructed on the property shall be allowed so long as the guest quarters are not used as a permanent residence and are not rented for income. Such guest quarters may be used as the Tract owner's temporary residence during the construction of the residence or as a "weekend getaway" for such Tract owner prior to the construction of the residence provided the guest quarters have an approved septic system, electricity and water.

The Developer reserves the exclusive right to erect, place and maintain a mobile home, camper or motor home in or upon any portion of the Subdivision as in its sole discretion may be necessary or convenient while selling Tracts, selling or constructing residences and constructing other improvements within the Subdivision. The Developer is not restricted by any of the above time constraints in this provision.

Section 3.05 Repair of Buildings. All improvements upon any of the Property shall at all times be kept in good condition and repair and adequately painted or otherwise maintained by the Owner thereof.

Section 3.06 <u>Alteration or Removal of Improvements.</u> Any construction, other than normal maintenance, which alters the exterior appearance of any improvement, or the removal of any Improvement, shall be performed only with the prior written approval of the Association.

Section 3.07 <u>Roofing Materials</u>. The roof surface of all principal and secondary dwellings and garages shall be of slate, stone, concrete tile, clay tile, or other tile of a ceramic nature, composition shingles with a twenty-five (25) year or more warranty; or they may be metal, left natural or painted a color approved by the Association. The Association shall have the authority and sole discretion to approve other roof treatments and materials if the form utilized will be harmonious with the surrounding homes and Subdivision as a whole. Roofs on all other structures must be approved by the Association.

Section 3.08 <u>Construction in Place</u>. All improvements must be constructed using new materials and shall be built in place on the applicable Tract.

Section 3.09 Color. All exterior color schemes on any structure must be approved by the Association prior to use.

Section 3.10 <u>Model Homes</u>. Notwithstanding anything herein contained, Builders shall be allowed to construct model homes as long as such model homes conform to these restrictions.

Section 3.11 <u>Masonry</u>. Each exterior wall of the main residence constructed on any Tract shall be no less than seventy-five percent (75%) masonry or masonry veneer, inclusive of door, window and similar openings. Masonry and Masonry veneer includes stucco, ceramic tile, clay, brick, rock and all other materials commonly referred to in the Kendall County, Texas area as masonry. Notwithstanding this provision, houses constructed with logs and ranch or farm style houses constructed using hardiplank may be allowed with the prior written approval of the Association, which approval shall be at the Association's sole discretion.

Section 3.12 Walls, Fences, and Mail Boxes. Walls and fences, if any, must be approved prior to construction by the Association, must be constructed of new material, and, unless otherwise permitted by the Association, must be constructed of wood, metal, pipe, barbed wire, or ranch fencing with t-posts. Chain link fencing shall not be permitted; except for use as a dog run and only if such fencing is not visible from any street, adjacent property or common area. All wooden fences must be painted or stained and the color of such paint or stain must be approved by the Association. All individual mail boxes (if approved by the postal department) must be of masonry construction and approved by the Association.

The property, at the time of imposing these Restrictions, is under the 1-D-1 agricultural exemption for ad valorum tax valuation. It is the intention of the Developer for itself and, subsequently, for the Association, to maintain this valuation by causing all or part of such lots to be leased for agriculture purposes as allowed by Statute, on all lots, save building sites thereon, for the benefit of the Lot Owners in general, for as long as it is practical. Notwithstanding, however, any Lot Owner may determine that they shall not be a part of this program of allowing for the Agricultural Exemption, by building a fence around his property, in accordance with this Section 3.12 and by terminating the grazing lease by and between Developer and the Twin Peaks Ranches Property Owners Association in accordance with the terms of such lease. In the event that an owner shall opt out of this program, the Architectural Control Committee may require that the owner not to fence a thirty (30) foot strip of land across either the back or side of his property for cattle to pass to adjoining tracts whose lot owners are participating in the program. The ACC shall have the authority to prevent fences from being built or it may require gates to be left open to allow for the free range of cattle through to the Lot owners who are participating in this program. The Architectural Control Committee hereby specifically reserves an easement of free and uninterrupted ingress, egress and regress over, through, and across all Lots for the purpose of allowing the free range of animals in order to qualify the property under the Agriculture exemption.

Any Lot Owner participating in the Agricultural Exemption Program, whose lot contains an existing perimeter fence, must maintain such fence. Any Lot owner not participating in the Agricultural Exemption Program whose lot contains an existing perimeter fence, must maintain such fence until that Lot owner has erected such other fencing so as to turn livestock from his property.

Section 3.13 <u>Driveways.</u> Within the first three hundred (300) feet of the lot, which three hundred AMENDED feet begins at the front lot line, all driveways shall be constructed of asphalt, exposed aggregated finished concrete, concrete, chip and seal or brick pavers materials unless otherwise approved in writing by the Association. The Driveway shall begin where the paved portion of the road ends. All driveways must be shown on the plans submitted to the Association, completed no later than thirty (30) days after the completion of the main dwelling and approved prior to any construction commencing.

Section 3.14 Antennas, Towers, and Satellite Dishes. Antennas, towers, or satellite dishes of any kind shall not exceed ten feet above the roof of the Dwelling or Accessory Building whichever is higher. Any antennae, tower or satellite dish must be located to the side or rear of the Dwelling or Accessory Building and not within one hundred feet (100') of any side Property line or one hundred feet (100') of any rear Property line. Nothing herein shall be construed to conflict with the latest rules and regulations set forth by the Federal Communications Commission.

Section 3.15 Prohibition of Activities. No Activity, whether for profit or not, shall be conducted on any Tract which is not related to single family residential purposes, unless said activity meets the following criteria: (a) no additional exterior sign of activity is present, (b) no additional traffic, that would not be there normally, is created, and (c) nothing dangerous is present that should not be there. Nothing herein shall restrict "home offices" so long as the conditions of "a," "b" and "c" above are met. This restriction is waived in regard to the customary sales activities required to sell homes in

the Subdivision. No activity which constitutes a nuisance or annoyance shall occur on any Tract. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance. Hunting, during hunting season and only with Bows, Crossbows, and shotguns shall be allowed, if in accordance with state law and county regulations. Hunting, during hunting season with rifles shall be allowed for all Lot Owners that own more than forty contiguous acres. All other weapons and firearms are expressly prohibited.

Section 3.16 <u>Garbage and Trash Disposal.</u> Garbage and trash or other refuse accumulated in this Subdivision shall not be permitted to be dumped at any place upon adjoining land where a nuisance to any residence of this Subdivision is or may be created. No Tract shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be allowed to accumulate, shall be kept in sanitary containers and shall be disposed of regularly. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

Section 3.17 <u>Junked Motor Vehicles Prohibited.</u> No tract shall be used as a depository for abandoned or junked motor vehicles. No junk of any kind or character shall be kept on any Tract.

Section 3.18 <u>Trailers, RVs, Boats.</u> All trailers, travel trailers, graders, recreational vehicles (RVs), trucks (other than pickups of a size one (1) ton or less), boats, tractors, campers, wagons, buses, motorcycles, motor scooters and lawn or garden maintenance equipment shall be kept at all times, except when in actual use, in enclosed structures or screened from view from common areas, public or private thoroughfares and adjacent properties.

Section 3.19 Signs. No signs, advertising, billboards or advertising structure of any kind may be erected or maintained on any Tract without the consent in writing of the Association. In addition to other signs which may be allowed by the Association, the Association shall allow one (1) professionally made sign not more than twenty-four inches (24") by thirty inches (30") advertising Owner's Tract for sale or rent, and one (1) professionally made sign, not more than twelve inches (12") by twenty-four inches (24") identifying the Tract owner's name or names. Model Home builders shall be allowed to place one professionally made signs, no larger than four feet by four feet (4' x 4') which is pre-approved by the Association on the Tract on which the house is being built. The term "professionally made sign does not include the plastic or metal pre-made "for sale" or "for rent" signs. No sign shall be nailed to a tree. Declarant or any member of such Association hereby reserves an easement across the property for the purpose of removing and shall have the right to remove any such sign, advertisement or billboard or structure which is placed on any Tract in violation of these restrictions, and in doing so, shall not be liable, and are hereby expressly relieved from, any liability for trespass or other tort in connection therewith, or arising from such removal.

Section 3.20 <u>Animal Husbandry</u>, Except for Alpacas, domestic livestock and exotic animals shall be allowed on any Tract so long as such animals do not exceed one (1) animal per every 2 acres and do not become a nuisance or threat to other Owners. Alpacas shall be allowed on any Tract so long as the number of Alpacas on the tract do not exceed one (1) Alpaca per every one (1) acre. The Directors of the Association have the sole discretion in determining if any animal is a nuisance or threat. Pigs and hogs are not allowed on any Tract unless such pig or hog is being raised for 4-H or school sponsored programs. No more than four (4) pigs and hogs are allowed on any one tract. Chickens, turkeys and other birds shall be allowed so long as such birds are kept in a coup and do not exceed 20 birds per Tract. All animals being raised by individual tract owners must be kept in a fenced area on the owner's Tract. No overgrazing is permitted on any portion of the Tract. Dogs cats, or other common household pets may be kept on a Tract. Dogs must be kept in a kennel, dog run, or fenced in area that confines said dog(s) to that area. Dogs will not be permitted to run loose on the Property and must be vaccinated for rabies according to State law once a year and registered with Kendall County once a year. No feedlots or commercial kennels for any type of animal shall be permitted.

Section 3.21 <u>Mineral Development</u>. No commercial oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Tract. No derrick or other structures designed for the use of boring for oil or natural gas shall be erected, maintained or permitted upon any Tract.

Section 3.22 <u>Drainage</u>. Natural established drainage patterns of streets, tracts or roadway ditches will not be impaired by any person or persons. Driveway culverts must be installed and shall be of sufficient size to afford proper drainage of ditches without backing water up into ditch or diverting flow. Drainage culvert installation is subject to the inspection and approval of the Association and to County requirements.

Section 3.23 <u>Re-subdivision</u>. No Tract shall be re-subdivided or split below twenty (20) acres unless such Tract is being combined with an adjoining landowner's Tract and the resulting Tracts are all larger than 20 acres. Notwithstanding, Developer reserves the right to re-subdivide any Tract owned by Developer into smaller Tracts, so long as such resulting Tracts are no less than ten (10) acres in size.

