

HUNT VALLEY VIEW RANCH RESTRICTIONS

Volume 7, Page 21, Plat Records of Kerr County, Texas; Volume 1024, Page 135, Real Property Records of Kerr County, Texas, BUT OMITTING ANY COVENANT OR RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.

OTHER EXCEPTIONS

- Electric Line Easement and Right Of Way dated October 6, 1986 to L.C.R.A., recorded in Volume 447, Page 822, Real Property Records of Kerr County, Texas.
- Telephone Line Right-Of-Way Easement dated December 2, 1988 to Hill Country Telephone Cooperative, Inc., recorded in Volume 506, Page 210, Real Property Records of Kerr County, Texas.
- Easements as per the Plat recorded in Volume 7, Page 21, Plat Records of Kerr County, Texas.
- Easements and building set back lines as per the Declaration of Covenants, Conditions and Restrictions for Hunt Valley View Ranch dated July 30, 1999, recorded in Volume 1024, Page 135, Real Property Records of Kerr County, Texas.
- Residents' easement to enjoy common area as provided in Declaration of Covenants, Conditions and Restrictions, recorded in Volume 1024, Page 135, Real Property Records of Kerr County, Texas.
- Annual assessments and/or current maintenance charges as set forth in instrument dated July 30, 1999, recorded in Volume 1024, Page 135, Real Property Records of Kerr County, Texas.
- Any visible and/or apparent roadways or easements over and across the subject property.
- Rights Of Parties In Possession. (AS PER OWNER POLICY ONLY)

HUNT VALLEY VIEW RANCH
 Kerr County, Texas

THIS DECLARATION, made this 30TH day of July, 1999, by Key Development, Inc., a Texas Corporation, ("Declarant");

Recitals

DECLARANT is the owner in fee simple of certain real property located in Kerr County, Texas, more particularly described in Exhibit "A", attached hereto and incorporated herein by reference for all purposes, and known by official plat designation as Hunt Valley View Ranch, a subdivision of Kerr County, Texas, pursuant to a plat recorded in Volume 7, Page 21, of the Plat Records of Kerr County, Texas. (the "Property").

DECLARANT has devised a general plan for the purpose of enhancing and protecting the value, attractiveness, and desirability of the lots or tracts constituting such subdivision. Declarant declares that all of the real property described above and each part of it will be held, sold, transferred, conveyed and occupied subject to the following easements, covenants, conditions, and restrictions, which will constitute covenants running with the land and will be binding on all parties having any right, title, or interest in the above described property or any part of it, their heirs, successors, and assigns, and will inure to the benefit of each owner of such right, title, or interest.

DECLARANT has caused **HUNT VALLEY VIEW RANCH** Owner's Association, Inc., to be incorporated as a non-profit corporation under the laws of the State of Texas, to which will be delegated and assigned the powers of maintaining and administering the properties and facilities; administering and enforcing the covenants, conditions, and restrictions, and collecting and disbursing the assessments and charges as hereinafter provided.

THEREFORE, in accordance with both the doctrines of restrictive covenant and implied equitable servitude, the Declarant desires to restrict the property according to these covenants, conditions, and restrictions (sometimes referred to as "Covenants" hereafter) in furtherance of this general development plan.

NOW, THEREFORE, it is declared that all of the property shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions.

1. DEFINITIONS

The following words when used in the Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

A. **"Association"** shall mean, and refer to THE HUNT VALLEY VIEW OWNER'S ASSOCIATION, INC. The principal office of the Association shall be P.O. Box 283, Hunt, Texas 78024. The Association shall be formed for the purpose of maintaining uniform standards and quality of the land and the beauty and value of the property described herein which shall hereafter be designated by Declarant. Each Owner shall become a member of the Association contemporaneously with acquiring a Lot without any further documentation of any kind.

B. **"Board"** shall mean the Board of Directors of the Association.

C. **"Common area"** means all real property, including roadways, including improvements thereto, conveyed to the Association by Plat dedication or otherwise. The Common Area shall be owned by the Association for the common use and enjoyment of the Owners. Common Area may be designated by Declarant and dedicated or conveyed to the Association from time to time.

D. **"Properties"** and **"Property"** shall mean the property described above and all additions thereto, as are subject to this Declaration or any Supplemental Declaration filed of record pursuant to the following provisions.

E. **"Member"** shall mean Declarant and each Owner of a fee simple interest or held by Contract for Deed within the Subdivision.

F. **"Owner"** shall mean the record Owner, whether one or more persons or entities, of a fee simple or under any Contract for Deed to any tract within the Property on which there is or will be built a detached single family dwelling. "Owner" shall not include persons having only a security interest.

G. **"Architectural Control Committee"** (Committee) shall mean and refer to that Committee as defined in Section 9 hereof.

H. **"Lot" and "Tract"** shall mean and refer to any lot, tract or parcel of the Property (with the exception of any Common Area, or any "Open Areas" reserved by Declarant on any plat) shown upon a plat of the property filed for record in Kerr County, Texas (as such plat may be amended from time to time.)

I. **"Improvements"** shall mean every structure and all appurtenances thereto of every type and kind, including, but not limited to, building, outbuildings, storage sheds, patios, exterior lighting, tennis courts, swimming pools, garages, storage buildings, fences, screening walls, retaining walls, decks, landscaping, dams, signs, exterior air conditioning, water softener fixtures or equipment, poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

J. **"Open Areas"** shall mean those areas of the Property including but not limited to streets which are not designated by number as lots, the ownership of such areas being reserved to Declarant and its successors and assigns.

K. **"Declarant" and "Developer"** shall mean Key Development, Inc., a Texas corporation, and the successors and assigns of Declarant.

M. **"Declaration"** shall mean this Declaration as amended from time to time.

N. **"Deed"** shall mean a deed, contract for deed, to a "Lot."

2. COVENANTS BINDING ON PROPERTY AND OWNERS

A. **Property Bound.** From and after the date of recordation of this declaration, the Property shall be subject to the Covenants and said Covenants shall run with, for the benefit of, and bind the Properties.

B. **Owners Bound.** From and after the date of recordation of this Declaration, the Covenants, shall be binding upon and for the benefit of each Owner and his heirs, executors, administrators, trustees, personal representatives, successors, and assigns, whether or not so provided or otherwise mentioned in the Deed.

C. **VARIANCE.** The Declarant, the Committee, or the Association as the case may be, may authorize variances from compliance with any of the provisions of this Declaration, with minimum acceptable construction standards, or with regulations and requirements as promulgated from time to time by the Declarant or the Committee, when circumstances such as topography, Tract configuration, Tract size, hardship, aesthetic or environmental considerations may require a variance. Such variances must be evidenced in writing and shall become effective when signed by the Declarant or by a majority of the Committee. If any such variances are granted, no violation of the provisions of the 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 this Declaration for any purpose except as to the particular property and particular provisions covered by the waiver, nor shall the granting of any variance affect the Owner's obligation to comply with all laws and regulations affecting the property.

D. **AFFIRMATIVE AND PROTECTIVE COVENANTS.** The Properties shall be used and occupied subject to the following restrictions:

A. Prohibition of Offensive Activities. Properties shall be used for residential and recreational purposes only and shall not be used for any other mercantile or commercial purposes, except as provided herein. No activity, whether for profit or not, shall be conducted which is not related to single family residential purposes, unless said activity meets the following criteria: (i) no additional exterior sign of activity is present, (ii) it is the type of activity that frequently happens in the home, (iii) no substantial traffic is created, and (iv) nothing dangerous is present. Subject to the prior written consent of the Committee, home offices to which the general public is invited may be obtained within such Owner's residence, so long as activities conducted in connection with such home offices do not become an annoyance or nuisance. This restriction is waived in regard to the customary sales activities required to sell a home in the Subdivision. The Committee shall have the sole and absolute discretion to determine what constitutes a nuisance, annoyance, or an unreasonable use of a Property under this subsection.

