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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF BEAR VALLEY RANCH SUBDIVISION

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF GILLESPIE

THAT, TRIPLE OAKS PARTNERS, LTD., a Texas Limited Partnership ("Declarant"), being the owner of that certain subdivision known as BEAR VALLEY RANCH SUBDIVISION (hereinafter referred to as the "Subdivision"), according to the plat of said subdivision as recorded in Volume 4, Pages 61-62, of the Plat Records of Gillespie County, Texas, and, as such, desiring to create and carry out a uniform plan for the improvement, development, and sale of the subdivided lots situated within the Subdivision, does hereby adopt and establish the following easements, restrictions, covenants and conditions ("Protective Covenants") to run with the land and to apply in the use, occupancy, and conveyance of the aforesaid described subdivided lots therein, which easements, restrictions, covenants and conditions shall be binding on all parties having a right, title or interest in or to the above described Subdivision or any part thereof, and their heirs, successors and assigns, and which easements, restrictions, covenants and conditions shall inure to the benefit of each owner thereof; and each contract or deed which may be executed with regard to any of such property shall be conclusively held to have been executed, delivered and accepted, subject to the following restrictions and covenants:

ARTICLE I.

DEFINITIONS

"Association" shall mean and refer to BVR Owners Association, Inc. (a Texas non-profit corporation), its successors and assigns.

"ARC" shall mean the Architectural Review Committee as referred to in Article IX, hereof.

"Common Area" shall mean all real property (including the Improvements thereto) leased, owned or maintained by the Association for the common use and enjoyment of the Owners. By way of illustration, Common Area may include, but not necessarily be limited to, the following: private streets, signs, street medians, entry gates, landscaping, lighting, entrance signs, walls, bridges, and other similar or appurtenant improvements.

"Declarant" shall mean and refer to TRIPLE OAKS PARTNERS, LTD., its successors and assigns, if such successors or assigns should acquire all of the undeveloped and unsold lots or acreage from the Declarant for the purpose of development.

"Declaration" shall mean this instrument as it may be amended from time to time.

"Dwelling" shall mean and refer to any building or portion of a building situated upon the Property which is designed and intended for use and occupancy as a residence.

"Improvement" or "Improvements" shall mean or refer to all structures or other improvements to any portion of the Property, whether above or below grade, including, but not limited to, buildings, barns, carports, fences, retaining walls, pens, well houses, entryways, driveways, gates, exterior lighting, mailboxes, flag poles, recreation areas, utility installations (including, without limitation, water, telephone, electric, satellite, propane gas tanks and systems, and septic tanks and systems), solar panels, solar collection devices, water storage tanks and collection equipment, external antenna, satellite receiving dishes and other telecommunications devices and equipment, and any exterior additions, including any changes or alterations thereto. The term "Improvement" shall also mean all exterior sculptures and other artwork to the extent the ARC determines, in its sole discretion, that such items are visible and notable features of a Tract.

"Member" shall mean and refer to an Owner who is a member of the Association as provided for below.

"Owner" shall mean and refer to the record owner (including Declarant), whether one or more persons or entities, of a fee simple title to any Tract, including contract Sellers, but excluding those having such interest merely as security for the performance of an obligation.

"Plat" shall mean and refer to the map or plat of the Subdivision recorded in Volume 4, Pages 61-62, of the Plat Records of Gillespie County, Texas, as such plat may be modified and amended from time to time.

"Property" or "Subdivision" shall mean and refer to that certain real property hereinbefore described as the "Subdivision" and more particularly described as Bear Valley Ranch Subdivision, according to the Plat, and any additional property that may be made subject to this Declaration pursuant to Article II hereof.

"Tract" shall mean and refer to any plot of land shown upon the Plat, with the exception of any plot designated on the Plat as a Common Area.

ARTICLE II

ADDITION OF LAND

Declarant hereby reserves to itself and shall hereafter have the right, but not the obligation at any time and from time to time, in its sole and absolute discretion, and without notice to or the approval of any party or person whomsoever or whatsoever, to impose this Declaration or a substantially similar Declaration upon additional property adjacent, contiguous or nearby to the Property. Declarant may, at any time and from time to time, add any other lands to the Property, and upon such addition, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall apply to the added land, and the rights, privileges, duties and liabilities of the persons subject to the Declaration shall be the same with

respect to the added land as with respect to the lands originally covered by this Declaration, unless such supplemental Declaration shall provide for changes to the Declaration to deal with the unique character of Declarant's overall development plans for the added property. In order to add lands to the Property hereunder, Declarant shall be required only to record in the Official Public Records of Gillespie County, Texas, a notice of addition of land (in the form of a Supplemental Declaration) containing the following provisions:

(a) A reference to this Declaration, which reference shall state the book and page numbers of the Official Public Records wherein this Declaration is recorded;

(b) A statement that the provisions of this Declaration shall apply to the added land;

(c) A legal description of the added land; and

(d) Any covenants, conditions, or restrictions that are different or unique to the added land.

ARTICLE III.

DEDICATION OF ROADWAY/RESERVATION OF RIGHTS

Section 1. Dedication of Roadways. Declarant hereby dedicates the roadways ("Roadways") being sixty (60) feet in width the centerlines of which are described by metes and bounds on Exhibit A attached hereto and fully incorporated herein by reference, for the common use of all Owners (such Roadways being generally depicted on the diagram attached hereto as Exhibit B and fully incorporated herein by reference), and does hereby grant to all such Owners, their heirs, successors and assigns, and their agents, licensees, guests, tenants, invitees and permittees, the free nonexclusive and uninterrupted use, liberty, privilege and easement of passage in and along the Roadways, together with free ingress, egress and regress, over and across the same, at all times and seasons forever, in, along, upon and out of said way (the "Roadway Easement"). The right to use and enjoy the Roadway Easement shall exist in favor of and shall inure to the benefit of the Owners, and each of them, and each of their respective heirs, successors and assigns, and their respective agents, licensees, tenants, guests, invitees and permittees in common with each other, the Declarant, the Declarant's successors and assigns, and their respective agents, licensees, tenants, guests, invitees and permittees. The Roadway Easement shall further be deemed an easement appurtenant to the Property, and each and every portion thereof. The right of ingress and egress provided by the Roadway Easement may be exercised by any reasonable means, whether now in existence or known or whether by a means which may come into existence in the future, and regardless of any increased burden which may result from such use.

Section 2. Reservation of Right to Create and Dedicate Additional Roadways. Declarant reserves the right, without the necessity of the joinder of the Association or any Owner or other person or entity, (i) to grant, dedicate, reserve or otherwise create additional roadway easements within the portions of the Property then owned by Declarant, (ii) to construct additional roads along any such additional roadway easements, and (iii) to execute and deliver

any and all instruments and documents in connection therewith, including, without limitation, any amendment(s) to this Declaration. All such additional roadways shall be included within the term "Roadways" for purposes of this Declaration, shall be considered part of the Common Areas, and shall be maintained by the Association as provided for herein.