ARTICLE IV TWIN PEAKS RANCHES PROPERTY OWNERS ASSOCIATION

Section 4.01 <u>Membership</u>. Every person or entity who is a record owner of any Tract which is subject to the Maintenance charge and other assessments provided herein, and Declarant shall be a "Member" of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation or those having only an interest in the mineral estate. No owner shall have more than one membership for each Tract owned by such Member. Memberships shall be appurtenant to and may not be separated from the ownership of the Tracts, regardless of the number of persons who may own a Tract (such as husband and wife, or joint tenants, etc.) there shall be but one membership for each Tract. Ownership of the Tracts shall be the sole qualification for membership.

Section 4.02 <u>Voting Rights.</u> The Association shall have one class of voting membership. Each Tract shall have only one vote regardless of the number of owners of the Tract.

Section 4.03 Non-Profit Corporation. Twin Peaks Ranches Property Owners Association, a non-profit corporation, has been (or will be) organized and it shall be governed by the Articles of Incorporation and Bylaws of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

Section 4.04 <u>Bylaws</u>. The Association has adopted or may adopt whatever Bylaws it may choose to govern the organization or operation of the Subdivision and the use and enjoyment of the Tracts, provided that the same are not in conflict with the terms and provisions hereof.

ARTICLE V

ARCHITECTURAL CONTROL BY THE TWIN PEAKS RANCHES PROPERTY OWNERS ASSOCIATION

Section 5.01 Basic Control.

(a) No building or other improvements of any character shall be erected or placed, or the erection or placing thereof commenced or changes made in the design or exterior appearance thereof or any addition or exterior alteration made thereto by construction, or demolition or destruction by voluntary action made thereto after originally constructed, on any tract in the Subdivision until the obtaining of the necessary approval (as hereinafter provided) from the Association of the construction plans and specification for the construction or alteration of such improvements or demolition or destruction of existing improvements by voluntary action. Approval shall be granted or withheld based on matters of compliance with the provisions of this instrument.

(b) Each application made to the Association, or to the Developer, shall be accompanied by two sets of plans and specifications for all proposed construction (initial or alteration) to be done on such Tract including Tract plans showing location on the tract

Section 5.02 Association.

- (a) The authority to grant or withhold architectural control approval as referred to above is initially vested in the Developer; provided, however, the authority of the Developer shall cease and terminate upon the appointment of the Directors of the Association, in which event such authority shall be vested in and exercised by the Association (as provided in (b) below), hereinafter referred to, except as to plans and specifications and Tract plans theretofore submitted to the Developer which shall continue to exercise such authority over all such plans, specifications and Tract plans. Notwithstanding, after the Control Transfer Date, both the Developer and the Association shall have the right to grant a variance from the building set-back line restrictions. Either party may grant this variance as it determines in its sole discretion is needed, without the consent of the other. The term "Association", as used in this Declaration, shall mean or refer to the Developer or to the Twin Peaks Ranches Association, as applicable.
- (b) On or after such time as Developer has conveyed 492,00 acres (from time to time hereafter referred to as the "Control Transfer Date") the Developer shall cause an instrument transferring control to the Association to be placed of Record in the Official Public Records of Kendall County, Texas (the effective Control Transfer Date shall be the date of its recording). Thereupon, the Developer shall appoint a board of three (3) people to be known as the Twin Peaks Ranches Property Owners Association who shall serve as set out in the Bylaws. Additionally, the Developer shall have the right to discontinue the exercise of the Architectural Control privileges and arrange for the transfer to the Association at any time prior to the Control Transfer Date by filing a statement and instrument to such effect in the Official Public Records of Kendall County, Texas.

Section 5.03 Effect of Inaction. Approval or disapproval as to architectural control matters as set forth in the preceding provisions of this Declaration shall be in writing. In the event that the authority exercising the prerogative of approval or disapproval (whether the Developer or the Association) fails to approve or disapprove in writing any plans and specifications and Tract plans received by it in compliance with the preceding provisions within thirty (30) days following such submissions, such plans and specifications and Tract plan shall be deemed approved and the construction of any such building and other improvements may be commenced and proceeded with in compliance with all such plans and specifications and Tract plan and all of the other terms and provisions hereof.

Section 5.04 <u>Effect of Approval</u>. The granting of the aforesaid approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the Association that the terms and provisions hereof shall be complied with if the building and/or other improvements are erected in accordance with said plans and specifications and Tract plan; and such approval shall not constitute

any nature of waiver or estoppel either as to the persons expressing such approval or any other person in the event that such building and/or improvements are not constructed in accordance with such plans and specifications and Tract plan, but, nevertheless, fail to comply with the provisions hereof. Further, no person exercising any prerogative of approval of disapproval shall incur any liability by reasons of the good faith exercise thereof.

Section 5.05 <u>Variance</u>. The Association may, on a case by case basis, authorize variances from compliance with any of the provisions of either (i) the Restrictions or (ii) minimum acceptable construction standards or regulations as promulgated from time to time by the Developer or the Association. Notwithstanding, after the Control Transfer Date, both the Developer and the Association shall have the right to grant a variance from the Building set-back line restrictions. Either party may grant this variance as it determines, in its sole discretion is needed, without the consent of the other. Such variances must be evidenced in writing and shall become effective when signed by the Developer or by at least a majority of the members of the Association. If any such variances are granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of these Restrictions for any purpose except as to the particular Tract and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the Tract concerned.

ARTICLE VI MAINTENANCE FUND

Section 6.01 <u>Maintenance Fund Obligation</u>. Each Owner of a tract by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agrees to pay to the Association a monthly maintenance charge (the "Maintenance Charge"), and any other assessments or charges hereby levied. The Maintenance Charge and any other assessments or charges hereby levied, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the Tracts and shall be a continuing lien upon the Tract against which each such Maintenance Charge and other charges and assessments are made.

Notwithstanding, the Developer shall not be required to pay a Maintenance Charge to the Association on the Tracts owned by the Developer.

Section 6.02 Basis of the Maintenance Charge.

- (a) The Maintenance Charge referred to shall be used to create a fund to be known as the "Maintenance Fund", which shall be used as herein provided; and each such Maintenance Charge (except as otherwise hereinafter provided) shall be paid by the Owner of each Tract to the Association. The Maintenance Charge for the year of purchase shall be pro-rated at closing and then shall be paid annually.
- (b) Any Maintenance Charge not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) the rate of eighteen percent (18%) per annum or (ii) the maximum rate permitted by law. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the hereinafter described lien against the Owner's Tract.
- (c) The initial amount of the Maintenance Charge applicable to each Tract will be \$200.00 per Tract per year due in advance, payable on January 1 of each year. All other matters relating to the Maintenance Charge and the collection, expenditures and administration of the

Maintenance Fund shall be determined by the Developer or the Board of Directors of the Association, subject to the provisions hereof.

(d) The Association, from and after the Control Transfer Date, shall have the further right at any time, with a majority vote of all association members, to adjust, alter, increase or decrease said Maintenance Charge from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Association in order for the Association to carry out its duties hereunder.

Section 6.03 Creation of Lien and Personal Obligation. In order to secure the payment of the Maintenance Charge, and other charges and assessments hereby levied, each Owner of a Tract, by such party's acceptance of a deed thereto, hereby grants to the Association a contractual lien on such Tract which may be foreclosed on by non-judicial foreclosure, pursuant to the provisions of Section 51.002 of the Texas Property Code (and any successor statute); and each such owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with non-judicial foreclosure pursuant to the provisions of said Section 51.002 of the Texas Property Code and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the Association by means of written instrument executed by the President or any Vice-President of the Association and filed for record in the Official Public Records of Kendall County, Texas. In the event that the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 of the Texas Property Code and to exercise the power of sale hereby granted, the Association, or the Association's agent, shall give notice of foreclosure sale as provided by the Texas Property Code as then amended. Upon request by Association, the Trustee shall give any further notice of foreclosure sale as may be required by the Texas Property Code as then amended, and shall convey such Tract to the highest bidder for cash by Substitute Trustee's Deed. Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Association in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount in default; and third, the remaining balance shall be paid to such Owner. Following any such foreclosure, each occupant of any such Tract foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in action of forcible detainer and the issuance of a writ of restitution thereunder.

In the event of non-payment by any Owner of any Maintenance Charge or other charge or assessment levied hereunder, the Association may, in addition to foreclosing the lien hereby retained, and exercising the remedies provided herein, upon ten (10) days prior written notice thereof to such non-paying Owner, exercise all other rights and remedies available at law or in equity.

It is the intent of the provisions of this 6.03 to comply with the provisions of said Section 51.002 of the Texas Property Code relating to non-judicial sales by power of sale and, in the event of the amendment of said Section 51.002 of the Texas Property code hereafter, the President or any Vice-President of the Association, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration file in the Official Public Records of Kendall County, Texas, amend the provisions hereof so as to comply with said amendments to Section 51.002 of the Texas Property Code.

Notwithstanding anything contained this Article VI or Section 6.03, all notices and procedures shall comply with Chapter 209 of the Texas Property Code.

Section 6.04 Notice of Lien. In addition to the right of the Association to enforce the Maintenance Charge or other charge or assessment levied hereunder, the Association may file a claim or lien

against the Tract of the delinquent Owner by recording a notice ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest thereon, (c) the costs of collection which have accrued thereon, (d) the legal description and street address of the Tract against which the lien is claimed and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien shall continue until the amounts secured hereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been fully paid or satisfied, the Association shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.

Section 6.05 Liens Subordinate to Mortgages. The lien described in this Article VI shall be deemed subordinate to a first lien or other liens of any bank, insurance company, savings and loan association, university, pension and profit sharing trusts or plans, or any other third party lender, including Developer, which may have heretofore or may hereafter lend money in good faith for the purchase or improvement of any Tract or for a Home Equity loan and any renewal, extension, rearrangement or refinancing thereof. Each such mortgagee of a mortgage encumbering a Tract who obtains title to such Tract pursuant to the remedies provided in the deed of trust or mortgage or by judicial foreclosure shall take title to the Tract free and clear of any claims for unpaid Maintenance Charges or other charges of assessments against such Tract which accrued prior to the time such holder acquired title to such Tract. No such sale or transfer shall relieve such holder from liability for any Maintenance Charge or other charges or assessments thereafter becoming due or from the lien thereof. Any other sale or transfer of a Tract shall not affect the Association's lien for Maintenance Charges or other charges or assessments. The Association shall make a good faith effort to give each such mortgagee sixty (60) days advance written notice of the Association's proposed foreclosure of lien described in Section 6.01 hereof, which notice shall be sent the nearest office of such mortgagee by prepaid United States registered or Certified mail, return receipt requested, and shall contain a statement of delinquent Maintenance Charges or other charges or assessments upon which the proposed action is based provided, however, the Association's failure to give such notice shall not impair or invalidate any foreclosure conducted by the Association pursuant to the provisions of this Article VI.