B. Camper or Recreation Vehicle. A camper or recreational vehicle may be used as a residence on a Lot during the construction of a dwelling for a period of no longer than six (6) months, provided it is connected to an approved septic system. Upon completion of the dwelling, campers and recreation vehicles may be stored on a tract at a distance greater than 150 feet from the roadway and 75 feet from any property line and must be screened or parked in a structure to eliminate visibility from the roadway or a neighbor.

C. Open Fires. No open fires unless approval is obtained in advance from the Committee.

D. No Offensive or Unlawful Use. No offensive or unlawful use shall be made of the Properties. The Association may from time to time adopt rules concerning same, and it shall be entitled to enforce such rules.

E. Single Family Residential Dwelling. No building shall be erected, altered, placed or permitted to remain on any Tract other than one residence to be used for residential purposes except that one guest/servants house may be built provided said guest/servants house must contain minimum 800 square feet and be built after or while the main dwelling is being built and be approved by Committee. In addition a family compound with more than one dwelling may be built if occupied by members of the same family, if all set back requirements are met, and if approved by the Committee. Detached garages, work shops, and barns may be constructed on the property prior to the main dwelling, so long as they are of good construction, kept in good repair, and are not used for residential purposes. The term "residence" does not include manufactured home, mobile homes, modular homes, tent or other types of portable structures and said structures are not permitted within the subdivision. All dwellings must have at least 1900 square feet of living area, excluding porches, and be built with new construction material. Any building, structure or improvement commenced on any Tract shall be completed as to exterior finish and appearance within one (1) year from the construction commencement date. During construction of a residence or other building or structure, the Owner or his contractor must provide or install a temporary portable toilet and maintain and keep the Tract clean and free of excess debris. "Residential purposes" shall be construed to prohibit duplex houses, triplexes, condominiums, townhouses, or apartment houses or similar type structures. All Tracts shall be for residential purposes except those designated before the Control Transfer Date by the Developer for the Commercial purposes of operating a water well.

F. Garages. All dwellings shall have a garage with a capacity of not less than two standard size automobiles. All garages shall comply with all other restrictions on usage. All garages shall consist of enclosed structures. A garage shall not be situated on a Lot so as to cause the garage door opening to be substantially visible from the roadway.

G. Driveways. Driveways shall be hard surfaced and shall be constructed with a minimum width of ten feet (10') along its entire length. The width of each driveway shall flair to a minimum of sixteen (16) feet at the street.

H. Water and Sewer Systems. Individual sewage disposal systems shall be located, constructed and equipped in compliance with the rules and regulations of the Texas Department of Health, Texas Natural Resource Conservation Commission, Upper Guadalupe River Authority, Kerr County, and any other applicable rules or regulations.

I. Fences. All fences must be approved by the Committee. Decorative fences are recommended. Fences may be net wire, wood, stone, rock or brick construction that is similar to the Residence. No fence may be installed across common area. No fence shall be constructed, situated or located a distance less than sixty (60) feet from the right of way line of any road shown on the plat of the Subdivision or within twenty-five (25) feet of the bank of a creek or lake. Barbed wire is not in

keeping with the subdivision atmosphere. All swimming pools must be fenced to a minimum of five (5) feet in height. On a corner lot, a wall, fence, or hedge may not block a driver's vision and create a hazard.

J. Antennas. Antennas of any kind shall not exceed ten (10) feet above the roof of the house or accessory building.

K. On Street Parking. On street parking is restricted to deliveries, pickups, or short time guests and shall be subject to such reasonable rules as may be adopted by the Committee.

L. Motor Vehicles. Motor Vehicles owned or in the custody of any Owner may be parked only in a carport, garage, or the driveway located upon or pertaining to such person's Lot unless otherwise authorized by the Committee in writing. No buses, vans, or trucks having a carrying capacity in excess of one ton or designed for commercial purposes shall be placed, allowed or maintained upon any residential Lot except with prior written approval of the Committee in area attractively screened or concealed from view of neighboring property and roads. No motorcycle, motorized bicycle, go-cart, dirt-bike, or all terrain vehicle shall operate on any road within the Subdivision, on any Common area, or on any Lot unless such vehicle is "properly muffled." What constitutes "properly muffled" shall be solely within the discretion of the Committee. The operation of such vehicle is prohibited on any Lot, Easement, or Common Area except for immediate access to a platted road without the approval of the Committee. No truck, bus, or semi trailer shall be left on the road in front of any Lot or any Lot except for construction and repair equipment while a residence is being built or repaired, without permission of the Committee provided, however, this shall not apply to "pick-up" trucks or non-commercial passenger vans.

M. Storage. No exterior storage of any items shall be permitted except with prior approval of the Committee. Any such storage as is approved shall be attractively screened or concealed from view from neighboring property and roads. This provision shall apply without limitation to trailers, camp trailers, boat trailers, travel trailers, boats, and unmounted pickup camper units. All materials must be kept in an enclosed building or garage and not in a carport or in general view from the road. Without limitation, no automobile, truck or other vehicle, regardless of ownership, age, condition or appearance, shall remain on any Lot in any manner which could be construed as being stored, neglected, abandoned or otherwise not in frequent use, except in a closed garage or pursuant to approval of the Committee. No article deemed to be unsightly by the Committee shall be permitted to remain on any Lot so as to be visible from adjoining property or road. Service areas, storage areas, compost poles and facilities for hanging, drying or airing clothing or household fabric shall be appropriately screened from view and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap or refuse trash shall be kept, stored or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view.

N. Repairs to Detached Machinery. No repairs which take more than one day of any detached machinery, equipment or fixtures, including without limitation motor vehicles, shall be made upon any portion of any Lot within view of neighboring property and roads without prior approval of the Committee.

O. Garbage. No garbage or trash shall be placed on the exterior of any building, except in containers meeting the specifications of the Committee, and the placement, maintenance and appearance of all such containers shall be subject to reasonable rules of the Committee. All rubbish and garbage shall be regularly removed from each Lot.

P. Outside Lighting. Indirect lighting is generally recommended.

Q. Sigⁿs. No signs, advertisements, or billboards of any kind may be erected or maintained without consent in writing of the Committee, except one (1) professionally made sign not more the forty-eight inches (48") square, advertising a Tract for sale or rent, and one (1) professionally made sign, not more than twelve inches (12") wide by twenty four inches (24") long identifying the Tract owner's name or names. Declarant or any member of the Committee shall have the right to remove any such sign, advertisement or billboard which is 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. Standard political signs not to exceed forty-eight inches (48") square shall be permitted for short periods before election.

R. Oil and Mineral Activity. No oil exploration, drilling, development, or refining operations and no quarrying or mining operations of any kind of minerals, rocks, stones, sand, gravel, aggregate or earth, including oil wells, surface tanks, tunnels, or mineral excavation or shafts shall be permitted upon or under any Lot.

S. Composite Building Site. Any Owner of one or more adjoining Tracts may, with the prior written approval of the Committee, consolidate such Tracts into a building site, with the privilege of placing or constructing improvements on such resulting site, in which case the side set-back lines shall be measured from the resulting side property lines rather than from the Tract lines as indicated on the Plat.

T. Location of the Improvements upon the Tract. No building of any kind shall be located nearer than fifty feet (50') to the side or rear property line or natural creek; or nearer than one hundred feet (100') to any Platted road as may be indicated on the Plat; provided, however, the Committee may waive any such setback line if, the Committee in the exercise of the Committee's sole discretion, such waiver is necessary to permit effective utilization of a Tract. Any such waiver or alteration must be in writing.