Section 3. Reservation of Right to Construct Improvements. Until Turnover (as hereinafter defined), Declarant, and Declarant's successors and assigns, shall have the exclusive right to construct Improvements in the Common Areas, including, without limitation, the right to construct roads along the Roadways. From and after Turnover, the Association, and the Association's successors and assigns, shall have the exclusive right to construct Improvements in the Common Areas.

Section 4. Maintenance of Common Areas. The Association shall have the exclusive right to repair, replace and maintain the Common Areas, including, without limitation, the Roadways.

NOTICE: ALL STREETS AND ROADWAYS OF THE SUBDIVISION SHALL BE PRIVATELY MAINTAINED BY THE ASSOCIATION. GILLESPIE COUNTY, TEXAS SHALL NOT BE RESPONSIBLE FOR THE MAINTENANCE AND REPAIR OF THE STREETS AND ROADWAYS. BY ACCEPTANCE OF A DEED TO A TRACT WITHIN THE SUBDIVISION, EACH OWNER COVENANTS AND AGREES TO WAIVE ANY RIGHT SUCH OWNER MAY HAVE TO DEMAND OR COMPEL THE MAINTENANCE OR REPAIR OF THE STREETS AND ROADWAYS OF THE SUBDIVISION BY GILLESPIE COUNTY, TEXAS AND IS ESTOPPED FROM DOING SO.

Section 5. Maintenance of Perimeter Fences. The Association shall have the right to, and shall be responsible for, the maintenance and repair of all fences along the perimeter boundaries of the Subdivision (the "Perimeter Fences"), except any Perimeter Fences (or portions thereof) that are located along the boundary of a Tract that has been fenced off from the remainder of the Subdivision such that the rights of the Declarant and the Association to graze such Tract under Article VIII, Section 3(3) have terminated. The Association shall not be responsible for any such maintenance or repairs unless and until an Owner gives the Association written notice of the need for such maintenance or repairs. Upon receipt of such notice, the Association shall commence such repairs within thirty (30) days and shall diligently pursue the completion thereof. If a Tract has been fenced off from the remainder of the Subdivision, the Owner of that Tract shall be responsible for the maintenance and repair of all fences on such Owner's Tract, including, without limitation, the Perimeter Fences of the Subdivision located along the boundary of such Owner's Tract.

ARTICLE IV.

EASEMENTS

Section 1. Reservation of Utility Easements. Declarant reserves unto Declarant and Declarant's successor and/or assigns, perpetual easements (the "Utility Easements") for the installation and maintenance of utilities and all necessary appurtenances thereto, whether

installed in the air, upon the surface or underground, along and within (i) ten (10) feet of the rear, front and side boundary lines of all Tracts, (ii) all Roadways, (iii) twenty (20) feet along and outside of all boundaries of the Roadways, and (iv) twenty (20) feet along the entire perimeter boundary of the Subdivision; with the authority to place, construct, operate, maintain, relocate and replace utility lines, systems and equipment thereon. The Utility Easements include the right of anchoring any support cables or other devices outside such easement areas when deemed necessary to support equipment. Nothing shall be placed or permitted to remain within the easement areas which may damage or interfere with the installation and maintenance of utilities. The easement areas within each Tract and all Improvements within it shall be maintained by the Owner of the Tract, except as otherwise provided in this Declaration and except for those Improvements for which an authority or utility provider is responsible. Utility providers shall have 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 to ingress to, and egress from, easement areas, and the right from time to time to cut and trim all trees, undergrowth and other obstructions that may injure, endanger or interfere with the installation, operation or maintenance of utilities. Declarant shall have the right, without the necessity of joinder by the Association or any Owner, to execute and deliver any and all instruments that may be required by any provider of such utilities in order to grant or assign such provider the right to utilize the easement reserved hereby to provide such utilities.

Section 2. Easements Shown on Plat. All dedications, limitations, restrictions and reservations shown on the Plat, and all grants and dedications of easements, rights-of-way, restrictions, and related rights made by Declarant prior to the Property becoming subject to this Declaration, are incorporated herein by reference and made a part of this Declaration for all purposes, as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Property.

Section 3. Drainage Easements and Drainage Channels. Easements for drainage (the Drainage Easements") throughout the Subdivision are reserved as shown on the Plat, and are hereby reserved along and within the Roadways. The Drainage Easements are reserved by Declarant, for Declarant and Declarant's successors and assigns. Declarant reserves the right to construct drainage channels and install culverts along and within the Drainage Easements. Declarant shall have 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 entry onto all Tracts for the purpose of construction and installation of any drainage channels and culverts, and the right to cut and trim all trees, undergrowth and other obstructions that may interfere with the construction or installation of any drainage channels and culverts. No Owner may perform or cause to be performed any act which would alter, or change the course of, any Drainage Easement, drainage channel, or culvert, in a manner that would divert, increase accelerate or impede the natural flow of water over and across such areas. More specifically, and without limitation, no Owner may:

(a) alter, change or modify the existing natural vegetation in a manner that changes the character of the original environment of such areas:

(b) alter, change or modify the existing configuration of such areas, or fill, excavate or terrace such areas or remove trees or other vegetation therefrom without the prior written approval of the Association;

(c) construct, erect or install a fence or other Improvement of any type or nature within or upon such areas which will impede the natural flow of water over and across such areas;

(d) permit storage, either temporary or permanent, of any type upon or within such areas; or

(e) place, store or permit to accumulate trash, garbage, leaves, limbs or other debris within or upon such areas, either on a temporary or permanent basis.

After the initial construction of any drainage channels and culverts by Declarant, the Association shall have the right to, and shall be responsible for, the maintenance and repair of such drainage channels and culverts to the extent required in order to cause them to adequately perform the drainage and water retention function for which they were initially constructed; provided that the Owner of a Tract on which a Drainage Easement, drainage channel, and/or culvert is situated shall be responsible for the normal, day-to-day maintenance of such areas on such Owner's Tract (including, without limitation, mowing such areas, and keeping such areas free from trash, garbage, leaves, limbs and other debris), and for any maintenance or repairs caused by any violation by such Owner of the restrictions provided for in these Declarations. The failure of any Owner to comply with the provisions of this Section 3 shall in no event be deemed or construed to impose liability of any nature on the Declarant, the Association, or the ARC. Neither the Declarant, the Association, nor the ARC, shall be charged with any affirmative duty to police, control or enforce such provisions. The easements, rights and restrictions provided for in this Section 3 shall in no way affect any other recorded easement in the Subdivision.

Section 4. Access Easements. Declarant hereby reserves for itself and its successors and assigns, and the Association is hereby granted, a non-exclusive right of access to and easement across all Tracts for purposes of exercising their respective rights or performing their respective duties under these Declarations (including, without limitation, any rights or duties of maintenance or repair).