Section 6.06 Purpose of the Maintenance Charges. The Maintenance Charge levied by the Developer or the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the Owners of the Development which hereafter may become subject to the jurisdiction of the Association. In particular, the Maintenance Charge shall be used for any improvement or services in furtherance of these purposes and the performance of the Association's duties described in Article VI, including the maintenance of any Drainage Easements, the maintenance of the entrance, the enforcement of these restrictions and the establishment and maintenance of a reserve fund. The Maintenance Fund may be expended by the Developer or the Association for any purposes which, in the judgment of the Developer or Association, will tend to maintain the Property values in the Development, including, but not limited to, providing funds for the actual cost to the Association of all taxes, insurance, repairs, and energy charges. Except for the Association's use of the Maintenance Charge to perform its duties described in this Declaration and in the Bylaws, the use of the Maintenance Charge for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Association as to the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

Section 6.07 <u>Handling of Maintenance Charges</u>. The collection and management of the Maintenance Charge or other charge or assessment levied hereunder, shall be performed by the Developer until the Control Transfer Date, at which time the Developer shall deliver to the Association all funds on hand together with all books and records of receipt and disbursements. The Developer and, upon transfer, the Association, shall maintain separate special accounts for these funds, and Owners shall be

provided at least annually information on the Maintenance Fund.

ARTICLE VII DEVELOPER'S RIGHTS AND RESERVATIONS

Section 7.01 Period of Developer's Rights and Reservations. Developer shall have, retain and reserve certain rights as set forth in this declaration with respect to the Association from the date hereof, until the earlier to occur of (i) the Control Transfer Date or (ii) Developer's written notice to the Association of Developer's termination of the rights described in Article VII hereof, less, save and except those rights set forth in Sections 7.02 and 7.03. The rights in Sections 7.02 and 7.03 shall be released at such time as a document relinquishing said rights is filed of record or the developer no longer holds record title to any Tracts in the development. The rights and reservations hereinafter set forth shall be deemed excepted and reserved in each conveyance of a Tract by Developer to an Owner whether or not specifically stated therein and in each deed or other instrument by which any Property within the Control Area is conveyed by Developer. The rights, reservations and easements hereafter set forth shall be prior and superior to any other provisions of this Declaration and may not, without Developer's prior written consent, be modified, amended, rescinded or affected by any amendment of this Declaration. Developer's consent to any one such amendment shall not be construed as a consent to any other or subsequent amendment.

Section 7.02 <u>Developer's Rights to Grant and Create Easements.</u> Developer shall have and hereby reserves the right, without the consent of any other Owners or the Association, to grant or create temporary or permanent easements, for access, utilities, pipeline easement, cable television systems, communication and security systems, drainage, water and other purposes incidental to development, sale, operation and maintenance of the Subdivision, located in, on, under, over and across (i) the Tracts or other Property owned by Developer and (ii) existing utility easements. Developer also reserves the right, without the consent of any other Owner or the Association, to grant or create temporary or permanent easements for access over and across the streets and roads within the Property.

Section 7.03 <u>Developer's Rights to Convey Common Area to the Association</u>. Developer shall have and hereby reserves the right, but shall not be obligated to, convey Real Property and improvements thereon, if any, to the Association for use as a Common Area at any time and from time to time in accordance with this Declaration, without the consent of any other Owner or the Association. If such property is conveyed to the Association, the Association shall have the duty to maintain such property.

Section 7.04 Annexation of Additional Areas. Developer may cause additional real property to be annexed into the Twin Peaks Ranches Subdivision, by causing a written Annexation Declaration confirming the annexation thereof, to be recorded in the Official Public Records of Kendall County, Texas. No consent shall be required of the Association or any member thereof, each Owner being deemed to have appointed Developer as his agent and attorney-in-fact to effect this Annexation, which power hereby granted to Developer is and shall be a power coupled with an interest. Thereafter, the Association shall be the Association for the entirety of the Development, including the annexed property, the same as if the additional property was included in the first instance.

Section 7.05 <u>Withdrawal of Property.</u> The Developer reserves the right to amend these Restrictions for the purpose of removing any portion of the Property from the coverage of these Restrictions and to cancel these restrictions as to such Property. Such amendment shall not require the consent of any owner other than the Owner of the property to be withdrawn or the property on which the restrictions are canceled.

ARTICLE VIII DUTIES AND POWERS OF THE PROPERTY OWNERS ASSOCIATION

Section 8.01 General Duties and Powers of the Association. The Association has been formed to further the common interest of the Members. The Association, acting through the Board of Directors or through persons to whom the Board of Directors has delegated such powers (and subject to the provisions of the Bylaws), shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interest of the members and to improve and enhance the attractiveness, desirability and safety of the Property. The Association shall have the authority to act as the agent to enter into any and all contracts on behalf of the Members in order to carry out the duties, powers and obligations of the Association as set forth in this Declaration.

Section 8.02 Duty to Accept the Property and Facilities Transferred by Developer. The Association shall accept title to any Property, including any improvements thereon and personal property transferred to the Association by Developer, and equipment related thereto, together with the responsibility to perform any and all administrative functions and recreation functions associated therewith (collectively herein referred to as "Functions"), provided that such Property and Functions are not inconsistent with the terms of this Declaration. Property interest transferred to the Association by Developer may include fee simple title, easements, leasehold interests and licenses to use such Property. Any Property or interest in Property transferred to the Association by Developer shall, except to the extent otherwise specifically approved by resolution of the Board of Directors, be transferred to the Association free and clear of all liens and mortgages (other than the lien for Property taxes and assessments not then due and payable), but shall be subject to the terms of any declaration of covenants, conditions and restrictions annexing such Property to the Common Area, and all easements, covenants, conditions, restrictions and equitable servitude or other encumbrances set forth in the transfer. Except as otherwise specifically approved by resolution of the Board of Directors, no Property or interest in Property transferred to the Association by the Developer shall impose upon the Association any obligation to make monetary payments to Developer or any affiliate of Developer including, but not limited to, any purchase price, rent, charge or fee.

Section 8.03 Other Insurance Bonds. The Association shall obtain such insurance as may be required by law, including worker's compensation insurance, and shall have the power to obtain such other insurance and such fidelity, indemnity or other bonds as the Association shall deem necessary or desirable.

Section 8.04 <u>Duty to Prepare Budgets</u>. The Association shall prepare budgets for the Association.

Section 8.05 <u>Duty to Levy and Collect the Maintenance Charge</u>. The Association shall levy, collect and enforce the Maintenance Charge and other charges and assessments as elsewhere provided in this Declaration.

Section 8.06 <u>Duly to Provide Annual Review</u>. The Association shall provide for an annual unaudited independent review of the accounts of the Association. Copies of the review shall be made available to any Member who requests a copy of the same upon payment by such Member of the reasonable cost of copying the same.

Section 8.07 <u>Power to Acquire Property and Construct Improvements.</u> The Association may acquire Property or an interest in Property (including leases) for the common benefit of Owners including improvements and personal property. The Association may construct improvements on the Property and may demolish existing improvements.

Section 8.08 Power to Adopt Rules and Regulations. The Association may adopt, amend, repeal

and enforce rules and regulations ("Rules and Regulations"), fines, levies and enforcement provisions as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration, the operation of the Association, and the use of any property, facilities or improvements owned or operated by the Association.

Section 8.09 Power to Enforce Restrictions and Rules and Regulations. The Association (and any Owner with respect only to the remedies described in (ii) below) shall have the power to enforce the provisions of this Declaration and the Rules and Regulations and shall take such action as the Board of Directors deems necessary or desirable to cause such compliance by each Member and each guest of a member. Without limiting the generality of the foregoing, the Association shall have the power to enforce the provisions of this Declaration and of Rules and Regulations of the Association by any one or more of the following means: (i) By entry upon any Property, excluding main residence, within the Property after notice and hearing (unless a bona fide emergency exists in which event this right of entry may be exercised without notice (written or oral) to the Owner in such manner to avoid any unreasonable or unnecessary interference with the lawful possession, use or enjoyment of the improvements situated thereon by the Owner or any other person), without liability by the Association to the Owner thereof, for the purpose of enforcement of this Declaration or the Rules and Regulations; (ii) By commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration or the Rules and Regulations; (iii) By suspension, after notice and hearing, of the voting rights of a Member during and for up to sixty (60) days following any breach by such Member or such Member's guest of a provision of this Declaration or such Rules and Regulations, unless the breach is a continuing breach in which case such suspension shall continue for so long as such breach continues; (v) By levying and collecting, after notice and hearing, an assessment against any Member for breach of this Declaration or such Rules and Regulations by such Member or such Member's guest which assessment reimbursed the Association for the costs incurred by the Association in connection with such breach; (vi) by levying and collecting, after notice and hearing, reasonable and uniformly applied fines and penalties, established in advance in the Rules and Regulations of the Association, from any Member or Member's guest for breach of this Declaration or such Rules and Regulations by such Member or such Member's guest; and (vii) By taking action itself to cure or abate such violation and to charge the expenses thereof, if any, to such violating Members, plus attorney's fees incurred by the Association with respect to exercising such remedy.

Before the Board may invoke the remedies provided above, it shall give registered notice of such alleged violation to Owner, and shall afford the Owner a hearing. If, after the hearing, a violation is found to exist, the Board's right to proceed with the listed remedies shall become absolute. Each day a violation continues shall be deemed a separate violation. Failure of the Association, the Developer, or of any Owner to take any action upon any breach or default with respect to any of the foregoing violations shall not be deemed a waiver of their right to take enforcement action thereafter or upon a subsequent breach or default.

ARTICLE IX GENERAL PROVISIONS

Section 9.01 <u>Term.</u> The provisions hereof shall run with the Property and shall be binding upon all Owners and all persons claiming under them for a period of forty (40) years from the date this Declaration is recorded, after which time said Declaration shall be automatically extended for successive periods of ten (10) years each, unless an instrument, signed by the Members having not less than two-thirds (2/3rds) of the votes (including the Developer) has been recorded agreeing to amend or change, in whole or in part, this Declaration.