U. Use of Temporary Structures. No structure of a temporary character, whether trailer, tent, shack, garage, barn may be used on any tract at any time as a residence, either temporarily or permanently, except as is permitted in Sec. 4 (B).

V. Animal Husbandry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Tract except that one (1) horse; one (1) cow; one (1) sheep; or one (1) goat per two acres, or any combination thereof may be kept as long as the maximum number does not exceed one animal per two acres and does not become a nuisance or threat to other Owners. Animals being raised for 4-H school sponsored programs will be permitted. All animals being raised by individual Tract Owners must be kept in a fenced area on the Owners Tract. Dogs, cats, or other common household pets may be kept in reasonable numbers. Dogs must be kept in a kennel, dog run, or fenced area. Dogs will not be permitted to run loose in the Subdivision and must be vaccinated for rabies once a year. Waivers may be granted by the Board and other animals not mentioned must be approved by the Board. The Board shall have the sole determination of whether or not such animal is a nuisance, and its decision shall be binding and conclusive. The Board shall give notice in writing by certified mail to any Member whose pet has been determined to be a nuisance and such Member shall remove such pet from his Tract within ten (10) days from receipt of such notice. Failure to remove the pet will allow the Board to use any of the remedial measures approved herein. In no event shall vicious or dangerous animals be allowed within the Subdivision.

W. Drainage. Naturally established drainage patterns on roads, Tracts or roadway ditches will not be impaired. Driveway culverts must be installed and will 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 Committee using City and County requirements.

X. Landscaping and Excavation.

- (i) The digging of the dirt or the removal of any dirt from any Lot is expressly prohibited except as necessary in conjunction with the landscaping of or construction on such Lot.
- (ii) The Committee shall have the absolute discretion and authority to determine the necessity for required maintenance and landscaping of Lots within the Subdivision. No unsightly Lots shall be permitted.

Y. Roofing Material. All roofing material for a Residence, other building, or structure shall be of metal, wood shake, tile, top grade fiberglass shingle, or other material approved by the Committee. Like materials should be used on all structures on a Lot where possible.

Z. Access to Adjoining Tracts. No Tract may be used for access to or from an adjoining property outside of this subdivision without the written consent of the Declarant/Association.

A.A. Common Area. Only Owners and their guests may use the Common Areas. Owners may not charge non-owners for the use of the Common Areas. Owner and/or guests may not take away rights or pleasure from other Owners or guests by misusing or abusing the Common Areas. Any cost to repair damage caused the Common Area by an Owner or his guest must be reimbursed to the Association by the Owner who caused (or whose guest caused) the damage, within seven (7) days of notice from Association. All guests must be accompanied by a member of the Owner's family when using the Common Area. Any Owner who continually violates the rules of the Common Area is subject to suspension of his rights. All Common Areas are to be maintained and governed by the Association.

BB. Timber. No plants, trees, shrubs, or rocks shall be removed from Common Area or easements without the approval of the Committee.

CC. Filling, Cutting and Slope Control. The Committee will carefully review all proposed improvements which will be placed on Lots with slopes exceeding twenty percent (20%) and all filling and cutting of the terrain on such Lots shall be kept at a minimum.

DD. Pesticide and Herbicide Broadcast Application. There will be no Pesticide or Herbicide applied in such a manner that causes an entire area or lot to be impacted without approval of the Committee.

EE. Re-subdivision. No Lot shall be re-subdivided or split.

FF. Easements. Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the subdivision plat. No utility company, water district, political subdivision, or other authorized entities using these easements shall be liable for any damage done by them or their assigns, agents, employees, or servants, to shrubbery, trees, flowers, or to other property of the Owners situated in the easements.

GG. Water Supply. No individual water supply system shall be permitted on any Lot unless the system is located, constructed, and equipped in accordance with the requirements, standards and recommendations of the Texas Department of Health, Texas Natural Resource Conservation Commission, Upper Guadalupe River Authority, Kerr County, and any other applicable rules or regulations. Approval of the system as installed shall be obtained from the applicable authorities.

HH. Water Softeners and Air Conditioning Equipment. No water softeners shall be installed or used that discharges effluent brine into the sewage system. Location, type and screening of water softeners and air conditioning equipment shall be first approved by the Committee before installation or use.

II. Firearms and Hunting. No lot shall be used for the discharge of any pistol, rifle, shotgun, or other firearm, or any bow and arrow or other device capable of killing or injuring unless permitted by the Committee. Hunting of any kind is prohibited on or within Hunt Valley View Ranch Subdivision.

5. CENTRAL WATER SYSTEM

A. Each Owner shall have the privilege of obtaining water from the water supply system subject to the Restrictive Covenants and the rules and regulations set by the Board, and any requirements mandated by the Texas Natural Resource Conservation Commission.

B. Said water supply system includes the pump, pressure tanks, reserve tanks, distribution lines up to and including the water meter, located within the utility easement, and the tract of land on which the system is located.

C. In order to obtain water from the water supply system, each Owner must complete an application/agreement for water service and pay the tap fee set by the board. Furthermore, each Owner who obtains water from the system shall be billed on a regular basis for the amount of water used, at rates to be determined from time to time by the Board.

D. Meters are provided to all Lots within the subdivision. All water used by any Owner must be metered.

E. No water lines, hoses, irrigation lines, pipes or other water transmission lines or service shall be extended by any Owner outside the boundary lines of Hunt Valley View Ranch Subdivision as shown on the original plat of same.

F. No tap, water installation or other repair or maintenance of any portion of the water supply system shall be commenced without at least 24 hours notice to the Board and any Owner who fails to give such notice and/or who causes any termination or shut down of such water supply system and service without such prior notice shall be liable for and shall pay all loss, cost, expense, and damage arising therefrom.

6. UTILITY EASEMENTS RESERVED BY DECLARANT.

A. Easements. Declarant reserves 1) a ten (10) foot easement along, over, across and under the boundary lines of each tract for the installation, maintenance, repair and removal of public and/or quasi-public utilities, electrical lines, water lines, sewer and drainage facilities, and 2) a sanitary control easement as designated on the plat of the property. Full ingress and egress shall be had by Declarant at all times over each Tract, only as necessary for the installation, operation, maintenance, repair or removal of any utility, together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility. Declarant shall have the right to assign and transfer the easements and rights herein reserved to or for the benefit of any public or quasi-public utility. Declarant reserves for public use the utility easements shown on the Plat or that have been or hereafter may be created by separate instrument recorded in the Real Property Records of Kerr County, Texas, for the purposes of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph, and telephone line or lines, storm surface drainage, water lines, sewage lines, cable systems, or any other utility the Developer sees fit to install in, across and/or under the Property. All utility easements in the Subdivision may be used for the construction of drainage swells in order to provide for improved surface drainage of the Common Area and/or Tracts. Should any utility company furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document; without the joinder of any other Owner, the Declarant shall have the right to grant such easement on said Property without conflicting with the terms hereof. Any utility serving the Subdivision 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 referred to 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 on the property covered by said easements.

B. Title Subject to Easements. It is expressly agreed and understood that the title conveyed by Developer to any of the Tracts by contract deed or other conveyance shall be subject to any easement 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 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. The Developer may convey title to said easements to the public, a public utility company or the Association. 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 easement 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 Easement shall be responsible for any and all repairs to the concrete drives, fences and similar improvements which cross or are located upon such Utility Easements.

C. Power to Grant Easements. In addition to any blanket easements described in this Declaration, the Association shall have the power to grant access, utility, drainage, water facility and other such easements in, on, over or under the Common Area.