Section 5. Changes, Additions, and Reservations. Declarant reserves the right to make changes in and additions to the easements described in this Article IV for the purpose of more efficiently and economically installing any Improvements. Further, Declarant reserves the right, without the necessity of the joinder of the Association or any Owner or other person or entity, (i) to grant, dedicate, reserve or otherwise create easements for utility purposes, (including, without limitation, water, sewer, gas, electricity, telephone, cable television, and drainage) in favor of any person or entity furnishing or to furnish utility services to the Properties, but only to the extent reasonably necessary and appropriate, and (ii) to execute and deliver any and all instruments and documents in connection therewith, including, without limitation, any and all instruments and documents that may be required by any provider of such utilities.

ARTICLE V.

COMMON AREAS

Other than the Roadways and the entry to the Subdivision, and any Improvements in connection therewith, there are no Common Areas planned to be developed within the Subdivision. Notwithstanding the above, the portions of the Perimeter Fences that the Association is responsible to maintain (if any) pursuant to Article III, Section 4. above, shall be considered a part of the Common Areas.

ARTICLE VI.

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Roadways and any other Common Areas, which shall be appurtenant to and shall pass with the title to every Tract, subject to the following provisions:

(a) the right of the Association to charge fees for the repair and maintenance of the Roadways and any Common Areas, collect all dues, fines, assessments, reimbursements, and/or other fees or charges of any sort provided for in this Declaration, and enforce collection of any such dues, fines, assessments, reimbursements, and/or other fees or charges in the accordance with any and all terms, conditions or rights set forth in this Declaration;

(b) the right of the Association to suspend the voting rights of an Owner for any period of time during which any assessment against his Tract remains unpaid, or for any period of time during which such Owner is delinquent in the payment of any dues, fines, assessments, reimbursements, and/or other fees or charges due the Association hereunder;

(c) the right of the Association to suspend the voting rights of an Owner during any period of time in which an infraction of any of the rules and regulations set forth in this Declaration, or adopted by the Association, has taken place, and to uphold such suspension for up to 60 days after said Owner's cure;

(d) the right of the Association to enforce any and all rules and regulations which are a part of this Declaration and to make and adopt rules and regulations regarding the use of the Roadways and any other Common Areas; and

(e) the right of the ARC to make and adopt rules and regulations related to its purpose.

ARTICLE VII.

PROPERTY OWNER'S ASSOCIATION AND COVENANTS FOR MAINTENANCE ASSESSMENTS

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

The Association shall have two classes of voting membership.

Class A: Class A Members shall be all Owners of Tracts, with the exception of the Declarant, and shall be entitled to one (1) vote for each Tract owned. When more than one person owns an interest in any Tract, all such persons shall be members. The vote for such Tract shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any one Tract hereunder.

Class B: Class B Members shall be the Declarant. Declarant shall be entitled to three (3) votes for each Tract owned. Once a Tract is sold to a person or persons who would be classified as Class A Members, the three (3) votes attached to that Tract shall be extinguished.

When more than one person owns an interest in any Tract, in order for the vote attributable to such Tract to be valid, the Owners of such Tract (or their representatives) shall deliver to the Board of Directors such instruments and documents (including, without limitation, resolutions, authorizations, approvals, and certifications) as the Board of the Directors may reasonably request to confirm that such vote was authorized; such instruments and documents to be delivered prior to the taking of the vote of the members. If such instruments and documents are not delivered, or if the Board of Directors determines, in its sole discretion, that such vote was not properly authorized, the vote submitted for such Tract shall be deemed to be an abstention.

Section 2. Turnover.

(a) At any time after commencement of operations of the Association, at Declarant's sole discretion, the Owners may be required to take over the management of the Association and relieve Declarant of all duties associated therewith (for purposes of this Declaration, the transfer of management of the Association by Declarant to the Owners is hereinafter referred to as "Turnover"). Upon such Turnover by the Declarant, the Owners will be required to choose their own Board of Directors to represent them and to manage the Association in accordance with the terms and conditions of this Declaration and to establish any and all bylaws, procedures and other management devices by which the Association shall operate. Prior to the date such Turnover occurs, a Director need not be a member of the Association. From and after such date, a Director shall be a member of the Association.

(b) Notwithstanding anything to the contrary, until such Turnover has taken place, the management of the Association shall be by Declarant and its staff, and any expenses incurred in such management shall be reimbursed to Declarant by the Association. Said reimbursable expenses shall include the cost of Declarant's staff for the time spent in the management of the Association.

(c) Declarant shall give the Owners written notice of the Turnover (the "Turnover Notice") at least thirty (30) days prior to the effective date of such Turnover. The Turnover Notice shall state the effective date of the Turnover (the "Turnover Date"). In addition, the Turnover Notice shall state the place, date and hour of a special meeting of the Owners called for the purpose of the election of a new Board of Directors as of the Turnover Date, and shall constitute a call and notice of such special meeting. In the event the Owners fail to elect a new Board of Directors by the Turnover Date, the Declarant may (but shall not be obligated to) appoint three (3) or more Owners to serve as an interim Board of Directors until such time as the Owners elect a new Board of Directors. Turnover of the Association shall occur on the Turnover Date specified in the Turnover Notice, whether or not a new Board of Directors is elected by the Owners by the Turnover Date, and whether or not an interim Board of Directors is appointed by the Declarant.

(d) The Association shall at all times from and after Turnover indemnify and hold Declarant, its officers and partners, harmless from and against any and all liability, claims or damages of every kind, arising out of the operation of the Association (whether before or after such Turnover), or the development and operation of the Subdivision (whether before or after such Turnover), including, without limitation, the Roadways and any other Common Areas. Additionally, Declarant, its officers and partners, shall not be held liable in any way in its role in enforcing or failing to enforce any of the covenants, conditions, restrictions and other terms of this Declaration, in protecting its rights or in carrying out any of its duties or obligations. The indemnification by the Association of the Declarant shall include the Association's payment of any and all expenses incurred by Declarant's, its officers or partners, including the payment of any and all legal expenses, court costs, and all other costs associated with the protection and/or defense of Declarant, its officers and partners, in any legal actions or proceedings or any other action of any kind.

(e) Upon written request made by Declarant to the Association, which request may be made at any time after the date hereof, the Association shall obtain and maintain in effect at all times, at the Association's expense, Commercial General Liability Insurance with limits of liability reasonably acceptable to Declarant, but not less than $1,000,000.00 per occurrence and $2,000,000.00 aggregate single limit; such insurance (i) to include coverage insuring against liability arising out of or related to the operation of the Association, and the development, operation and maintenance of the Subdivision, including, without limitation, the Roadways and any other Common Areas, (ii) to name Declarant as an additional insured, and (iii) to be issued by an insurance company reasonably acceptable to Declarant. The Association shall, not later than ten (10) days after the date of Declarant's request for such liability coverage, provide Declarant with a certificate of insurance providing for the insurance coverage required hereby. The Association shall not cancel any insurance policy obtained in accordance herewith without

giving Declarant at least thirty (30) days prior written notice. The Association shall maintain such liability insurance until the later of (a) the date all of the Common Areas are turned over to the Association, (b) the date management of the Association has been turned over to the Owners, or (c) the date Declarant no longer owns any interest in any part of the Subdivision.