Section 9.02 <u>Amendments</u>. This Declaration may be amended or changed, in whole or in part, at any time by the written agreement or by signed ballots voting for such amendment, of the owners having not less than not less than two-thirds (2/3rds) of all of the votes (including Developer) of the

Subdivision. If the Declaration is amended by a written instrument signed by those Owners entitled to cast not less than two-thirds (2/3rds) of all of the votes of the Owners of the Association, such amendment must be approved by said Owners within three hundred sixty-five (365) days of the date the first Owner executes such amendment. The date an Owner's signature is acknowledged shall constitute prima facia evidence of the date of execution of said amendment by such Owner. Copies of the written ballots pertaining to such amendment shall be retained by the Association for a period of not less than three (3) years after the date filing of the amendment or termination.

Section 9.03 Amendment by the Developer. The Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged, and filed for record so long as the Developer owns at least one Tract of land.

Section 9.04 <u>Severability</u>. Each of the provisions of this Declaration shall be deemed independent and severable and the invalidity or unenforceability or partial invalidity or partially unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

Section 9.05 <u>Liberal Interpretation</u>. The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.

Section 9.06 <u>Successors and Assigns</u>. The provisions hereof shall be binding upon and inure to the benefit of the Owners, the Developer and the Association, and their respective heirs, legal representatives, executors, administrators, successors and assigns.

Section 9.07 <u>Effect of Violations on Mortgages</u>. No violation of the provisions herein contained, or any portion thereof, shall affect the lien of any mortgage or deed of trust presently or hereafter placed of record or otherwise affect the rights of the mortgagee under any such mortgage, the holder of any such lien or beneficiary of any such deed of trust; and any such mortgage, lien or deed of trust may, nevertheless, be enforced in accordance with its terms, subject, nevertheless, to the provisions herein contained.

Section 9.08 <u>Terminology</u>. All personal pronouns used in this Declaration and all exhibits attached hereto, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. Title of Articles and Sections are for convenience only and neither limit nor amplify the provisions of these Restrictions. The terms "herein", "hereof" and similar terms, as used in this instrument, refer to the entire agreement and are not limited to referring only to the specific paragraph, Section or article in which such terms appear. All references in this Declaration to Exhibits shall refer to the Exhibits attached hereto.

IN WITNESS WHEREOF, the undersigned, being the Developer herein, has hereunto set its hand of this ________, 2006.

SATTLER ROAD RANCH, a General Partnership composed of Gail G. Wilkes and Canavan Properties, Ltd., a Texas Limited Partnership

By: CANAVAN PROPERTIES, LTD.
By: CANAVAN HOLDING, LLC, its General Partner

LLIAM E. CANAVAN Managing Member

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THE STATE OF TEXAS
COUNTY OF LANGE !

This instrument was acknowledged before me on this the ______ day of _______, 2006, by WILLIAM E. CANAVAN, Managing Member of CANAVAN HOLDINGS, LLC, General Partner of CANAVAN PROPERTIES LTD., Partner SATTLER ROAD RANCH, a General Partnership composed of GAIL G. WILKES and CANAVAN PROPERTIES, LTD, in the capacity therein stated, on behalf of said Limited Liability Company.



NOTARY PUBLIC STATE OF TEXAS
Notary's Name Printed:

My Commission Expires:

AFTER RECORDING RETURN TO: BOB R. KIESLING, P.C. P. O. Box 311686 New Braunfels, TX 78131-1686 PREPARED IN THE LAW OFFICE OF: BOB R. KIESLING, P.C. P. O. Box 311686 New Braunfels, TX 78131-1686

Being 547.561 acres consisting on TRACT 1 and TRACT 2 Less, Save and Except TRACT 3 and TRACT 4.

TRACT 1:

BEING a 387.595 acre tract of land out of the William G. Strawn Survey No. 25, Abstract 444, Kendall County, Texas, said 387.595 acre tract being out of that certain 903.496 acre tract recorded in Volume 23, Pages 486-487, Volume 123, Pages 55-56, Deed Records, Kendall County, Texas, and Volume 938, Pages 137-172, Official Records, Kendall County, Texas, SAVE AND EXCEPT 122.9 acres and 50.82 acres recorded in Volume 81, Page 278, Deed Records, Kendall County, Texas, 53.03 acres recorded in Volume 459, Pages 269-270, 17.88 acres recorded in Volume 583, Pages 268-275, 33.182 acres recorded in Volume 459, Pages 265-268, 1.652 acres recorded in Volume 329, Page 818, 14.812 acres recorded in Volume 373, Pages 635-641, 15.000 acres recorded in Volume 374, Pages 738-742, 21.162 acres recorded in Volume 968, Page 90, 6.392 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 41, Official Records, Kendall County, Texas, said 387.595 acre tract being more particularly described by metes and bounds in the attached Exhibit A-1; and,

TRACT 2:

BEING a 171.889 acre tract of land out of the William G. Strawn Survey No. 25, Abstract 444, Kendall County, Texas, said 171.889 acre tract being out of that certain 903.496 acre tract recorded in Volume 23, Pages 486-487, Volume 123, Pages 55-56, Deed Records, Kendall County, Texas, and Volume 938, Pages 137-172, Official Records, Kendall County, Texas, SAVE AND EXCEPT 122.9 acres and 50.82 acres recorded in Volume 81, Page 278, Deed Records, Kendall County, Texas, 53.03 acres recorded in Volume 459, Pages 269-270, 17.88 acres recorded in Volume 583, Pages 268-275, 33.182 acres recorded in Volume 459, Pages 265-268, 1.652 acres recorded in Volume 329, Page 818, 14.812 acres recorded in Volume 373, Pages 635-641, 15.000 acres recorded in Volume 374, Pages 738-742, 21.162 acres recorded in Volume 968, Page 90, 6.392 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 41, Official Records, Kendall County, Texas, said 171.889 acre tract being more particularly described by metes and bounds in the attached Exhibit A-1.

LESS, SAVE AND EXCEPT FROM TRACTS 1 AND 2:

TRACT 3:

BEING a 7.088 acre tract of land out of the William G. Strawn Survey No. 25, Abstract 444, Kendall County, Texas, said 7.088 acre tract being out of that certain 387.595 acre tract recorded in Volume 977, Page 1, Official Records, Kendall County, Texas, said 7.088 acre tract being more particularly described by metes and bounds in the attached Exhibit A-2; and,

TRACT 4:

BEING a 4.835 acre tract of land out of the William G. Strawn Survey No. 25, Abstract 444, Kendall County, Texas, said 4.835 acre tract being out of that certain 171.889 acre tract recorded in Volume 977, Page 1, Official Records, Kendall County, Texas, said 4.835 acre tract being more particularly described by metes and bounds in the attached Exhibit A-3.

MIDS

LAND SURVEYING COMEANY, INC.
BOUNDARY TOPOGRAPHIC CONSTRUCTION
LIST FALLS COURT, SUITE 800
BOERNE, TEXAS 15006
PHONE 850-240-0185 FAX: 500-240-0250

Field Notes for a 559,484 Acre Tract of Land TRACT 1: 387,595 ACRES TRACT 2: 171,589 ACRES

TRACT 1: 387.595 ACRES

BEGINNING at a found 3/8" rebar for the southwest corner of the Boyd Family Living Trust 33.182 acre tract, recorded in Volume 459, Pages 265-268, Official Records, Kendall County, Texas, the north line of a 40.00 foot ingress egress easement, recorded in Volume 491, Pages 46-49, Official Records, Kendall County, Texas, the southeast corner of the herein described tract in the William G. Strawn Survey No. 25, Abstract 444;

THENCE severing the aforesaid 903.996 ucre tract and along the north line of the said 40.00 foot ingress-egress easement, the following bearings and distance:

South 78°37'27" West, a distance of 511.75 feet to a 1/2" rebar set with "MDS" cap;

and South 64°56'22" West, a distance of 159.00 feet to a 1/2" rebar set with "MDS" cap in the center of Sattler Road and the arc of a counterclockwise curve;

THENCE along the center of Sattler Road around a curve in a counterclockwise direction having a delta angle of 08°00'08" in sec distance of 42.05 feet, a radius of 301.05 feet, and a chord of North 12°51'15" East, a distance of 42.01 feet to a 1/2" rebar set with "MDS" cap;

THENCE departing the centerline of Sauter Road and communing through the aforesaid 903,496 acre tract, the

South 86°32'20" West, a distance of 604.41 feet to a 1/2" rebat set with "MDS" cap;

South 85"11'51" West, a distance of 299.86 feet to a 1/2" rebar set with "MDS" cap;

South 85°23°36" West, a distance of 62.79 feet to a 1/2" rebar set with "MDS" cap;

South 8908'24" West, a distance of 235.75 feet to a 1/2" repar set with "MDS" cap;

......

and South 71°10'00" West, a distance of 547.96 feet to a 1/2" rebar set with "MDS" cap at a northeast corner of the Lewin C. Weidner 472.62 acre tract, recorded in Volume 81, Pages 278, Deed Records, Rendall County, Texas;

THENCE along the Lewin C. Weidner 472.62 acre tract, the following bearings and distances:

North 65°40'10" West, a distance of 225.00 feet to a 1/2" rebar set with "MDS" cap (North 65°30'00" West, a distance of 225.00 feet - record).

North 23°53'10" West, a distance of 274.31 feet to a 1/2" rebar set with "MDS" cap (North 23°43'90" West, a distance of 274.31 feet - record)

North 22°31'10" West, a distance of 98.83 feet to a 1/2" robar set with "MDS" cap (North 22°21'00" West, a distance of 98.83 feet – record)

and North 62 West, a distance of 359.84 feet (North 67 02 00" West, a distance of 360.33 feet record) to a 172 rebar set with NDS cap at an angle point in the north line of the Lewin C. Weidner 472.62 acre tract, the southeast corner of the William W. Gass 238.50 acre tract, recorded in Volume 106, Pages 221-222, Deed Records, Kendall County, Texas, the southwest corner of the herein described tract;

THENCE severing the William G. Strawn Survey and along the east boundary line of the Willard W. Gass 238.50 acre tract, North 90-19'20" West, a distance of 2509.04 feet (North, a distance of 2588.89 feet — record) to a 1/2" rebarser with MDS" cap at the northeast corner of the Willard W. Gass 238.50 acre tract, the southeast order of the Gass Ranch, Ltd. 882.67 acre tract, recorded in Volume 583, Pages 496-498, Official Records, Kendall County, Texas;

THENCE along the east boundary line of the Gass Ranch, Ltd. 882.67 acre tract, North 00740 66. West, a distance of 4400.03 feet (Morth, a distance of 430.56 feet - record) to a 1/2" rebar set with "MDS" cap at the northeast corner of the Gass Ranch, Ltd. 882.67 acre tract, the northwest corner of the fees fact, the south boundary line of the Beverly June Fischer Garrott 231.39 acre tract, recorded in Volume 831, Pages 649-652, Official Records, Kendall County, Texas;

THENCE along the south bemakers line of the Beverly June Eischer Garrott 231.39 acre tract, the north line of the perein described tract.