7. IMPROPER MAINTENANCE BY OWNER. In the event any portion of a Lot or Structure thereon is in Committee/Declarant's judgment so maintained by the owner as to not comply with these Covenants or present a public or private nuisance or substantially detract from the appearance or quality of the neighboring Tracts or Residences or other areas of the Property which are substantially affected thereby or related thereto, the Committee/Declarant may make a demand that the Owner cure the problem described. Unless corrective action is taken within ten (10) days, the Association/Declarant shall be authorized and empowered to cause such action to be taken and the cost (the "Maintenance Cost") thereof shall be assessed against the Lot and Residence of the offending Owner and shall be secured by the Maintenance Lien hereinafter provided. Written notice of such assessment shall be delivered to the offending Owner which notice shall specify the amount of such Maintenance Cost and shall demand payment thereof within thirty (30) days after the date of said notice.

8. IMPOSITION OF LIEN; OWNER'S AGREEMENT.

A. Imposition of Maintenance Lien. Declarant/Association shall have the right at any time there is unpaid Maintenance Cost outstanding with respect to a Lot, to file of record with the County Clerk of Kerr County, Texas, a written statement describing such Lot and the unpaid Maintenance Cost relating thereto in which event, upon such filing there shall automatically be imposed upon such Lot a lien (the "Maintenance Lien") in favor of Declarant/Association for

the amount of such unpaid Maintenance Cost. Upon payment of all Maintenance Cost relating to any such Lot, Declarant/Association shall file of record with the County Clerk of Kerr County, Texas, an appropriate release of any Maintenance Lien previously filed against the Lot.

B. Owner's Promises Regarding Maintenance Costs and Maintenance Lien. Each Owner, for himself, his heirs, executors, administrators, trustees, personal representatives, successors and assigns, covenants and agrees:

- (i) That he will pay to the Association within thirty (30) days after the date of written notice thereof any Maintenance Cost assessed by the Association against his Tract.
- (ii) That by accepting a Deed to his Tract, he shall be, and remain, personally liable for any and all Maintenance Cost assessed against his Tract while he is (or was) the Owner thereof, regardless of whether such covenants or agreements are expressed in such Deed and regardless of whether he signed the Deed.

C. Lot Cleaning. In consideration of fire safety and general ranch beauty; Owners are encouraged to cut or trim cedar and underbrush and in the process thereof, dispose of it in a timely manner.

D. Environmental Hazards. No noxious substances or undesirable products whatsoever shall be permitted on any Lot. The Committee shall determine the degree of noxiousness or undesirability and its decision shall be conclusive on all parties.

9. MAINTENANCE FUND DEFINED AND USES.

A. Maintenance Fund. Each Owner (by acceptance of a Deed for any portion of the Property whether or not it shall be so expressed in any such Deed or other conveyance), hereby covenants and agrees and shall be deemed to covenant and agree to pay the Association assessments or charges. The annual assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each portion of the Property against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the continuing lien upon each portion of the Property against which each such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such property at the time when the assessment becomes due.

B. Initial Maintenance Fund. The amount of an annual maintenance fund charge shall be an amount fixed by the Declarant/Association. It is intended that the Declarant / Association will for each year fix the annual amount maintenance fund charge at an amount estimated in good faith by the Association to be required in order that the funds produced thereby will approximate the costs and expenditures of such funds for the purposes hereinafter specified. Until January 1, 2000, such annual maintenance fund charge shall not exceed \$200 per Tract owned in the Subdivision. The annual maintenance fund charge, as set forth in the preceding sentence, shall be adjusted as necessary at the end of calendar year 2000, and at the end of each calendar year thereafter, which adjustment shall apply to the succeeding calendar year.

C. Basis of the Maintenance Charge. 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, in advance, on or before the first day of the month of each calendar year. Provided, however Declarant/Association may adjust the annual charge on Composite Building Sites or when Owner owns more than one lot. Declarant may determine annual charge based on acreage. Declarant shall not be obligated to pay a maintenance charge on unsold lots or tracts.

D. Delinquent Maintenance Charges. Any Maintenance Charge not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of the rate of eighteen percent (18%) per annum or the maximum rate permitted by law. The Declarant may bring the action at law against the Owner personally obligated to pay the same, or foreclose the hereinafter described lien against the Owner's Tract.

E. Creation of Lien and Personal Obligation. In order to secure the payment of the Maintenance Charge, and other charges and assessments hereby levied, a vendor's (purchase money) lien for the benefit of the Association, shall be and is hereby reserved in the deed from the Declarant to the purchaser of each Tract or portion thereof, which lien shall be enforceable through appropriate judicial and non-judicial proceedings by the Association. As additional security for the payment of the Maintenance Charge and other charges and assessments hereby levied, each Owner of a Tract in the Subdivision, 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 provision 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. The Trustee may be changed at any time and from time to time by the Association by means of written instrument executed by the Declarant, or any Vice President of the Association and filed for record in the Real Property Records of Kerr 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 Texas Property Code and to exercise the power of sale hereby granted, the Association shall mail to the defaulting Owner a copy of the Notice of Trustee's Sale not less than twenty-one (21) days prior to the date on which said sale is scheduled by posting such notice through the U. S. Postal Service, postage prepaid, certified, return receipt requested, properly addressed to such Owner at the last unknown address of such Owner according to the records of the Association. If required by law, the Association or Trustee shall also cause a copy of the Notice of Trustee's Sale to be recorded in the Real Property Records of Kerr County, Texas. 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 deemed to be tenant at sufferance and may be removed from possession by all lawful means, including a judgment for possession in an 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 rights 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 Sections 7 & 8 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 thereafter, the Declarant, President or any Vice President of the Association, acting without joinder of other Owner or mortgagee or other person may, by amendment to this Declaration filed in the Real Property Records of Kerr County, Texas, amend the provisions hereof so as to comply with said amendments to Section 51.002 of the Texas Property Code.

As provided above, 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 and costs of collection which accrued thereon, (c) the legal description and street address of the Tract against which the lien is claimed and (d) 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 thereby 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 or a reasonable fee as fixed by the Board to cover preparation and recordation of such release of lien instrument.

F. Liens Subordinate to Mortgages. The Liens described in this section and the superior title herein reserved shall be deemed subordinate to a first lien or other liens of any bank, insurance company, savings and loan association, pension and profit sharing trusts or plans, or the bona fide third party lender, including Declarant, which may have heretofore or may hereafter lend money in good faith for the purchase or improvement of any Tract 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 or 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 acquiring title to a Tract from liability for any Maintenance Charge or other charges or assessments thereafter becoming due or form 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 mortgagee sixty (60) days advance written notice of the Association's proposed foreclosure of the lien which notice shall be sent to 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 section.

G. Purpose of the Maintenance Fund. The Maintenance Charge levied by the Declarant/Association shall be used for the purpose of promoting the recreation, health, safety, and welfare of the Owners of the Subdivision and other areas 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. 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. The judgment of the Declarant/Association as to the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith. The Maintenance Fund shall be used for the following:

- (i) Accounting and office expenses;
- (ii) Road maintenance which shall include the grading, topping and working the Roads and the drainage/ditches adjacent thereto as needed to provide normal access;
- (iii) Legal expenses;
- (iv) Association income tax preparation which includes costs of annual corporate Federal Income Tax return and State of Texas Franchise Tax return, if applicable.
- (v) Maintenance expense of Common Areas;
- (vi) Expense of insurance;
- (vii) Association expense for garbage and trash removal;
- (viii) Maintenance expense for water wells and appurtenant structures and equipment

In the event that the Association shall expend moneys for any of the foregoing purposes in amounts exceeding the amount then in the Maintenance Fund, the Association shall be entitled to receive reimbursement from amounts thereafter paid into the Maintenance Fund provided, however, that the Association will not without the approval of the Members, evidenced by the favorable vote of a majority of the votes entitled to be cast by the Members, expend more than fifty percent (50%) in excess of the total moneys assessed in the last annual assessment.