Section 3. Personal Obligation and Lien Rights Associated with Collection of Dues and Assessments.

(a) Each Owner, by acceptance of a deed, whether or not it shall be so expressed in such deed, is deemed to agree to pay to the Association regular annual assessments and all other Association dues, fees, fines, assessments or charges of any kind, including special assessments, which may be established and collected as hereinafter provided.

(b) The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time the assessment fell due. The personal obligation for delinquent assessments shall pass to any successors or assigns in title.

Section 4. Purpose of Assessments. The assessments levied by the Association shall be used to promote the recreation, health, safety, and welfare of the residents and/or Owners of the Property, for the improvement and maintenance of the Common Areas (including the Roadways), for the improvement and maintenance of all other roadways and easements used by or benefiting the Subdivision (whether or not such roadways or easements are located within or outside of the Subdivision), for the maintenance and repair of any Perimeter Fences that the Association is responsible to maintain, for the maintenance and repair of drainage channels, and culverts, and for the general and administrative expenses of the Association. These expenses may include, but shall not necessarily be limited to, payment of taxes and insurance, construction, repair or replacement of streets, security gates and entryways, Perimeter Fences, and other improvements, cost of trash and debris clean-up, street and lot cleaning, clearing areas contained within the Drainage Easements, repairing drainage channels and culverts, cost of professional or other outside services, and labor, equipment, materials, outside management and supervision necessary to carry out its authorized functions. Additionally, any other expenses which, in Declarant's sole discretion, are deemed necessary to uphold the Subdivision's property values and/or are for the overall betterment of the Subdivision and its appearance, shall be the responsibility of the Association and shall be paid out of assessments including, but not necessarily limited to, cost of security, lot cleaning, general maintenance and road cleaning.

Section 5. Initial Annual Assessment. Until adjusted in accordance herewith, the maximum annual assessments shall be as follows:

* Class A Members: $250.00 per individual Tract owned; and

* Class B Members: $ 10.00 per individual Tract owned.

(a) From and after January 1 of the calendar year immediately following the first conveyance of a Tract to an Owner, the maximum Class A annual assessment (a) may be increased each year by the Board of Directors not more than 15% above the maximum assessment for the previous year without a vote of membership; and (b) may be increased each year by more than 15% above the maximum assessment for the previous year if such increase is approved by the Board of Directors and by a vote of more than two thirds (2/3) of the votes that may be cast by the members represented in person or by proxy at a meeting duly called for such purpose.

(b) The Board of Directors may fix the Class A annual assessment at an amount not in excess of the maximum Class A annual assessment, as such maximum Class A annual assessment may be increased from time to time as provided for above.

(c) In no event will the maximum Class B annual assessments stated above be altered or adjusted.

Section 6. Special Assessments. In addition to the annual assessments authorized above, the Board of Directors of the Association may levy special assessments from time to time for the purpose of defraying the cost of any construction, reconstruction, repair or replacement of any capital improvements upon or which are a part of the Common Areas (including the Roadways), the cost of any construction, reconstruction, repair or replacement of any roadways and easements used by or benefiting the Subdivision (whether or not such roadways or easements are located within or outside of the Subdivision), the cost of acquisition, repair or replacement of any fixtures and personal property used by or benefiting the Association or the Subdivision, the cost of repair or replacement of any Perimeter Fences, the cost of repair or replacement of any drainage channels and culverts, and/or for carrying out any other purposes of the Association as stated herein or in the Association's organizational documents, as they may be amended from time to time. In order for the Board of Directors of the Association to levy a special assessment in accordance herewith, such special assessment must be approved by a vote of more than two thirds (2/3) of the votes that may be cast by the members represented in person or by proxy at a meeting duly called for such purpose.

Section 7. Notice and Quorum for any Action Authorized Under Sections 5 and 6. Written notice of any meeting called for the purpose of taking any action authorized under Sections 5 or 6 above shall be sent to all members not less than 20 days nor more than 90 days in advance of any meeting. At the first such meeting called, the presence of members or proxies entitled to cast sixty percent (60%) of all the votes of the membership of the Association shall constitute a quorum. If the required quorum is not present, another meeting may be called by the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 90 days following the preceding meeting.

Section 8. Uniform Rate of Assessment. Any and all dues of the Association or special assessments must be fixed at a uniform rate for all Tracts owned by Class A Members, and a

uniform rate for all Tracts owned by Class B Members, and may be collected on a monthly or quarterly basis in lieu of annually. This decision may be made by Declarant until "Turnover" occurs, and thereafter may be made by the Board of Directors.

Section 9. Date of Commencement of Annual Assessments. The annual assessment period shall be a calendar year. The first annual assessment period shall commence on January 1, 2007 and shall end on December 31, 2007. With respect to the initial sale of a Tract, the buyer may be assessed at the closing of such sale for a prorated amount of the annual assessment attributable to such Tract as if such Tract had been assessed at the Class A annual assessment rate at all times during the annual assessment period in which such sale occurs, such prorated amount to be determined based upon the number of days remaining in such annual assessment period after such closing. The Board of Directors shall fix the amount of the annual assessment against each Tract at least ten (10) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto.

Section 10. Assessment Due Date. All assessments (whether annual or special) shall be due and payable in advance upon receipt of the bill for such assessment sent by the Association.

Section 11. Certification Regarding Assessments. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Tract have been paid. A properly executed certificate of the Association as to the status of assessments on a Tract is binding upon the Association as of the date of its issuance.

Section 12. Reimbursement of Declarant. Notwithstanding any other terms or conditions set forth in this Declaration, any expenses which are incurred by Declarant prior to the establishment of the Association, or prior to sufficient income being received from assessment billings, and which would normally be the responsibility of the Association, shall be reimbursed to Declarant from proceeds of the Association as funds become available from dues and assessments, but in any case not later than one (1) year after the date the expense was incurred.

Section 13. Effect of Nonpayment of Assessments: Remedies of the Association. The Association may charge a one time late fee of $50.00 if any assessment is not paid within thirty (30) days after the date it is due. In addition, any assessment not paid within thirty (30) days after the date it is due shall bear interest from the due date at a rate equal to the lesser of (a) twelve percent (12%) per annum, or (b) the highest legal rate permitted by law to be charged the non-paying Owner. The Association may bring an action at law against the Owner personally obligated to pay the same, may foreclose the Association's lien again such Owners' Tract, and/or exercise any and all other rights and remedies it may have hereunder, or under Texas law, to enforce an Owner's obligations hereunder. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Tract.