South 88°45'43" East, a distance of 545.97 feet to a 1/2" rebar set with "MDS" cap (South 89°22'24" East, a distance of 549.82 feet - record);

South 89:09" East, a distance of 581.30 feet to a 1/2" rebar set with "MINS" cap (South 89:07" 17" East, a distance of 580.88 feet - record);

South 89 03 05" East, a distance of 386.38 feet to a 1/2" rebarset with WILS" cap (South 89 04 24" East, a distance of 386.80 feet - record);

North 84°17'45" East, a distance of 48.21 feet to a 1/2" repar set with "MDS" cap (North 84°19'12" East, a distance of 47.47 feet – record):

South 88°50°30" East, a distance of 72.06 feet to a 1/2" rebar set with "MDS" cap (South 88°55'37" East, a distance of 72.79 feet - record);

South 89°32'30" East, a distance of 51.26 feet to a 1/2" rebar set with "MDS" cap (South 89°32'30" East, a distance of 51.26 feet — record)

and South 89°22'32" East, a distance of 67.81 feet (South 89°22'32" East, a distance of 67.81 feet – record) to a 1/2" rebar set with "MDS" cap on the southwest line of Sattler Road, the southeast corner of the Beverly June Fischer Garvon 231.39 acre that

THENCE South 89°23'30" East, a distance of 64.88 feet (South 89°32'00" East - record) to a 1/2" rebar set with "MDS" cap in the center of Sattler Road, the north boundary line of the aforesaid 903.496 acre tract, the northeast corner of the herein described tract;

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AMERICAN TO THE STREET

THENCE departing the north boundary line of the afforesaid 903.4% acre tract, and along the centerline of said Sattler Road, the following bearings and distances:

South 61% East, a distance of 104.62 feet to a 1/2" rebar set with "MDS" cap:

around a curve in a clockwise direction having a delta angle of 1932*10", an arc distance of 56.88 feet, a radius of 166.81 feet, and a chord of South 58°52'21" East, a distance of 56.60 feet to a 1/2" rebar set with "MDS" cap:

around a curve in a clockwise direction having a delta angle of 60°37'31", an arc distance of 235.98 feet, a radius of 223.02 feet, and a chord of South 15°93'41" East, a distance of 225.12 feet to a 1/2" rebar set with "MDS" cap;

South 00°47'59" East, a distance of 787.65 feet to a 1/2" rebar set with "MDS" cap;

South 60°43'56" East, a distance of 604.51 feet to a 1/2" rebar set with "MDS" cap;

South 00°32'36" East, a distance of 672.20 feet to a 1/2" rebar set with "MDS" can;

around a curve in a chockwise direction having a delta angle of 09°59'58", an arc distance of 276.06 feet, a radius of 1581.80 feet, and a chord of South 08°23'09" West, a distance of 275.71 feet to a 1/2" rebar set with "MDS" cap;

and South 10°21°19" West, a distance of 268.27 feet to a 1/2" rebar set with "MDS" cap at the northwest course of the Boyd Family Living Trust 21.162 acre tract, recorded in Volume 968, Page 90, Official Records Kendall County, Texas:

THENCE continuing along the centerline of Sattler Road and the west boundary line of the Boyd Family Living Trust 21.162 acre tract, the following bearings and distances:

around a curve in a clockwise direction having a delta angle of 03°35°22° an arc distance of 661.36 feet, a galius of 10364.55 feet, and a chord of South 10°23'27" West, a distance of 661.24 feet to a 1/2" rebar set with "MDS" cap;

around a curve in a counterclockwise direction having a delta angle of 13°08'10", an arc distance of 480.89 feet, a radius of 2123.64 feet, and a chord of South 09°49'41" West, a distance of 485.82 feet to a 1/2" rebar set with "MDS" cap;

around a curve in a commercious wise direction having a delta angle of 21°38'09", an arc distance of 387.39 feet, a radius of 1025.89 feet and a chord of South 08°38'07" East, a distance of 385.09 feet to a 1/2" rebar set with "MDS" cap.

South 18°37'24" East, a distance of 234.57 feet to a 1/2" rebar set with "MDS" cap;

around a curve in a clockwise direction having a delta angle of 26°42'52", an arc distance of 222.75 feet, a radius of 477.74 feet, and a chord of South 05°45'22" East, a distance of 220.74 feet to a 1/2" rebar set with "MDS" cap;

and South 63°05'44" West, a distance of 35.05 feet to a 1/2" rebar set with "MDS" cap for the southwest corner of the Boyd Family Living Triest 21.162 are tract, an interior corner of the herein described tract;

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THENCE departing the centerline of Sattler Road and along the south boundary line of the said Boyd Family Living Trust 21.162 agre tract and the Boyd Family Living Trust 53.03 agre tract, recorded in Volume 459, Pages 269-270, Kendall County Official Records, North 89°22'50° East, a distance of 1193.18 feet (East – record) to a 1/2" rebar set with "MDS" cap for an interior northeast corner of the herein described tract, the northwest corner of the aforesaid Boyd Family Living Trust 33.182 agre tract;

THENCE along the west boundary line of the said Boyd Family Living Trust 33.182 acre tract, South 00°03′19° West, a distance of 2340.96 feet (South 00°03′22° West, a distance of 2341.24 feet record) to the PLACE OF BEGINNING and containing 387.595 acres of land, more or less.

TRACT 2: 171.889 ACRES

BEING a 171.889 acre tract of land out of the William G. Strawn Survey No. 25. Abstract 444, Kendall County, Texas, said 171.889 acre tract being out of that certain 903.496 acre tract recorded in Volume 23, Pages 486-487, Volume 123, Pages 55-56, Deed Records, Kendall County, Texas, and Kounty Texas, and Kounty Texas, and Kounty Texas, and Except 122.9 acres and 56.82 acres recorded in Volume 81, Page 276, Deed Records, Kendall County, Texas, 53.03 acres recorded in Volume 459, Pages 263-276, 17.88 acres recorded in Volume 583, Pages 268-275, 33.182 acres recorded in Volume 459, Pages 263-268, 1.652 acres recorded in Volume 379, Pages 818, 14.812 acres recorded in Volume 373, Pages 635-641, 5.000 acres recorded in Volume 374, Pages 738-7422-21.162 acres recorded in Volume 968, Page 90, 6392 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres recorded in Volume 971, Page 36, 6.199 acres, 1.178 acres and 7.737 acres a

- BEGINNING at a 1/2" reparting with "MDS" cap for the southwest corner of the herein described tract, on the morth boundary line of the Wayne L and Beverlyn H. Hoffmann 8.770 acre tract, recorded in Volume 134, Page 939, Deed Records, Kendall County, Texas, the southeast corner of the Lewin C. Weidner 472.62 acre tract, recorded in Volume 81, Page 278, Deed Records, Kendall County, Texas,
- THENCE along the east boundary line the Lewin C. Weidner 472.62 acre tract, North 01°17'56" East, a distance of 2779.11 feet (North 01°28'900" East, record) to a 172" rebar set with "MDS" cap for the northwest come of the herein described tract.
- THENCE departing the east boundary line the Levin C. Weldner 472.62 agreement and severing the aforesaid 903.496 agreement, South 88°42'10" East, a distance of 1403.17 feet to a 1/2" rebar set with "MDS" cap in the center of Sattler Road;
- THENCE along the centerline of Sattler Road, the following bearings and distances:
 - around a curve in a clockwise direction having a delta angle of 10°14'32' an arc distance of 312.13 feet a radius of 1746.06 feet, and a chord of North 19°59'57" East, a distance of 311.71 feet to a 1/2" rebar set with "MDS" cap;
 - around a curve in a clockwise direction having a delta angle of 13226 03% an are distance of 260.16 feet, and a chord of North 34°07'05" East, a distance of 259.56 feet to a 1/2" rebar set with "MDS" cap;
 - and around a curve in a counterclockwise direction having a delta angle of 0635'02", an arc distance of 34.50 feet, a radius of 301.05 feet, and a chord of North 38'22'57" East, a distance of 34.58 feet to a 1/2" rebar set with "MDS" cap at the southwest corner of the Martin A. Shade 1.178 acre tract, recorded in Volume 971, Page 41, Official Records, Kendall County, Texas,
- THENCE departing the center of Sattler Road and along the south boundary line of the Martin A. Shade 1.178 acre tract, North 64°56'22" East, a distance of 225.99 feet to a 172" repar set with "MDS" cap;
- THENCE continuing along the south boundary line of the Martin A. Shade 1.178 acre tract North 78°37777.

 East, a distance of 496.01 feet to a 1/2" rebar set with "MDS" cap for the northwest corner of the Martin A. Shade 6.199 acre tract, recorded in Volume 971, Fage 41, Official Records, Kendall County, herein described tract; the south boundary line of the Martin A. Shade 1.178 acre tract, the northeast corner of the herein described tract;
- THENCE departing the south line of the Martin A. Shade 1.178 acre tract, along the west boundary line of the said Martin A. Shade 6.199 acre tract, South 03*16'18" East, a distance of 1718.86 feet to a 1/2"

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rebar set with "MOS" cap at the southwest corner of the said Martin A. Shade 6.199 acre tract, the nighthwest corner of the Arthur O. Shade 6.392 acre tract, recorded in Volume 971, Page 36, Official Records, Kendall County, Texas

THENCE along the west boundary line of the Arthur O. Shade 6.392 acre tract, South 03° 13° 37" East, a distance of 1757.06 feet to a 1/2" rebar set with "MDS" cap at the southwest corner of the said Arthur O. Shade 6.392 acre tract, the southeast corner of the herein described tract, the southwest corner of the said Arthur the Alvin A. and Dessie Mae Bisenhauer 292.927 acre tract, recorded in Yolume 112, Pages 247.248, Deed Records. Kendall County. Texas:

THE ICE along a portion of the north boundary line of the Alvin A. and Dessie Mae Eisenhauer 292,027 acre tract, South 89°23' West, a Histories of 2627.38 feet (South 89°29'32" West - record) to the PLACE OF BEGINNING and contaming 171.889 acres of land, more or less.