H. Handling of Maintenance Charges. The collection and management of the Maintenance Charge or other charge assessment levied hereunder, shall be performed by the Declarant until the Control Transfer Date, at which time the Declarant shall deliver to the Association all funds on hand together with all books and records of receipt and disbursements. The Declarant before transfer and the Association after transfer, shall maintain separate special accounts for these funds. Owners shall be provided at least annually information on the Maintenance Fund.

I. Exempt Property. The following property subject to this Declaration shall be exempt from the Maintenance Charge and all other charges and assessments created herein: all properties dedicated to an accepted public authority, all Common Areas and open land, and Declarant's unsold Tracts within the subdivision.

10. ARCHITECTURAL CONTROL COMMITTEE (COMMITTEE).

A. Membership of Architectural Committee. The Architectural Committee shall consist of not less than one (1) and not more than three (3) voting Members serving in an advisory capacity as Declarant, its successors, or assigns deems appropriate. The initial voting member of the Architectural Committee shall be Bobby Key.

B. Action of Architectural Committee. Items presented to the Architectural Committee shall be decided by majority vote of the Voting Members. The Architectural Control Committee's approval shall not be unreasonably withheld or delayed. The vote of a majority of the Voting Members of the Committee taken with or without a meeting shall constitute an act of the Architectural Committee.

C. Advisory Members. The Voting Members may from time to time designate Advisory Members.

D. Term. Each member of the Architectural Committee shall hold office until such time as he or she resigned, has been removed, or his successor has been appointed as provided herein.

E. Declarant's Rights of Appointment. Declarant, its successors, or assigns shall have the right to appoint and remove all members of the Architectural Committee. Declarant may delegate this right to the Board by written instrument until the Control Transfer Date.

F. Committee Approval. No building, fence, wall sign, walkway, roadway, landscaping, other improvements either temporary or permanent shall be created, placed, erection, commenced or changes made in the design or exterior appearance thereof (excluding, without limitation, painting, staining or siding), or addition or exterior alteration made thereto after original construction, or demolition or destruction by voluntary action made thereto after original constructed, on any Tract in the Subdivision until the obtaining of the necessary approval (as hereinafter provided) from the Committee of the construction plans and specifications 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. Each application made to the Committee shall be accompanied by two sets of plans and specifications for all proposed construction (initial or alteration) to be done on such Tract, including plans showing location on the Tract.

G. Declarant's Authority. The authority to grant or withhold architectural control approval as referred to above is initially vested in the Declarant even where this declaration refers to the Committee. After the Control Transfer Date, the authority of the Declarant shall cease and terminate upon the election of the Architectural Control Committee of the Association ("Committee"), in which event such authority shall be vested in and exercised such authority over all such plans and specifications. The term "Committee" as used in this Declaration, shall mean or refer to the Declarant or to the Architectural Control Committee composed of members of the Association, as applicable.

H. Control Transfer Date. At such time as Eighty-five percent (85%) of all of the Tracts in the Subdivision are sold, the Declarant shall cause an instrument transferring control to the Association to be placed of record in the Real Property Records of Kerr County, Texas (which instrument shall include the Control Transfer Date). Thereupon, the Association shall elect a committee of three (3) members to be known as the Architectural Control Committee. From and after the Control Transfer Date, each member of the Committee must be an Owner of property in the Subdivision. Additionally, the Declarant shall have the right to discontinue the exercise of 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 Real Property Records of Kerr County, Texas.

I. 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 fails to approve or disapprove in writing any plans and specifications and plot plans received by it in compliance with the preceding provisions within thirty (30) days following such submissions, such plans and specifications and plat 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 plot plan and all of the other terms and provisions hereof.

J. Effect of Approval. The granting of the aforesaid approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the Committee that the terms and provisions hereof shall be complied with if the building and/or other improvements are erected in accordance with such plans and specifications and plot plan. 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 plot plan, but nevertheless, fail to comply with the provisions hereof.

K. Non-liability of Committee Members. Neither the Declarant, nor the Committee or any member thereof shall be liable to any Owner(s) or any third party for any loss, damage or injury arising out of their being in any way connected with the performance of the Committee's respective duties under this declaration unless due to willful misconduct or bad faith by the Committee or its members. Neither the Committee nor the members thereof shall be liable to any Owner due to the construction of improvements within the Property to the creation thereby of an obstruction to the view from such owner's Lot or Lots. Every Owner who submits plans and specifications to the Committee for approval agrees, by submission of such plans and specifications, and every Owner or lessee of any portion of the Property agrees, by acquiring title thereto or interest therein, that he will not bring any action or suit against Declarant or members of the Committee, or their representatives, to recover any damages directly attributable to willful misconduct or bad faith on their part.

11. DECLARANT'S RIGHTS AND RESERVATIONS.

A. Period of Declarant's Rights and Reservations. Declarant shall have, retain and reserve certain rights as hereinafter set forth with respect to the Association and the Common Area from the date hereof, until the earlier to occur of the Control Transfer Date or Declarant's written notice to the Association of Declarant's termination of the rights described herein. The rights, reservations and easements herein set forth shall be prior and superior to any other provisions of this Declaration and may not, without Declarant's prior written consent, be modified, amended, rescinded or affected by any amendment of the Declaration. Declarant's consent to any one such amendment shall not be construed as a consent to any other or subsequent amendment. Declarant has the right to delegate any of its duties or authority to an agent, representative or the Committee, the Board, or to its representative prior to the Control Transfer Date.

B. Interpretation of the Covenants. Except for the judicial construction, the Declarant shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Declarant's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all owners and Property benefited or bound by the Covenants and provisions hereof until the Control Transfer Date and then such power will pass to the Association.

12. THE HUNT VALLEY VIEW RANCH OWNERS ASSOCIATION, INC.

A. General Duties and Powers of the Association. The Association was incorporated 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, to maintain, improve and enhance the Common Areas and to improve and enhance the attractiveness, desirability and safety of the Subdivision. 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. The Association may adopt whatever by-laws it may choose to govern the organization or operation of the Subdivision provided that the same are not in conflict with the terms and provisions hereof.

B. Each Member shall have one (1) vote for each acre of Hunt Valley View Ranch Subdivision owned. In determining the number of votes each member has, pursuant hereto, total acreage owned by a Member in Hunt Valley View Ranch Subdivision shall be rounded up to nearest acre. For Example, if a Member owns 6.5 acres of Hunt Valley View Ranch Subdivision, for purposes of determining the number of votes such Member has, the total number of such acres owned by such Member shall be rounded to seven (7) acres, giving the Member a total of seven (7) votes. If a Member owns 6.4 acres of Hunt Valley View Ranch Subdivision, for purposes of determining the number of votes such Member has, the total number of such acres owned by such Member shall be rounded to six (6), giving the Member a total of six (6) votes. When more than one person holds an interest in any Lot, all such persons will be Members; the vote for such lot will be exercised as such members may determine among themselves, but in no event will more than one vote be cast with respect to each acre owned by Members.

C. Voting Rights in the Association, Powers and Duties

(i) Quorum and Notice Requirements.