Section 14. Subordination of the Lien to Mortgage. The Association's lien to secure payment of the assessments provided for herein shall be subordinate to mortgage, deed of trust,

or home equity liens of record. The sale or transfer of any Tract shall not affect the assessment lien. No sale or transfer shall relieve such Tract from liability for any assessments thereafter becoming due or from the lien thereof.

Section 15. Exempt Property. All Common Areas and portions of the Property, if any, which are dedicated to public authorities, shall be exempt from assessment.

Section 16. No Assessments for Initial Construction. Assessments shall not be levied for the initial construction of Premier View Drive, Contour Road and Roundtop Trail as shown on the current plat of the Subdivision, the initial construction and installation of the main electric and telephone lines and facilities serving the Subdivision along Premier View Drive, Contour Road and Roundtop Trail, the initial construction of the entry gate to the Subdivision, or the initial construction of any drainage channels or culverts to be constructed with respect to the initial development of the Subdivision.

ARTICLE VIII.

RESTRICTIVE COVENANTS

The Declarant hereby declares that the Property shall henceforth be owned, held, transferred, sold and conveyed subject to the following covenants, conditions and restrictions which are intended for the purpose of protecting the value and desirability of, and which shall run with, the Property and shall be binding on Declarant and all Owners, and their respective heirs, successors and assigns, and which shall inure to the benefit of Declarant and each Owner of any part of the Property, and their respective heirs, successors and assigns. THE FOLLOWING RESTRICTIVE COVENANTS SHALL APPLY TO ALL TRACTS UNLESS EXPRESSLY PROVIDED OTHERWISE IN A PARTICULAR RESTRICTIVE COVENANT.

Section 1. Building Restrictions

(1) **NO BUILDING, STRUCTURE OR OTHER IMPROVEMENT SHALL BE CONSTRUCTED, ERECTED OR PLACED UPON ANY TRACT UNLESS IT IS IN ACCORDANCE WITH A DEVELOPMENT AND DESIGN PLAN APPROVED BY THE ARC PURSUANT TO ARTICLE IX HEREOF, NOR SHALL ANY EXTERIOR LIGHTING BE INSTALLED ON ANY TRACT UNLESS IT IS IN ACCORDANCE WITH AN EXTERIOR LIGHTING PLAN APPROVED BY THE ARC PURSUANT TO ARTICLE IX HEREOF. NO BUILDING, STRUCTURE, EXTERIOR LIGHTING OR OTHER IMPROVEMENT, SHALL BE REMODELED, RENOVATED, RELOCATED, OR OTHERWISE MODIFIED UNLESS SUCH REMODELING, RENOVATION, RELOCATION, OR MODIFICATION IS MADE IN ACCORDANCE WITH A DEVELOPMENT AND DESIGN PLAN (OR IN THE CASE OF EXTERIOR LIGHTING, AN EXTERIOR LIGHTING PLAN) APPROVED BY THE ARC.**

Note to Owners: You should be aware that the term "Improvement" is very broad and includes all structures and other improvements to a Tract of any sort; including, without

limitation the following:

- **buildings**
- **barns**
- **carports**
- **fences**
- **retaining walls**
- **pens**
- **well houses**
- **gates**
- **driveways**
- **entryways**
- **utility installations (including, without limitation, water, telephone, electric, satellite, propane gas tanks and systems, and septic tanks and systems)**
- **flag poles**
- **mail box structures**
- **exterior lighting**
- **swimming pools and/or outdoor spas**
- **basketball courts, tennis courts, sport courts and other sports facilities and recreational areas**
- **outdoor sculptures and artwork**
- **solar panels**
- **solar collection devices**
- **water storage tanks and collection equipment**
- **external antenna, satellite receiving dishes and other telecommunications devices and equipment**

As stated above, no building, structure, exterior lighting, or other Improvement shall be constructed, erected or placed upon any Tract unless it is in accordance with a development and design plan approved by the ARC. An Owner should contact the ARC well in advance of any construction, installation or placement of an Improvement on a Tract.

(2) No Improvements shall be constructed in the Common Areas by any Owner (other than Declarant) without the prior written approval of the ARC and the Association. Without limiting the generality of the foregoing, no fences, cattle guards, archways or gates shall be installed or placed across any of the Roadways by any Owner (other than Declarant) without the prior written approval of the Association.

(3) Not more than one single-family dwelling may be erected on any Tract. Servant's quarters, one (1) guest house, and related outbuildings may be constructed after the completion of construction of the principal dwelling, but not before. Barns and stables will be permitted on a Tract only if approved by the ARC.

(4) Pens, fences, wells, well houses, and other similar improvements may be made or erected on a Tract prior to construction of the principal dwelling. Barns and stables, where

permitted, may be made or erected on a Tract prior to construction of the principal dwelling. No other improvements (including, without limitation, recreational vehicle enclosures) may be made or erected on a Tract prior to the construction of a principal dwelling. Barns and stables may not be used as a recreational vehicle enclosure prior to the construction of the principal dwelling.

(5) Single-family dwellings shall contain a minimum of 2000 square feet of living area. For purposes of this restriction the term "living area" shall mean that area of a dwelling which is heated and cooled, exclusive of porches, breezeways, carports, garages or basements.

(6) The exterior of the dwelling, barns, stables, carports, garages, recreational vehicle enclosures, servant's quarters, guesthouse and other buildings shall be constructed of wood, Masonite or comparable material, rock, stone, stucco, masonry and certain metal products (if such metal products are approved by the ARC). Metal products may be used on the exterior of any dwelling, barns, stables, carports, garages, recreational vehicle enclosures, servant's quarters, guesthouse and other buildings only if such use is approved by the ARC in accordance with the procedures set forth in Article IX below.

(7) The exterior of any building shall be completed not later than twenty four (24) months after the issuance of the building permit for such building by the ARC.

(8) All dwellings shall be newly constructed and erected on site. No dwelling shall be moved on to a Tract. An Owner shall be entitled, however, to incorporate historical and other previously used building materials and fixtures into a newly constructed dwelling.

(9) A dwelling shall not be occupied until the exterior thereof shall be completely finished and plumbing is connected to a septic system or other waste water disposal system which has been approved by all local, state and federal departments, agencies or authorities the approvals of which are required in order to install and use such systems.

(10) Recreational vehicles, travel trailers, buses, mobile homes, modular homes, pre-manufactured homes and/or industrial-built homes shall not be permitted on any Tract; except that recreational vehicles, travel trailers, and buses shall be permitted on Tracts 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 17, 18, 21, 22, and 26, provided (i) they are not stored on a Tract prior to the construction of a principal dwelling, (ii) they are not used as a dwelling, and (iii) they are kept in an enclosed structure approved by the ARC and in an inconspicuous location approved by the ARC. All boats, tractors, golf carts, ATV's, motorcycles, "pop up" campers, and other similar types of vehicles and equipment shall be stored in a garage or other enclosed structure out of view.

(11) All fences erected on any Tract shall be of new material and erected in accordance with professional fence building standards regarding quality and appearance.