Note: This description is based on an on the ground survey performed on 09-28-2005. The bearings are based on the Texas: State Plane Coordinate System. South Central Zone. A survey plat of the above described trace

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Jeff Bechner
Registered Professional Land Surveyor
No. 4939 Job# 06-2061



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LAND SURVEYING COMPANY, INC. OUNDARY, TGPOGRAPHIC CONSTRUCTION BE SALLS COURT, SUITE 800 BOERNE, TELAS 78006 PHONE: 830-240-0188 FAX: 830-240-0280

Field Notes for a 7.088 Acre Tract of Land

BEING a 7.088 acre tract of land out of the William G. Strawn Survey No. 25. Abstract 444. Kendall County, Texas, said 7.088 acre tract acre tract being out of that certain 387.595 acre tract recorded in Volume 977. Page 1. Official Records, Kendall County, Texas, said 7.088 acre tract being more particularly described by mores

- BEGINNING at a 1/2" rebar set with "MDS" cap at the intersection of the north line of the 387.595 acre tract,
- THENCE South 61 degrees 45 minutes 42 seconds East, a distance of 104.62 feet to a 1/2" rebarset with
- THENCE around a curve in a clockwise direction having a delta angle of 19 degrees 32 minutes 10 seconds, an are distance of 56.86 feet, a radius of 166.81 feet, and a cloud of South 58 degrees 52 minutes 21 are distance of 56.60 feet to a 1/2" rebat set with "MDS" cap for the point of compound
- THENCE around a curve in a clockwise direction having a delta angle of 60 degrees 37 minutes 31 seconds, an arc distance of 235.98 feet, a radius of 223.02 feet, and a chord of South 15 degrees 03 minutes 41 seconds East, a distance of 225.12 feet to a 1/2" rebar set with "MDS" cap for the point of tangency,
- THENCE South 00 degrees 47 minutes 59 seconds East; a distance of 787.65 feet to a 1/2" rebar set with
- THENCE South 00 degrees 43 minutes 56 seconds East, a distance of 604.51 feet to a 1/2" repar set with
- THENCE South 00 degrees 32 minutes 36 seconds East, a distance of 672.20 feet to a 100 rebar set with "MDS" cap for the point of curvature of a clockwise curve;
- THENCE around a curve in a clockwise direction having a delta angle of 09 degrees 59 minutes 38 seconds, and arc distance of 276.06 feet, a radius of 1581.80 feet, and a chord of South 06 degrees 23 minutes 19 seconds West, a distance of 275.71 feet to a 1/2 repar set with "MDS" cap for the point of tangency;
- THENCE South 10 degrees 21 minutes 19 seconds West, a distance of 262-27 feet to a 1/2" rebar set with "MDS" cap for the point of curvature of a clockwise curve;
- THENCE around a curve in a clockwise direction having a delta angle of 03 degrees 39 minutes 22 seconds, an arc distance of 661.36 feet, a radius of 10364.55 feet, and a chord of South 10 degrees 23 minutes 27 seconds West, a distance of 661.24 feet to a 1/2" rebar set with "MDS" cap for the point of reverse
- THENCE around a curve in a counterclockwise direction having a delta angle of 13 degrees 08 minutes 10 seconds, an arc distance of 486.89 feet, a radius of 2123.64 feet, and a chord of South 09 degrees 49 minutes 41 seconds West, a distance of 483.82 feet to a 1/2" rebar set with "MDS" cap for the point of compound curvature of a counterclockwise curve;

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- THENCE around a curve in a counterclockwise direction having a delta angle of 21 degrees 38 minutes 09 C.D. stround a curve in a commercial converse direction maying a delta angle of 21 degrees 38 minutes 09 seconds, an arc distance of 38739 feet, a radius of 1025.89 feet, and a chard of South 48 degrees 38 minutes 07 seconds East, a distance of 385.00 feet to a 1/2" rebar set with MISS" cap for the point of
- THENCE South 18 degrees 37 minutes 24 seconds East, a distance of 234.57 feet to a 1/2" rebar sec with
- THENCE around a curve in a clockwise direction having a delta angle of 26 degrees 42 minutes 52 seconds, an arc distance of 222.75 feet, a radius of 477.74 feet, and a chord of South 05 degrees 45 minutes 22 seconds. A distance of 220.74 feet to a 1/2" retar set with "MDS" cap for the found of tangency;
- THENCE South 03 degrees 05 minutes 44 seconds West, a distance of 35.05 feet to a 1/2" rebar set with
- THENCE North 89 degrees 22 minutes 50 seconds East, a distance of 30.09 feet to a 1/2" rebar set with
- THENCE South 03 degrees 03 minutes 18 seconds West, a distance of 512.76 feet to a 1/2" rebar set with
- THENCE around a curve in a counterclockwise direction having a delta angle of 23 degrees 48 minutes 23 seconds, an are distance of 424.40 feet, a radius of 1021.42 feet, and a chord of South 08 degrees 50 minutes 54 seconds East, a distance of #21.36 feet to a 1/2" rebar set with "MDS" cap for the point of
- THENCE South 20 degrees 45 minutes 06 seconds East, a distance of 1306.58 feet to a 1/2" rebar set with
- THENCE around a curve in a clockwise direction having a delfa angle of 30 degrees 22 minutes 01 seconds, an are distance of 328.08 feet, a radius of 519.01 feet, and a chord of South 08 degrees 57 infantes 27 seconds East, a distance of 324.25 het to a 1/2" relief set with "MDS" cap for the point of compound
- THENCE around a curve in a clockwise direction having a delta angle of 01 degrees 42 minutes 45 seconds, at arc distance of 9.90 feet; a radius of 331.05 feet, and a chord of South 11 degrees 29 minutes 32 seconds West, a distance of 9.90 feet to a 1/2" relief set with "MDS" cap for corner;
- THENCE South 64 degrees 56 minutes 22 seconds West, a distance of 38.94 feet to a 1/2" rebar set with "MDS" cap for corner and the point of curvature of a counterclockwise curve;
- THENCE around a curve in a counterclockwise direction having a delta angle of 98 degrees 00 minutes 98 seconds, an arc distance of 42.05 feet, a radius of 301.05 feet, and a chord of North 12 degrees 51 minutes 15 seconds East, a distance of 42.01 feet to a 1/2" rebar set with "MDS" cap for corner;
- THENCE South 86 degrees 32 minutes 20 seconds West, a distance of 31.14 feet to a 1/2" rebar set with "MDS" cap for corner and the point of curvature of a counterclockwise curve;
- THENCE around a curve in a counterclockwise direction having a delta angle of 29 degrees 53 minutes 12 seconds, an arc distance of 291.59 feet, a radius of 559.01 feet, and a chord of North 09 degrees 22 minutes 29 seconds West, a distance of 288.30 feet to a 1/2" rebar set with "MDS" cap for the point

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- THENCE North 20 degrees 45 minutes 05 seconds West, a distance of 1308.42 feet to a 1/2" rebar set with "MDS" cap for the point of curvature of a clockwise curve;
- THENCE around a curve in a clockwise direction having a delta angle of 23 degrees 48 minutes 22 seconds, an arc distance of 449.33 feet, a radius of 1081.42 feet, and a chord of North 08 degrees 56 minutes 53 seconds West, a distance of 446.10 feet to a 1/2" retar set with "MDS" cap for the point of tangency,
- FRIENCE North 03 degrees 03 minutes 18 seconds East, a distance of 547.08 feet to a 1/2" rebar set with "MDS" cap for the point of curvature of a counterclockwise curve;
- THENCE around a curve in a communication wise direction having a delta angle of 26 degrees 52 minutes 50 seconds, an arc distance of 21006 feet, a radius of 447.74 feet, and a chord of North 05 degrees 41 minutes 21 seconds West, a distance of 208.14 feet to a 1/2" rebar set with "MDS" cap for the point of tangency:
- THENCE North 18 degrees 37 minutes 24 seconds West, a distance of 234.48 feet to a 1/2" rebar set with "MDS" cap for the point of curvature of a clockwise curve;
- THENCE around a curve in a clockwise direction having a delta angle of 21 degrees 38 minutes 21 seconds, an are distance of 398.78 feet, a radius of 1055.89 feet, and a chord of North 08 degrees 37 minutes 18 seconds West, a distance of 396.42 feet to a 1/2" reharder with "MDS" cap for the point of compound curvature of a clockwise curve;
- THENCE minima a curve in a clockwise direction having a delta angle of 13 degrees 06 minutes 30 seconds, an are distance of 492.71 feet, a radius of 2153.64 feet, and a chord of North 09 degrees 45 minutes 23 seconds East, a distance of 491.64 feet to a 1/2" rebar set with "MDS" cap for the point of tangency;
- THENCE around a curve in a counterclockwise direction having a delta angle of 0f degrees 55 minutes 16 seconds, as are distance of 158.54 feet (no record), a radius of 4728:50 feet, and a chord of North 11 degrees 46 minutes 59 seconds East, a distance of 158.53 feet to a 1/2" rebar set with "MDS" cap for the point of curvature of a clockwise curve;
- THENCE around a curve in a clockwise direction having a debta angle of 00 degrees 48 minutes 53 seconds, an are distance of 769.91 feet, a radius of \$4152.05 feet, and a chord of North 10 degrees 05 minutes 22 seconds East, a distance of 769.91 feet to a 1/2" reper set with "MDS" cap for the point of reverse curvature of a counterclockwise curve;
- THENCE around a curve in a counterclockwise direction having a delta angle of 09 degrees 59 minutes 40 seconds, an are distance of 270.69 feet, a radius of 1551.80 feet, and a chief of North 08 degrees 25 minutes 16 seconds East, a distance of 276.34 feet to a 1/2" rebar set with "MDS" cap for the point of tangency;
- THENCE North 00 degrees 32 minutes 36 seconds West, a distance of 671.13 feet to a 1/2" rebar set with "MDS" cap for angle;
- THENCE North 00 degrees 43 minutes 56 seconds West, a distance of 604.42 feet to a 1/2" rebar set with "MDS" cap for angle;
- THENCE North 90 degrees 47 minutes 52 seconds West; a distance of 847.85 feet to a 1/2" rebar set with "MDS" cap for the point of curvature of a counterclockwise curve;
- THENCE around a surve in a counterclockwise direction having a delta single of 60 degrees 38 minutes 25 seconds, an arc distance of 204.04 feet, a radius of 191.73 feet, and a chord of North 31 degrees 17 minutes 11 seconds West, a distance of 194.54 feet to a 1/2" reparted with "MDS" cap for the point of tangency;

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THENCE North 61 degrees 46 minutes 24 seconds West, a distance of 149.68 feet to a 1/2" rebar set with "MDS" cap for corner in the north boundary line of the aforesaid 387.595 acre tract;

THENCE along the north boundary line of the 387.595 acre tract. South 89 degrees 23 minutes 30 seconds East, a distance of 64.63 feet to the PLACE OF BEGINNING containing 7.088 acres, of land, more of less.