- (a) Any action by the Members shall require the assent of the Members entitled to cast a majority of the votes of the Members of the Association who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be given to all members at least ten (10) days in advance and shall set forth the purpose of such meeting.
- (b) The quorum required for any action shall be the presence at the meeting of Members, or of proxies, entitled to cast fifty percent (50%) of all of the votes of all Members. If the required quorum is not present at the meeting, an additional meeting may be called, subject to the notice requirement hereinafter set forth, and the required quorum at such second meeting shall be one-half of the required quorum at the preceding meeting.
- (c) Any action may be taken with the assent given in writing and signed by the Members entitled to cast a majority of the votes of the Association.
- (d) The voting rights of any Member shall be suspended for any period during which any assessment to be paid by such Member remains unpaid.

(ii) Powers and Duties Delegated to Declarant. The Board shall delegate to, and Declarant shall have, the sole responsibility and authority to manage the business and affairs to the Association on a year to year basis until the Control Transfer Date or until the Declarant terminates the same. A management agreement may be set forth in a separate agreement. Without limiting the foregoing, Declarant shall have the following powers until Declarant gives written notice to the Board, whereupon the Board shall have such powers.

- (a) To pay from the funds of the Association all legal and accounting services, policies insuring the Association against any liability to the public or the Owners (and/or invitees or tenants), which policy or policies shall contain an endorsement providing that the rights of the named insured shall not be prejudiced with respect to actions against other named insured, fidelity bonds, and any other material, supplies, insurance, furniture, labor, services, maintenance, repairs, structural, alterations, taxes or assessments required to be obtained or paid for pursuant to the terms of this Declaration or by law or which shall be necessary or proper for the operation, protection of the Association, or for the enforcement of this Declaration.
- (b) To execute all declarations of ownership and other documents for tax assessment proposes with regard to the Properties on behalf of all Owners.
- (c) To enter into contracts, maintain one or more bank accounts and, generally, to have all the powers necessary or incidental to the operation and management of the Association.
- (d) To protect or defend the Properties from loss or damage by suit or otherwise, and to provide adequate reserves for replacements.
- (e) To enforce the provisions of the Declaration and any rules made hereunder and to enjoin and seek damages from an Owner for violation of such provisions or rules.
- (f) To contract all goods, services, and insurance, for the Association and to perform the functions of the Association.
- (g) To appoint and replace, with or without cause, at Declarant's sole discretion, members of the Architectural Control Committee; after the Control Transfer Date the Architectural Control Committee will be elected as provided herein.

D. Duty to Accept the Property and Facilities Transferred by Declarant. The Association shall accept title to any property, including any improvements thereon and personal property transferred to the Association by Declarant, 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 "Function"), provided that such property and Function are not inconsistent with the terms of this Declaration. Property interests transferred to the Association by Declarant 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 Declarant 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 the Declaration, 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 which do not materially affect the Owners authorized to use such property. Except as otherwise specifically approved by resolution of Board of Directors, no property or interest in property transferred to the Association by the Declarant shall impose upon the Association any obligation to make monetary payments to Declarant or any affiliate of Declarant including, but not limited to, any purchase price, rent, charge or fee. The property or interest in property transferred to the Association by Declarant shall not impose any unreasonable or special burdens of ownership of property, including the management maintenance, replacement and operation thereof.

E. Duty to Manage and Care for the Common Area. The Association shall manage, operate, care for, maintain and repair all Common Areas and keep the same in a safe, attractive, and desirable condition for the use and enjoyment of the Members.

F. Duty to Prepare Budgets. The Association shall prepare budgets for the Association, which budgets shall include a reserve fund for the maintenance of all Common Areas.

G. Duty to Levy and Collect the Maintenance Charge. The Association shall levy, collect and enforce the Maintenance Charge and other charges and assessments as elsewhere provided in this Declaration.

H. Annual Financial Statements; Books and Records. The Association shall, not later than 120 days after the end of each fiscal year of the Association, furnish to each requesting Member financial statements which shall include a balance sheet as to the end of such year and a statement of operations for the year then ended. Such financial statements may, but shall not be required to be audited. All Members shall have the right during regular business hours and at the office of the Association to inspect the books and records of the Association.

I. Duties with Respect to Architectural Approvals. The Association shall perform functions to assist the Committee and the Declarant as elsewhere provided in this Declaration.

J. Power to Adopt Rules and Regulations. The Association may adopt, amend, repeal, and enforce rules and regulations as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration, the operation of the Association, the use and enjoyment of the Common Areas, and the use of any other property, facilitates or improvements owned or operated by the Association.

K. 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 right to enforce the provisions of this Declaration and the Rules and Regulations and shall take such action as the Board deems necessary or desirable to cause such compliance by each Member and each User. 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 within the Subdivision 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 as 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 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;

(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 a User, of a provision of this Declaration or such Rules, unless the breach is a continuing breach in which case such suspension shall continue for so long as such breach continues;

(iv) 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 User which assessment reimbursed the Association for the costs incurred by the Association in connection with such breach;

(v) By taking action itself to cure or abate such violation and to charge the expenses thereof, if any, to such violating Member, 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 Declarant, 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 subsequent breach or default.

L. Finality of Determination by Association. It is understood that the judgment of the Declarant/Association, their respective successors and assigns, in the allocation and expenditure of said maintenance fund shall be final so long as such judgment is exercised in good faith. The enumeration of the services for which the maintenance fund may be expended carries no obligation for the Association to furnish any of such services except to the extent of the funds actually received by the Association.

M. Enforcement. Enforcement of these covenants and restrictions shall be in Kerr County, Texas, and shall be by any proceeding at law or equity against any person or persons violating or attempting to violate them, or to recover damages, or to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any Covenant or Restriction herein contained shall not be deemed a waiver of the right to do so thereafter.

13. INSURANCE.

A. Fire Insurance on Dwelling Unit and Improvements on Lots. Each Owner shall purchase at his expense and maintain fire hazard insurance coverage with respect to his Lot. Any such insurance shall be for the highest insurable value of the Residence and shall contain a replacement cost endorsement. Upon the request of the Declarant, each Owner shall furnish to Declarant, immediately, evidence of insurability.

B. Damage and Destruction; Reconstruction. If any Residence or structure is damaged by fire or other casualty, the Owner of such shall immediately take all actions consistent herewith to rebuild structure.

14. AMENDMENTS. This Declaration may be amended or changed, in whole or in part, at any time by the written agreement or signed ballot of Owners (including the Declarant) entitled to cast no less than two-thirds (2/3rds) of the votes of all the Owners. If the Declaration is amended by a written agreement, it 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. Those Members (Owners, including the Declarant) entitled to cast not less than two-thirds (2/3rds) of all of the votes of the Members of the Association may also vote to amend this Declaration, in person, or by proxy, at a meeting of the Member (Owners, including the Declarant) duly called for such purpose, written notice of which shall be given to all Owners at least ten (10) days and not more than sixty (60) days in advance and shall set forth the purpose of such meeting. Any such amendment shall become effective when an instrument is filed for record in the Real Property Records of Kerr County, Texas, accompanied by a certificate, signed by a majority of the Board of Directors, stating that the required number of Members (Owners, including the Declarant) executed the instrument amending this Declaration or cast a written vote, in person or by proxy, in favor of said amendment at the meeting called for such purpose. 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 of filing of the amendment or termination.

15. AMENDMENTS BY THE DECLARANT. This Declaration may be amended by the Declarant acting alone until the Control Transfer Date. An Amendment made by Declarant pursuant to this Section shall not adversely affect the

value of the Lots and shall maintain the quality of the Subdivision. No Amendment may place additional restrictions on a Lot already sold or remove variances previously granted without the express written consent of the owner of the affected Lot. Declarant shall have and reserves the right at any time prior to the Control Transfer Date to remove any Lot or Lots from the restrictions and covenants if the Lot or Lots are sold to a third party and the Lot or Lots are separately fenced from the other lots in the subdivision.