(12) No Improvement of more than two stories and not exceeding a maximum height of thirty-five (35) feet shall be erected on any portion of a Tract.

(13) Roofs of all Improvements shall be constructed of wood shakes or shingles (fire

retardant), metal, flat concrete or ceramic tiles; and with permission of the ARC, high quality designer composition shingles may be used and/or built-up roofs may be used on flat roofs where necessary to the design integrity.

(14) All solar panels or other solar collection devices and water collection devices must be constructed as an integral part of the architectural design of a building. Alternatively, such devices shall be screened from the view of all streets and other Tracts.

(15) No external antenna, satellite receiving dish greater than thirty (30) inches in diameter, or other telecommunication device or equipment shall be permitted on any Tract unless totally screened from the view of streets and other Tracts.

(16) All swimming pools shall be constructed substantially at grade. No elevated swimming pools are allowed.

(17) No telephone, electric, water, septic, satellite or cable television, or other utility or service lines, wires or equipment shall be erected, placed or maintained anywhere in or upon any portion of the Subdivision, unless the same shall be contained in conduit or cables installed and maintained underground, or concealed in, under or on buildings or other Improvements; provided, however, that no provision hereof shall be deemed to prohibit:

a. the erection of temporary power or telephone structures incident to the construction of buildings or other Improvements,

b. the placement of any such utility or service lines above ground, if underground placement is prohibited by law or would prevent such lines from being functional, or

c. the erection, placement and maintenance of above ground service pedestals, switch cabinets and transformers where required by the provider of the utility or service.

(18) The walls or sides of any carport, garage, barn, stable, recreational vehicle enclosure, or other storage building, visible from any streets that abut a Tract shall be permanently enclosed to prevent viewing of the interior of such building from the street or streets. For purposes of this restriction, "permanently enclosed" shall require the absence of any garage doors or other openings, unless otherwise approved by the ARC.

(19) No signage indicating a Tract is used for any commercial purpose shall be allowed on any Tract. In addition, no sign of any kind shall be displayed for public view on any Tract, except:

(a) One (1) temporary sign of not more than five square feet may be placed on a Tract for the following purposes:

a. to advertise a Tract for sale or rent, or

b. to identify the architect or builder of Improvements on a Tract during

the construction period of such Improvements.

(b) The Declarant may erect signs of any size in order to advertise the Subdivision and the availability of Tracts for sale in the Subdivision, as long as the Declarant owns any Tracts.

All permitted signs shall be professional in appearance. The ARC shall have the authority to require the immediate removal of any sign that the ARC determines, in its sole and absolute discretion, does not comply with the requirements of this Declaration.

(20) No Owner shall alter the natural drainage of surface water over and across the Tracts, except as approved by, and with such limitations as may be prescribed by the ARC.

Section 2. Setback Requirements

(1) Except for driveways, entrance and other gates, wells and related well house, septic systems, fences and utility lines, nothing shall be stored, installed, or erected on any Tract within the building setbacks shown on Exhibit C attached hereto.

Section 3. Use Restrictions

(1) Except as set forth below, all Tracts constituting the Property shall be used for single-family residential purposes only, and no Tract shall be used for any commercial purpose. Notwithstanding the above and as exceptions thereto:

(a) a Tract may be used for growing and processing of various agricultural products and commodities for commercial purposes, including, by way of illustration (but not limitation), vineyards, orchards (including, fruits and nuts), farming operations (including vegetable farming), and cropland operations (including, small grain crops, sorghum hay, improved pasture hay, and row crop); provided that, (i) such use does not significantly increase traffic flow to and from any Tract, and (ii) no Tract shall be open to the public for the harvesting and/or purchasing of any such agricultural products and commodities;

(b) a Tract may be used for the raising of livestock, poultry or other animals, except swine;

(c) a bed and breakfast may be operated on a Tract after an Owner's principal dwelling has been completed. For purposes of these restrictions, the term "bed and breakfast" shall mean a lodging service within rooms of the principal dwelling or in a separate guest house. Only one (1) bed and breakfast unit within the principal dwelling or in a separate guest house shall be permitted.

(2) Swine shall not be kept on any Tract.

(3) All livestock, pets and poultry shall be provided shelter and shall be kept within the boundaries of a Tract (or within the boundaries of several adjoining Tracts by agreement of the Owners of such Tracts). Livestock shall be fenced within the boundaries of a Tract (or within the boundaries of several adjoining Tracts by agreement of the Owners of such Tracts). These restrictions shall not apply to unsold Tracts owned by Declarant. Furthermore, Declarant and the Association (and/or their tenants or assignees) shall have the right to graze cattle or livestock on an Owner's Tract until such time as such Owner has fenced such Owner's Tract; and each Owner and their respective heirs, successors and assigns, by acceptance of title to an interest in a Tract, hereby agree to indemnify and hold harmless Declarant and the Association (and their respective tenants or assignees), from and against, and hereby waive and release any claims or causes of action such Owner may have with respect to, any injuries to any persons or any damages to any properties that may be caused by livestock on an Owner's Tract, or that may otherwise arise out of, or be suffered or incurred in connection with, the exercise by Declarant or the Association (or their tenants or assignees) of the right to graze livestock on an Owner's Tract, and/or the presence of livestock on an Owner's Tract.

(4) There shall be no commercial feeding operation or commercial breeding of animals or fowl on any Tract. Animals used for grazing a tract while simultaneously raising young (e.g., a cow/calf operation) shall not be considered commercial breeding of animals. One (1) male animal (for example, one bull or one ram) shall be permitted on a Tract. Stocking rates shall be limited to one (1) "animal unit" for every four (4) acres. For purposes hereof, the "animal unit" equivalency for each animal type is listed on Exhibit D attached hereto and fully incorporated herein by reference. The "animal unit" equivalency for any animal type not listed on Exhibit D shall be determined by the Association in the Association's sole discretion.

(5) A church shall not be located on any Tract.

(6) Prior to the construction of the principal dwelling, an Owner shall be permitted to camp on such Owner's Tract, for a period not to exceed ten (10) consecutive calendar days, and not more than forty (40) total calendar days in any one calendar year.

(7) Abandoned or inoperative equipment, vehicles or junk shall not be permitted on any Tract. Owners are to keep each Tract clean and neat in appearance and free of litter at all times. Garbage or refuse or any hazardous material, as defined by any state or federal law, rule or regulation, shall not be buried or disposed of on any Tract.

(8) Noxious or offensive activity shall not be permitted on any Tract, nor any activity which would be considered an annoyance or nuisance to other Owners.

(9) Trash cans, garbage cans and other trash receptacles may be temporarily placed in front of a Tract for pick up and disposal by a waste disposal service; however, such items shall not be placed in front of a Tract more than 24 hours prior to the scheduled pickup time of such waste disposal service, and shall be removed within 24 hours after the scheduled pickup time, whether or not the trash was picked up.