Note: This description is based on an on the ground survey performed on 09-28-2005. The bearings are based on the Texas State Plane Coordinate System, South Central Zone. A survey plat of the above described tract was prepared.

Jeff Boerre Registered Professional Land Surveyor No.4939 Job # 06-2306 Sauter North

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LAND SURVEYING COMPANY, INC. BOUNDARY . TOPOGRAPHIC . CONSTRUCTION 115 FALLS COURT. SUITE 900 BOURDE, FEXAS 1906 PHONE. SEC. 200 9188 PAX: 550 - 510 - 4250

Field Notes for a 4.835 Acre Tract of Land

BEING a 4.835 acre tract of land out of the William G. Strawn Survey No. 25, Abstract 444, Kendall County, Texas, said 4.835 acre tract acre tract being out of that certain 171.889 acre tract recorded in Volume 977, Page 1, Official Records, Kendall County, Texas, said 4.835 acre tract being more particularly described by metes and bounds as follows:

- BEGINNING at a 1/2" rebar found with "MDS" cap for the southwest corner of the herein described tract, on the north boundary line of the Wayne L. and Beverlyn Hoffmann 8.770 acre tract, recorded in Volume 134, Page 939, Deed Records, Kendall County, Texas, said point being North 30 despees 53 minutes 46 seconds East, a distance of 145.44 feet from the southeast corner of the Lewin C. Weidner 472.62 agre tract, recorded in Volume 31, Page 278, Feed Records, Kendall County, Texas, and the southwest corner of the accressing 171.889 acre tract;
- THENCE North 21 degrees 45 minutes 29 seconds East, a distance of 494.79 feet to a 1/2" rebar set with "MDS" cap for the point of curvature of a clockwise curve;
- THENCE around a curve in a clockwise direction having a delta argie of 32 degrees 06 minutes 21 seconds, an arc distance of 325.00 feet, a radius of 580.00 feet, and a chord of North 37 degrees 48 minutes 39 seconds East, a distance of 320.77 feet to a 1/2" rebar set with "MDS" cap for the point of tangency;
- THENCE North 53 degrees 51 samutes 50 seconds East, a distance of 378.16 feet to a 1/2" rebar set with MDS" cap for the point of curvature of a counterclockwise curve;
- THENCE around a curve in a counterclockwise direction having a delta angle of 02 degrees 40 minutes 15 seconds, an arc distance of 46.61 feet, a radius of 1000.00 feet, and a chard of North 52 degrees 31 minutes 42 seconds East, a distance of 46.61 feet to a 1/2" rebar set with "MDS" cap for the point of tangency;
- THENCE North 51 degrees 11 minutes 35 seconds East, a distance of 258.89 feet to a 1/2" rebar set with "MDS" cap for the point of curvature of a counterclickwise curve;
- THENCE around a curve in a counterclockwise direction having a delta angle of 45 degrees 01 minutes 59 seconds, an arc distance of 455.87 feet, a radius of 580.00 feet, and a chard of North 28 degrees 40 minutes 36 seconds East, a distance of 444.32 feet to a 1/2" repar set with MDS" cap for the point of tangency:
- THENCE North 06 degrees 09 minutes 36 arounds East, a distance of 945.10 feet to a 1/2" schar set with "MDS" cap for the point of curvature of a clockwise curve.
- THENCE around a curve in a clockwise direction having a delta angle of 09 degrees 32 minutes 38 seconds, an arc distance of 295.85 feet, a radius of 1776.06 feet, and a chord of North 09 degrees 52 minutes 20 seconds East, a distance of 295.50 feet to a 1/2 rectar set with "MDS" cap for corner;
- THENCE South \$8 degrees 42 minutes 10 seconds East, a distance of \$1235 feet to a 1/2" rebar set with "MDS" cap for corner and the point of curvature of a clockwise curve;

- THENCE around a curve in a clockwise direction having a delta angle of 10 degrees 14 minutes 32 seconds, an arc distance of 312.13 feet, a radius of 1746.06 feet, and a chord of North 19 degrees 59 minutes 57 seconds East, a distance of 311.71 feet to a 1/2" rebar set with "MIDS" cap for the point of compound curvature of a clockwise curve.
- THENCE around a curve in a clockwise direction having a delta angle of 13 degrees 26 minutes 69 seconds, an arc distance of 260.16 feet, a radius of 1109.42 feet, and a chord of North 34 degrees 07 minutes 05 seconds East, a distance of 259:56 feet to a 1/2 rebar set with MDS cap for the point of reverse curvature of a counterclockwise curve;
- THENCE around a curve in a counterclockwise direction having a delta angle of 06 degrees 35 minutes 02 seconds, an arc distance of 34.59 feet, a radius of 301.05 feet, and a chord of North 38 degrees 22 minutes 57 seconds Fast, a distance of 34.58 feet to a 1/2" rebar set with "MDS" cap for angle;
- THENCE North 64 degrees 56 minutes 22 seconds East, a distance of 53.67 feet to a 1/2" rebar set with MDS" cap for corner;
- THENCE around a curve in a clockwise direction having a delta angle of 13 dispress 23 minutes 14 seconds, an arc distance of 77.35 feet, a radius of 331.05 feet, and a chord of South 33 degrees 42 minutes 04 seconds West, a distance of 77.17 feet to a 1/2" rebay set with "MDS" cap for the point of anyerse curvature of a condenselockwise curve;
- THENCE around a curve in a counterelectively se direction having a delta angle of 13 degrees 46 minutes 24 seconds, an arc distance of 259.48 feet, a radius of 1979.42 feet, and a chord of South 34 degrees 19 minutes 07 seconds West, a distance of 258.66 feet to a 1/2" rebar set with "MDS" cap for the point of compound curvature of a counterclockwise curves.
- THENCE around a curve in a counterclockwise direction having a delta angle of 20 degrees 01 minutes 06 seconds; an arc distance of 599.57 feet, a radius of 1716.06 feet, and a shord of Sauth 15 degrees 05 minutes 28 seconds West, a distance of 596.52 feet to a 1/2" repair set with "MDS" cap for the point of tangency.
- THENCE South 96 degrees 99 minutes 36 seconds West, a distance of 945.66 feet to a 1/2" repar set with "MDS" cap for degrees of action of action of actions of actions of actions of actions of the seconds of the second of the seconds of the seconds of the seconds of the seconds of the second of the
- THENCE around a curve in a clockwise direction having a deta angle of 45 degrees 01 minutes 59 seconds, an arc distance of 503.02 feet, a radius of 640.00 feet, and a chord of South 28 degrees 40 minutes 35 seconds West, a distance of 490.18 feet to a 1/2" rebar set with "MDS" cap for the point of tangency;
- THENCE South 51 degrees 11 minutes 35 seconds West, a distance of 258,89 feet to a 1/2 rebar set with "MDS" cap for the point of curvature of a clockwise curve;
- THENCE around a curve in a clockwise direction having a delta angle of 92 degrees 40 minutes 15 seconds, an arc distance of 49.41 feet, a radius of 1060.00 feet, and a chord of South 52 degrees 31 minutes 42 seconds West, a distance of 49.41 feet to a 1/2" rebar set will "MDS" cap for the point of tangency;
- THENCE South 53 degrees \$1 infantes \$6 seconds West, a distance of 378.16 feet to a 1/2" repar set with "MDS" cap for the point of curvature of a counterclockwise curve;
- THENCE around a curve in a counterclockwise direction having a delta angle of 32 degrees 06 minutes 21 seconds, an arc distance of 291.38 feet, a radius of 520.00 feet, and a chord of South 37 degrees 48 minutes 39 seconds West, a distance of 287.59 feet to a 1/2 rebar set with VIDS cap for the point of tangency;

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THENCE South 21 degrees 45 minutes 29 seconds West, a distance of 476.72 feet to a 1/2" rebar set with "MDS" cap for corner in the south boundary line of the aforesaid 171.889 acre tract;

THENCE along the south original of the 171.889 acres met. South 89 degrees 53 minutes 46 seconds
West, a distance of 64.65 feet to the FLACE OF BEGINNING containing 4.835 acres of land; more
or less

Note: This description is based on an on the ground survey performed on 09-28-2005. The bearings are based on the Texas State Plane Coordinate System, South Central Zone. A survey plat of the above-described tract was prepared.

Jeff Beemer

Registered Professional Land Surveyor No.4939 Job#06-2306-Sattler New South



STATE OF TEXAS
COUNTY OF KENDALL
I hereby certify that this instrument was filed in
File Number Sequence on the date and at the
time stamped hereon and was duty recorded in
the Official Records of Kendall County, Texas on:

. Louis ARMADA



OCT 1 2 2006

DARLENE HERRIN, County Clerk, Kendali County, Texas

Deputy ____Deputy

Filed for Record in:

Kendall County Darlene Herrin County Clerk

Om: Oct 11,2006 at 11:07A

Document Number: Total Fees : 00214324 123.00

Receipt Number - 92215 By Deputy: Sally Peters

This Document has been received by this Office for Recording into the Official Public Records. We do hereby swear that we do not discriminate due to Race, Creed, Color, Sex or National Origin.

FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS TWIN PEAKS RANCHES

STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF KENDALL

WHEREAS, Sattler Road Ranch, a General Partnership composed of Gail G. Wilkes and Canavan Properties, Ltd., a Texas Limited Partnership acting through its General Partner, Canavan Holdings, LLC ("Developer") purchased and developed the subdivision now known as TWIN PEAKS RANCHES in Kendall County, Texas; and,

WHEREAS, Developer imposed certain restrictive covenants and conditions upon TWIN PEAKS RANCHES by instrument entitled "Declaration of Covenants, Conditions and Restrictions, TWIN PEAKS RANCHES", recorded under Clerk's Document #00214324, in Volume 1023, Page 219, in the Official Public Records of Kendall County, Texas (the "Restrictions"); and,

WHEREAS, Developer reserved unto itself, in Section 9.03, the right to amend said Restrictions until the Control Transfer Date (as defined in the Restrictions), so long as Developer owns at least one tract of land; and,

WHEREAS, Developer still holds title to more than one Tract of land and the Control Transfer Date has not yet occurred; and

WHEREAS, Developer desires to delete Section 3.13 of the Restrictions, which states "Section 3.13 <u>Driveways</u>. Within the first three hundred (300) feet of the lot, which three hundred feet begins at the front lot line, all driveways shall be constructed of asphalt, exposed aggregated finished concrete, concrete, chip and seal or brick pavers materials unless otherwise approved in writing by the Association. The Driveway shall begin where the paved portion of the road ends. All driveways must be shown on the plans submitted to the Association, completed no later than thirty (30) days after the completion of the main dwelling and approved prior to any construction commencing."

NOW THEREFORE, premises considered, Developer does hereby amend the Restrictions as follows:

Section 3.13 is hereby deleted.

Except as amended herein, the Restrictions shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the Developer herein, has hereunto set its hand effective the 4th day of ________2008.

SATTLER ROAD RANCH, a General Partnership composed of Gail G. Wilkes and Canavan Properties, Ltd., a Texas Limited Partnership

By: CANAVAN PROPERTIES, LTD.

By: CANAVAN HOLDING, LLC, its General

Partner

WILLIAM E. CANAVAN, Managing Member

THE STATE OF TEXAS COUNTY OF Yardel

This instrument was acknowledged before me on this the day of , 2008, by WILLIAM E. CANAVAN, Managing Member of CANAVAN HOLDINGS, LLC, General Partner of CANAVAN PROPERTIES LTD., Partner of SATTLER ROAD RANCH, a General Partnership composed of GAIL G. WILKES and CANAVAN PROPERTIES, LTD, in the capacity therein stated, on behalf of said Company.

NOTARY PUBLIC, STATE OF TEXAS

Notary's Name Printed:

Brunks My Commission Expires:

PREPARED IN THE LAW OFFICE OF:

BOB R. KIESLING, P.C.

P.O. Box 311686

New Braunfels, Texas 78131-1686

Filed for Record in:

Kendall County Darlene Herrin County Clerk

On: Jun 11,2008 at 03:56P

Document Number: Total Fees

Receipt Number - 111621 By Deputy: Sally Peters

This Document has been received by this Office for Recording into the Official Public Records. We do hereby swear that we do not discriminate due to Race, Creed, Color, Sex or National

AFTER RECORDING RETURN TO: BOB R. KIESLING, P.C.

P.O. Box 311686

New Braunfels, Texas 78131-1686

William Canavan 10004 Johns Rd Beene Tx 78006

STATE OF TEXAS, COUNTY OF KENDALL
I hereby certify that this instrument was filed in File
Number Sequence on the date and at the time
stamped hereon and was duly recorded in the
Official Records of Kendall County, Texas on:

JUN 12 2008 **DARLENE HERRIN, County Clerk** Kendall County, Texas

Deputy

AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS TWIN PEAKS RANCHES

STATE OF TEXAS

§

KNOWN ALL MEN BY THESE PRESENTS:

COUNTY OF KENDALL §

WHERAS, Sattler Road Ranch, a General Partnership composed of Gail G. Wilkes and Canavan Properties, Ltd., a Texas Limited Partnership acting through its General Partner, Canavan Holdings, LLC ("Developer") purchased and developed the subdivision now known as TWIN PEAKS RANCHES in Kendall County, Texas; and,

WHEREAS, Developer imposed certain restrictive covenants and conditions upon TWIN PEAKS RANCHES by instrument entitled "Declaration of Covenants, Conditions and Restrictions, TWIN PEAKS RANCHES", recorded under Clerk's Document #00214324, in Volume 1023, Page 219, Official Public Records, Kendall County, Texas (the "Restrictions"); and,

WHEREAS, Developer reserved unto itself, in Section 9.03, the right to amend said Restrictions until the Control Transfer Date (as defined in the Restrictions), so long as Developer owns at least one tract of land; and,

WHEREAS, Developer still holds title to more that 51% of the Tracts of land and the Control Transfer Date has not yet occurred; and,

WHEREAS, Developer desires to amend Section 3.01 of the Restrictions to read as follows:

Section 3.01 Single Family Residential Construction. Except as provided below, no building shall be erected, altered, placed or permitted to remain on any Tract other than one dwelling unit per each Tract to be used for single family residential purposes. One guest/servants house may be built provided said guest/servants house contains no less than five hundred (500) square feet, is built after or while the main dwelling is being built and has prior approval of the Association. All main residences must have a garage. Guests/servants houses must be of the same general construction as the main dwelling and are subject to the roofing and masonry requirement of Sections 3.07 and 3.11 below. Detached garages and workshops may not be constructed on the Property prior to the main dwelling being built. Barns and/or storage buildings may be constructed on the property prior to the main dwelling being built provided they are approved in writing by the Association prior to being erected, altered or placed on the property. All structures must be approved in writing by the Association prior to being erected, altered or placed on the Property. Mobile homes, industrialized homes, manufactured homes, modular homes, prefabricated homes, or any home constructed partially or entirely offsite with a similar process of construction as a mobile home, manufactured home, modular home or

industrialized home, regardless of whether the same are placed upon permanent foundation, are not permitted within the Subdivision. All dwellings must have at least two thousand (2000) square feet of living area for one story homes and two thousand five hundred (2500) square feet of living area for two story homes, with at least one thousand two hundred fifty (1250) square feet on the ground floor, excluding porches, and be built with new construction material. Any building, structure or improvements commenced on any tract shall be completed as to the exterior finish and appearance within nine (9) months from the commencement date. Detached garages shall be of the same general construction as the main dwelling and located on the tract according to the Association approved building site plan and shall be suitable for not less than two (2) automobiles. All garages must face the side or rear Tract line. No carports shall be allowed.

Notwithstanding anything contained in this Section 3.01, the dwelling currently existing in the subdivision located on the Tract identified as Tract 20 more fully described on Exhibit B (of the Restrictions) shall be considered in compliance with these restrictions. If the owner of such dwelling desires to renovate, repaint or reconfigure the outside of the structure, such owner must get approval of the Association and such renovations, repainting and reconfiguration must comply with these restrictions, unless otherwise agreed to by the Association. Ordinary and typical repairs shall not be subject to the Association approval.

NOW THEREFORE, premises considered, Developer does hereby amend Section 3.01 of the Restrictions as follows:

Section 3.01 Single Family Residential Construction. Except as provided below, no building shall be erected, altered, placed or permitted to remain on any Tract other than one dwelling unit per each Tract to be used for single family residential purposes. One guest/servants house may be built provided said guest/servants house contains no less than five hundred (500) square feet, is built after or while the main dwelling is being built and has prior approval of the Association. All main residences must have a garage. Guests/servants houses must be of the same general construction as the main dwelling and are subject to the roofing and masonry requirement of Sections 3.07 and 3.11 below. Detached garages and workshops may not be constructed on the Property prior to the main dwelling being built. Barns and/or storage buildings may be constructed on the property prior to the main dwelling being built provided they are approved in writing by the Association prior to being erected, altered or placed on the property. All structures must be approved in writing by the Association prior to being erected, altered or placed on the Property. Mobile homes, industrialized homes, manufactured homes, modular homes, prefabricated homes, or any home constructed partially or entirely offsite with a similar process of construction as a mobile home, manufactured home, modular home or industrialized home, regardless of whether the same are placed upon permanent foundation, are not permitted within the Subdivision. All dwellings must have at least two thousand (2000) square feet of living area for one story homes and two thousand five hundred (2500) square feet of living area for two story homes, with at least one thousand two hundred fifty (1250) square feet on the ground floor, excluding porches, and be built with new construction material. Any building, structure or improvements commenced on any tract shall be completed as to the exterior finish and appearance within nine (9)

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Except as amended herein, the Restrictions shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the Developer herein, has hereunto set its hand of this 3'd day of 1000 day, 2009.

SATTLER ROAD RANCH, a General Partnership composed of Gail G. Wilkes and Canavan Properties, Ltd., a Texas Limited Partnership

By: CANAVAN PROPERTIES, LTD.

By: CANANAN HOLDINGS, LLC, its General Partner

By: WILLIAM E. CANAVAN, Managing Member

This, instrument was acknowledged before me on this the day of Canavan Holdings, LLC, General Partner of Canavan Properties LTD., Partner Sattler Road Ranch, a Wilkes and Canavan Properties, of said Company.

Canavan Holdings, LLC, General Partner of Canavan Properties LTD., Partner Sattler Road Ranch, a Canavan Properties, on behalf of said Company.

Canavan Holdings, LLC, General Partner of Canavan Properties LTD., Partner Sattler Road Ranch, a Canavan Properties, State of Texas My Commission Express November 18, 2009

NOTARY PUBLIC, STATE OF TEXAS
Notary's Name Printed:

Choral Manual Consult of the Consult of th

My Commission Expires: 10w 14 2009

Doc = 00244993 Vol 1191 Fs 249

AFTER RECORDING RETURN TO: KIESLING, PORTER, KIESLING & FREE, P.C. P. O. Box 311686 New Braunfels, TX 78131-1686

Doc # 00244993 Vol 1191 Ps 250

Filed & Recorded in:

KENDALL COUNTY DARLENE HERRIN COUNTY CLERK

11/09/2009 1:11PM

Document Number: 00244993 Total Fees : \$23.00

Receipt Number - 4622 By Deputy: HSEIDENSTICKER

This Document has been received by this Office for Recording into the Official Public Records. We do hereby swear that we do not discriminate due to Racer Creed, Color, Sex or National Origin.

STATE DF TEXAS, COUNTY OF KENDALL
I hereby certify that this instrument was filed
in File Number Sequence on the date and
at the time stamped hereon and was duly
recorded in the OFFICIAL RECORDS Records of
Kendall County, Texas on

11/09/2009 DARLENE HERRIN, COUNTY CLERK Kendall County, Texas

y: HPI Deputy