16. **TERM.** The provisions hereof shall run with all property in the Subdivision and shall be binding upon all Owners and all persons claiming under them for a period of twenty (20) years from 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 not less than two-thirds (2/3rds) of the Owners (including the Declarant) of the Tracts has been recorded agreeing to amend or change, in whole or part, this Declaration.

17. **SEVERABILITY.** While Declarant has no reason to believe that any of the restrictive covenants or other terms and provisions contained in this Declaration are or may be invalid or unenforceable for any reason to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenants, terms or provisions. Any Owner acquiring a Lot in reliance on one or more of such restrictive covenants, terms or provisions shall assume all risks of the validity and enforceability thereof, and by acquiring the Lot, agrees to hold Declarant harmless therefrom. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect other provisions which shall remain in full force and effect.

18. **HEADINGS.** The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

19. **RESERVATION OF RIGHT TO RE-SUBDIVIDE AND RE-PLAT LOTS.** Subject to the approval of any and all appropriate governmental agencies having jurisdiction, Declarant hereby reserves the right at any time while it is the Owner thereof to re-subdivide and re-plat any Lot or Lots without the consent of any of the other Owners, so long as no Lot is less than ten acres in size. No properties may be further subdivided or divided without permission of Declarant/Association. No Lot shall be further divided or subdivided nor may any easements or other interests therein less than the whole be conveyed by the Owner thereof without the prior written approval of the Declarant/Committee; provided, however, that if the Declarant is the Owner thereof, Declarant may convey any easement or other interest less than the whole, all without the approval of the Committee.

20. **NOTICES.** Any notice required to be given to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mails, postage prepaid, addressed to the last known address of the person who appears as Member or Owner on the records of the Association at any time of such mailing.

21. **SUCCESSORS AND ASSIGNS OF DECLARANT.** Any reference in this Declaration shall include any successors or assignees of Declarant's rights and powers hereunder including the Association.

22. **ASSIGNMENT.** The rights and powers of the Declarant reserved herein may be assigned to any person or entity together with an interest in any portion of the aforesaid property. Any such assignment must be expressed, in writing, and recorded in the Office of aforesaid Recorder of Deeds. No such assignment shall be deemed to arise by implication.

23. **USE OF NAME BY DECLARANT.** In the event the Declarant or its successors shall at any time decide to develop any other land in the vicinity of the land described in the original plat, the Declarant reserves the right to use the expression or name "THE HUNT VALLEY VIEW RANCH," or any variation thereof, as a part of the name of such other project or subdivision.

24. **VETERAN PURCHASER PARTIAL RELEASE.** Notwithstanding anything contained in the Restrictions to the contrary, a Veteran Purchaser shall be entitled to have one (1) acre Tract released from Veterans Land Board for a homesite and same shall not be construed as a violation of the above Covenants.

IN WITNESS WHEREOF, the undersigned being the Declarant there, has hereunto set its hand of
this 30 day of July, 1999.

KEY DEVELOPMENT, INC.

By:

Bobby L. Key President

Bobby L. Key, President

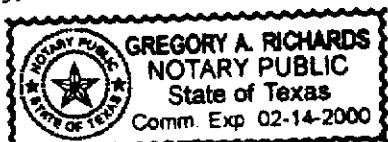
ACKNOWLEDGMENT

STATE OF TEXAS

\$
\$
\$

COUNTY OF KERR

This instrument was acknowledged before me on July 30, 1999, by Bobby L. Key, President of Key Development, Inc., a Texas corporation, on behalf of said corporation.



Notary Public, State of Texas

A handwritten signature over a horizontal line, appearing to read "G. A. Richards".

After recording, return to:

Gregory A. Richards, P.C.
P.O. Box 290254
Kerrville, TX 78029

Prepared in the Law Offices of
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 Kerrville, Texas 78029



FIELD NOTES DESCRIPTION FOR 84.22 ACRES OF LAND OUT
OF THE KEY DEVELOPMENT, INC. LAND ALONG STATE
HIGHWAY NO. 39 IN KERR COUNTY, TEXAS

Exhibit "A"

Being all of a certain tract or parcel of land containing 84.22 acres, more or less, out of Original Patent Surveys in Kerr County, Texas as follows:

Survey No.	Survey	Abstract No.	Acres
595	Michael Short	309	1.34
1875	T.T.R.R. Co.	1264	82.88

comprising 1.34 acres out of a certain 4.4 acre tract conveyed from James Wayne Abrahams to Glenn R. Key, et ux by a Warranty Deed executed the 31st day of March, 1994 and recorded in Volume 739 at Page 357 of the Real Property Records of Kerr County, Texas and 82.88 acres out of a certain 86.94 acre tract conveyed from Grant E. Lane, et ux to Key Development, Inc. by a Warranty Deed with Vendor's Lien executed the 16th day of November, 1998 and recorded in Volume 981 at Page 73 of the Real Property Records of Kerr County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a fence cornerpost in the east line of said 86.94 acre tract for a reentrant corner of the herein described tract and southwest corner of said 4.4 acre tract, the northwest corner of a certain 11 acre tract conveyed from Nola Terry, et vir to Nancy Chastain Cavazos by a Warranty Deed with Vendor's Lien executed the 25th day of March, 1988 and recorded in Volume 465 at Page 50 of the Real Property Records of Kerr County, Texas; which point bears 227.3 ft. S.06°20'04"W. from a fence cornerpost, the occupied northeast corner of said Survey No. 1875;

THENCE, along or near a fence with the common line between said 86.94 and 11 acre tracts: S.00°35'09"E., 165.92 ft. to a fence anglepost; S.01°37'32"E., 34.02 ft.; and S.00°20'07"E., 503.02 ft. to a fence cornerpost for the southwest corner of 11 acre tract, the northwest corner of a certain 7.52 acre tract conveyed from Gladys R. Myers to Nancy Chastain Cavazos by a Warranty Deed with Vendor's Lien executed the 24th day of June, 1998 and recorded in Volume 958 at Page 466 of the Real Property Records of Kerr County, Texas;

THENCE, along a fence with the common line between said 86.94 and 7.52 acre tracts: S.00°34'13"W., 362.93 ft. to a fence anglepost; and S.00°43'33"W., 219.94 ft. to a fence cornerpost for the southwest corner of 7.52 acre tract, the northwest corner of a certain 2.85 acre tract conveyed from L. F. Earlan Koehler, et ux to Vaughan A. Bradley, Jr., et ux by a Warranty Deed executed the 17th day of July, 1995 and recorded in Volume 808 at Page 233 of the Real Property Records of Kerr County, Texas and north corner of a certain 0.78 acre tract heretofore conveyed out of 86.94 acre tract from Key Development, Inc. to V. A. Bradley, Jr., et ux by a Cash Warranty Deed executed the 12th day of March, 1999 and recorded in Volume 1000 at Page 823 of the Real Property Records of Kerr County, Texas;

THENCE, upon, over and across said 86.94 acre tract: S.24°42'32"W., with the west line of said 0.78 acre tract 425.17 ft. to a $\frac{1}{2}$ " iron stake set for a reentrant corner of the herein described tract and southwest corner of 0.78 acre tract; and S.86°03'18"E.. with the south line of 0.78 acre tract 172.01 ft. to a fence cornerpost for the southeast corner of 0.78 acre tract, the southwest corner of said 2.85 acre tract and the northwest corner of a certain 2.54 acre tract conveyed from Keebler to Dahlberg by a deed executed the 21st day of January, 1992 and recorded in Volume 623 at Page 145 of the Real Property Records of Kerr County, Texas;