(10) Mining, exploration or extraction of any type (including, without limitation,

drilling or mining for minerals, or mining or extraction of rock, gravel or caliche) which will damage the surface shall not be permitted on any Tract. Production of water for sale or use outside an Owner's Tract shall not be permitted.

(11) No hunting shall be allowed on any Tract. No discharge of firearms (other than shotguns) shall be allowed on any Tract. No prolonged or consistent discharge of permitted firearms (such as skeet or trap shooting) shall be permitted.

(12) No trapping of animals will be allowed, except animals can be trapped when they have become a nuisance and the trapping is for animal control purposes.

Section 4. Restriction Against Subdivision

(1) No re-subdivision of any Tracts into smaller tracts shall be permitted; provided that Declarant shall have the right to re-subdivide any Tracts owned by Declarant without restriction.

Section 5. Care of Natural Elements.

(1) In the use of a Tract, each Owner shall endeavor to ensure that the natural elements of such Owner's Tract (including, without limitation, soil and vegetation) (the "Natural Elements") are cared for and are not abused. Without limiting the generality of the foregoing, an Owner shall not (i) overgraze or permit the overgrazing of an Owner's Tract, or (ii) substantially deforest an Owner's Tract. The determination of whether or not an Owner has failed to conform with the requirements of this subsection shall be made by the Association, in the Association's reasonable discretion.

(2) Each Owner shall promptly cut and remove all dead trees from such Owner's Tract.

(3) Each Owner shall use the recommended practices promulgated by the Texas Forest Service for the prevention and control of the spreading of the destructive tree disease commonly known as "Oak Wilt" or "Oak Decline".

ARTICLE IX.

ARCHITECTURAL REVIEW COMMITTEE

Section 1. Development Objectives. The aesthetic and ecological quality of the Property requires that all Improvements be compatible with other improvements, and be in harmony with the natural surroundings (including, without limitation, natural vegetation and topography), and be compatible with the goal of reducing the impact the Improvements may have on ability of all Owners to enjoy and experience the serenity and natural beauty of the Texas Hill Country. To these ends, an Architectural Review Committee (the "ARC") has been created as described in this Article IX. The ARC has the responsibility to carry out the goals and functions that have

been adopted, and are described below, and which may be amended from time to time.

Section 2. Architectural Review Committee. The ARC shall be composed of three (3) persons selected and appointed by (i) the Declarant, as long as the Declarant owns any interest in any of the Tracts (unless Declarant's expressly relinquishes such right of appointment sooner), and (ii) after the Declarant no longer owns any interest in any of the Tracts (or after Declarant expressly relinquishes such right of appointment), by the Board of Directors of the Association.

Section 3. Goal of ARC. The goal of the ARC is to encourage the construction of Improvements of good architectural design, aesthetic quality, location on the site, and proper size compatible and in harmony with other Improvements and the natural surroundings (including, without limitation, natural vegetation and topography), and compatible with the goal of reducing the impact the Improvements may have on ability of all Owners to enjoy and experience the serenity and natural beauty of the Texas Hill Country. Improvements should be planned and designed with particular attention to site location, size, scale, building density, design and aesthetic appearance, and the use of such materials as will, in the judgment of the ARC, create an attractive and harmonious blend with existing Improvements and the natural surroundings (including, without limitation, natural vegetation and topography), and be compatible with the goal of reducing the impact the Improvements may have on ability of all Owners to enjoy and experience the serenity and natural beauty of the Texas Hill Country. The ARC may disapprove the construction or design of an Improvement, or the location of an Improvement, on purely aesthetic grounds where, in its judgment, such disapproval is required to protect the continuity of design or values of the Subdivision and of other Owners, or to preserve the serenity and natural beauty of any surroundings. Prior judgments regarding such matters of site location, design or aesthetics shall not be deemed binding upon the ARC if the ARC feels that the repetition of such matters will have an adverse effect on the Subdivision.

Section 4. ARC Approval Required. No Improvement shall be erected, constructed, placed, altered (either by addition or deletion), maintained or permitted to remain on any Tract until plans and specifications (including a site plan), in such form and detail as the ARC may deem necessary, shall have been submitted to and approved in writing by the ARC. Without limiting the general application of the preceding sentence to all Improvements (including exterior lighting), no exterior lighting shall be placed, altered (either by addition or deletion), installed, maintained or permitted to remain on a Tract until the type, location and other elements and characteristics of such lighting has been approved in writing by the ARC. The ARC shall have the power to employ professional consultants to assist it in discharging its duties, with the costs and fees of such professional consultants to be paid by the Association. The decision of the ARC shall be final, conclusive, and binding upon the applicant.

Section 5. Procedures. The ARC may, but is not obligated to, establish and publish from time to time reasonable administrative procedures and separate building guidelines covering Improvements.

Section 6. Design Submittal. The Owner must submit formal design plans and specifications (the "Design Plans"), which must adequately reflect to the ARC the true design quality of the proposed work and the location of the Improvement on such Owner's Tract.

Design Plans shall be submitted in complete form in duplicate and shall include (i) all elevations of any proposed structure(s) (including walls, signs, pools, pool buildings, barns, pens, etc.), roof height, exterior lighting plans, specification of materials, colors, textures and shapes, and (ii) a site plan showing the general location of all proposed and existing Improvements, the dimensions and shapes of all proposed and existing Improvements, and identifying any trees to be cut in connection with the proposed work. All exterior measurements and dimensions must be shown (1/4" = 1' minimum). Description of materials and finishes must be clearly indicated. Plans and specifications for the interior of any Improvement need not be submitted and shall not be the basis for any decision by the ARC.

Note to Owners: Owners are encouraged to discuss the Owner's proposed work with the ARC prior to the preparation and submission of formal Design Plans, and well in advance of the time Owner intends to commence such work.

Section 7. Basis of Approval. Approval of Design Plans shall be based upon the following:

(a) The architectural design.

(b) The location of the Improvement on the site (including, without limitation, the location of the Improvement in relation to (i) the natural surroundings (including, without limitation, natural vegetation and topography), (ii) other Improvements on the Tract, and (iii) other Improvements on adjoining Tracts and elsewhere in the Subdivision).

(c) Harmony and conformity of the design with the surroundings both natural and built (including, without limitation, natural vegetation and topography).

(d) Adequacy of the design to conditions of the site.

(e) Compatibility with the goal of reducing the impact the Improvements may have on ability of all Owners to enjoy and experience the serenity and natural beauty of the Texas Hill Country.

(f) Conformity to specific and general intent of the restrictive covenants set forth in this Declaration.

Section 8. Variances. Upon submission of a written request for same, the ARC may, from time to time, in its sole discretion, permit Owners to construct, erect, or install Improvements which are in variance from the covenants, restrictions, or architectural standards which are provided in this Declaration or those which may be promulgated in the future. In any case, however, such variances must, in the ARC's sole discretion, blend effectively with the general architectural style and design of the Subdivision and must not detrimentally affect the integrity of the Subdivision, nor harmony with the natural surroundings; and must be consistent with the goal of reducing the impact the Improvements may have on ability of all Owners to enjoy and experience the serenity and natural beauty of the Texas Hill Country. Neither the Declarant, nor the Association, nor the ARC, nor any member of the Board of Directors or of the

ARC or of the Association, shall be liable to any Owner for claims, causes of action or damages arising out of the grant of any variance to an Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the ARC's right to strictly enforce the covenants, restrictions and architectural standards provided hereunder, against any other Owner.