THENCE, along a fence with the common line between said 86.94 and 2.54 acre tracts S.01°07'44"W., 236.94 ft. to a $\frac{1}{2}$ " iron stake set for the southeast corner of the herein described tract and 86.94 acre tract, the northeast corner of a certain 156.78 acre tract conveyed as TRACT 1 from Fuessler to Matteson by a deed executed the 2nd day of July, 1968 and recorded in Volume 133 at Page 782 of the Deed Records of Kerr County, Texas;

THENCE, along or near a fence with the common line between said 86.94 acre tract and TRACT 1, S.89°47'56"W., 1289.44 ft. to a fence cornerpost in the east line of a certain 3.31 acre tract heretofore conveyed out of 86.94 acre tract from Key Development, Inc. to William V. Furbush, et ux by a Warranty Deed with Vendor's Lien executed the 18th day of June, 1999 and recorded in Volume 1017 at Page 858 of the Real Property Records of Kerr County, Texas;

THENCE, upon, over and across said 86.94 acre tract: N.00°20'10"E., with the said east line of 3.31 acre tract 241.94 ft. to a $\frac{1}{2}$ " iron stake set for a reentrant corner of the herein described tract and northeast corner of 3.31 acre tract; and S.66°10'50"W., with the north line of 3.31 acre tract 459.07 ft. to a $\frac{1}{2}$ " iron stake set in the west line of 86.94 acre tract and east line of a certain 54.6 acre tract conveyed from Elizabeth S. Wagner, Executrix to Charles Arthur Bullock, et ux by a Warranty Deed with Vendor's Lien executed the 7th day of March, 1977 and recorded in Volume 195 at Page 384 of the Deed Records of Kerr County, Texas for the southwest corner of the herein described tract and northwest corner of 3.31 acre tract;

THENCE, with the common line between said 86.94 and 54.6 acre tracts N.00°20'13"E., 2118.44 ft. to a $\frac{1}{2}$ " iron stake set in a fence, the south line of Japonica Hills, a subdivision of Kerr County according to the replat of record in Volume 5 at Page 199 of the Plat Records of Kerr County, Texas for the northwest corner of the herein described tract, the north common corner of 86.94 and 54.6 acre tracts;

THENCE, along or near a fence with the common line between said 86.94 acre tract and Japonica Hills S.89°12'46"E., 1732.35 ft. to a fence cornerpost in the west line of said 4.4 acre tract for the northeast corner of the herein described tract and 86.94 acre tract;

THENCE, along or near a fence with the common line between said 86.94 and 4.4 acre tracts S.06°20'04"W., 165.27 ft. to a $\frac{1}{2}$ " iron stake set for a reentrant corner of the herein described tract;

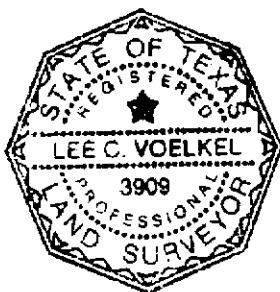
THENCE, upon, over and across said 4.4 acre tracts, all calls to set $\frac{1}{4}$ " iron stakes: S.69°07'16"E., 161.97 ft.; S.74°44'11"E., 80.74 ft.; S.62°45'15"E., 234.37 ft.; S.76°44'33"E., 40.02 ft.; N.60°18'17"E., 50.49 ft.; N.41°56'21"E., 131.55 ft. to a $\frac{1}{2}$ " iron stake set in the occupied west right-of-way line of State Highway No. 39 for the easterly northeast corner of the herein described tract; and S.03°44'46"E., with the said occupied west right-of-way line of State Highway No. 39 264.00 ft. to a fence cornerpost in the common line between said 4.4 and 11 acre tracts for the easterly southeast corner of the herein described tract;

THENCE, along or near a fence with the said common line between 4.4 and 11 acre tracts N.66°32'35"W., 689.39 ft. to the PLACE OF BEGINNING.

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

Dated this 30th day of July, 1999

Lee C. Voelkel
Registered Professional Land Surveyor No. 3909
County Surveyor for Kerr County, Texas



RECORD *Book of Property*
VOL 1024 PG 135
RECORDING DATE



Jannett Pieper
COUNTY CLERK, KERR COUNTY, TEXAS

AUG 02 1999

Provisions herein which prohibit the sale, rental or use of the described property because of color or race is invalid and unenforceable under Federal Law.
THE STATE OF TEXAS
COUNTY OF KERR

I hereby certify that this instrument was FILED in the File Number Sequence
on the date and at the time stamped hereon by me and was duly RECORDED
in the Official Public Records of Real Property of Kerr County, Texas on

AUG 02 1999



Jannett Pieper
COUNTY CLERK, KERR COUNTY, TEXAS

RECORDER'S NOTE
AT TIME OF RECORDATION INSTRUMENT FOUND
TO BE INADEQUATE FOR BEST PHOTOGRAPHIC
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FILED FOR RECORD
at 4:00..... o'clock..... M

JUL 30 1999

JANNETT PIEPER
Clark County Court, Kerr County, Texas
Jannett Pieper
Deputy
33.00 5.00 1.00

UTILITY EASEMENTS

Grantor hereby retains and grants perpetual easements for the installation and maintenance of utilities and all necessary appurtenances thereto, whether installed in the air, upon the surface or underground, as shown on this plat and along and within ten (10) feet of the rear, front and side lines of all lots and/or tracts, and upon the streets, alleys, boulevards, lanes and roads of the subdivision, and ten (10) feet along the outer boundaries of all streets, boulevards, lanes, drives and roads, where property lines of individual lots and/or tracts are deeded to the centerline of said avenues. Nothing shall be placed or permitted to remain within the easement areas which may damage or interfere with installation and maintenance of utilities. The easement area of each lot and all improvements within it shall be maintained by the owner of the lot, except for those improvements for which an authority or utility company is responsible. Utility Companies or their employees and contractors including without limitation Kerrville Public Utility Board and Hill Country Telephone Coop. are hereby assigned and granted all of the rights and benefits necessary and convenient for the full enjoyment of the rights herein granted, including but not limited to the free right of ingress to and egress from said right-of-way and easement, and the right from time to time to remove all trees, undergrowth and other obstructions that may injure, endanger or interfere with the operation of said utility installations. The easement rights herein reserved include the privilege of anchoring any support cables or other devices outside said easement when deemed necessary by the utility to support equipment within said easement and the right to install wires and/or cables over some portions of said lots and/or tracts not within said easement so long as such items do not prevent the construction of buildings on any of the lots and/or tracts of this subdivision.

I hereby certify that the utility easement as specified by this plot meets with our approval.

David Aldrich, P.E.
Kerrville Public Utility Board

Jimmy Dreiss
Hill Country Telephone Cooperative

I hereby certify that this subject to and is capable rules and requirements of Kerr County for on-site

Any conditions placed on
be found as a plot note,
restriction A permit t
required before an on-site
constructed. A license
required before the facilit

Dated this _____ day of

**Designated Representative
UGRA Environmental Health**

10.55 AC

3.31 ACRES
Key Development, Inc., to
William V. Furby, et ux
Warranty Deed with Vendor's Lien
Volume 1017 Page 858
(Real Property Records)
June 18, 1999

NO 020'10 E

360.50'

361.78'
S89°47'58" W 1289.44'
(S89°29'W)

TRACT I: 156.78 ACRES
Fuessler to Matteson
Volume 133 Page 782
(Deed Records)
July 2, 1968

GENERAL NOTES:

1. The property shown hereon is located in Zones B. and C. according to the Flood Insurance Rate Map (FIRM) for Kerr County (Community-Panel No. 480419 0150B) Map Date: May 1, 1979
2. School District - Hunt Independent School District
3. Utility Companies
Telephone - Hill Country Telephone Cooperative
Electrical - Kerrville Public Utility Board