Section 9. Issuance of Building Permit. Upon approval of the Design Plans, a building permit will be issued and construction may begin. All such permits must be prominently displayed at the job site.

Section 10. Failure of ARC to Act. If the ARC fails to approve or to disapprove the Design Plans or to reject them as being inadequate within thirty (30) days after submittal thereof, it shall be conclusively presumed that such ARC has approved such Design Plans. If the Design Plans submitted by an Owner are not sufficiently complete or are otherwise inadequate, the ARC may reject them as being inadequate or may approve or disapprove part, conditionally or unconditionally, and reject the balance.

Section 11. Limitation of Liability. Neither the Declarant, nor the ARC , nor any of the members of the ARC, nor the Association, nor the Board of Directors, nor the members of the Association, shall be liable in damages or otherwise to anyone submitting plans and specifications for approval, to any Owner or to any other person or entity, by reason of the exercise of or the failure of the ARC to exercise any of its rights and powers hereunder, including without limitation: (i) the approval or disapproval of any plans and specifications, (ii) the approval or disapproval of any variances, (iii) the failure to take action with respect to any plans and specifications or the construction of any Improvements on any Tract, or (iv) the construction or performance of any work on any Tract, whether or not pursuant to any approved plans or specifications. Review and approvals by the ARC are for the purposes of the protection and maintenance of the aesthetic and ecological quality of the Property, and not for the purposes of determining the adequacy of the engineering, structural integrity, quality of construction, soundness of construction, safety of plans or construction, code compliance, compliance with any other laws, rules or regulations applicable to the Improvements or the construction, or any other matters involving the plans, specifications or construction of the Improvements ("Construction Matters"). Consequently, and without limiting the generality of the foregoing provisions of this section, neither the Declarant, nor the ARC, nor any of the members of the ARC, nor the Association, nor the Board of Directors, nor the members of the Association, shall be liable in damages or otherwise to anyone for any causes of action, claims, debts, demands, losses, costs, damages, expenses, obligations or other liabilities arising out of or in any way related to any Construction Matters.

ARTICLE X.

TERM

The covenants and restrictions set forth in this Declaration are made and adopted to run with the land and shall be binding upon the undersigned and all parties and persons claiming

through and under them until January 1, 2037, at which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless and until an instrument executed by Owners of at least two thirds (2/3rds) of the Tracts has been recorded agreeing to terminate said covenants and restrictions in whole or in part; provided that, if Declarant owns any interest in the Property at the time, the covenants and restrictions may only be terminated if the Declarant joins in executing such instrument.

ARTICLE XI.

ENFORCEMENT

Section 1. Right of Enforcement. Declarant, its successors or assigns, the Association, its successors or assigns, or any Owner, shall have the right to enforce, by proceedings at law or in equity, the terms, provisions, covenants, conditions, and restrictions of this Declaration. Failure of Declarant or the Association to take any action upon any breach or default shall not be deemed a waiver of their right to take action upon any subsequent breach or default. Declarant, for itself, its successors or assigns, reserves the right to enforce this Declaration, though it may have previously sold and conveyed all Tracts controlled hereby. The reservation by Declarant or the Association of this right of enforcement shall not create a duty or obligation of any kind to enforce same, and neither Declarant nor the Association shall be subjected to any claim, demand, or cause of action from any Owner by virtue of not enforcing any term, provision, covenant, condition or restrictions herein contained.

Section 2. Declarant and Association Right to Self Help.

(a) The Declarant and Association shall have the authority to employ self-help to enforce compliance with any provision of this Declaration. Upon the occurrence of a default or other violation of this Declaration, the Declarant or the Association may provide notice to the defaulting Owner of the matter of noncompliance, the action necessary to cure the noncompliance, and a date by which the noncompliance shall be cured; such notice to be sent in accordance with subparagraph (b) below. In the event the Owner fails to cure the matter of noncompliance within the required time, the Declarant or the Association may take action to cure the matter of noncompliance. NEITHER THE DECLARANT, NOR THE ASSOCIATION, NOR ANY OWNER, NOR ANY OF THEIR RESPECTIVE OWNERS, PARTNERS, MEMBERS, DIRECTORS, OFFICERS, AGENTS, LEGAL REPRESENTATIVES OR OTHERS ACTING AT THEIR DIRECTION OR REQUEST, SHALL HAVE ANY LIABILITY TO ANY OWNER WHATSOEVER FOR ANY INJURY, LOSS OR DAMAGE SUFFERED OR INCURRED BY SUCH OWNER ARISING OUT OF THE EXERCISE OF THE RIGHTS GRANTED IN THIS SECTION; AND BY ACCEPTANCE OF A DEED TO A TRACT, EACH OWNER WAIVES AND RELEASES ANY AND ALL CLAIMS OR CAUSES OF ACTION THAT MAY ARISE OUT OF THE EXERCISE OF THE RIGHTS GRANTED IN THIS SECTION, INCLUDING, WITHOUT LIMITATION, ANY CLAIMS FOR INJURY, LOSS OR DAMAGE TO THE PROPERTY OF AN OWNER.

(b) Notice of default or other violation of this Declaration and of the Declarant's or Association's intent to act pursuant to this provision shall be in the form and in the manner as

required by Article XVII. In the event of continuing noncompliance, a second notice, at least ten (10) days subsequent to the date of the mailing of the first notice, shall be sent to the noncomplying Owner. Not sooner than thirty (30) days after date of the mailing of the first notice, the Association or the Declarant may send a third notice (the "Notice of Intent to Remedy") to the noncomplying Owner of the Association's or the Declarant's intent to remedy the noncomplying condition. The Notice of Intent to Remedy shall be sent by United States Certified Mail, return receipt requested, and shall otherwise conform to Article XVII. In the event the noncomplying condition is not cured within ten (10) days after the date of the Notice of Intent to Remedy, the Declarant or the Association may commence actions to remedy the noncomplying condition at the sole expense of the noncomplying Owner.

(c) In the event that Declarant or the Association acts to remedy a noncomplying condition in accordance herewith, all sums incurred by the Declarant or the Association in connection therewith, including any attorneys' fees, shall be charged against the Owner, and shall be payable by the Owner upon demand. If such sums are not paid within three (3) days after demand for payment is made therefor, such sums shall bear interest at a rate equal to the lesser of (a) twelve percent (12%) per annum, or (b) the highest legal rate permitted by law to be charged the Owner and, unless otherwise provided herein, shall be secured by the assessment lien provided for herein against all Tracts owned by such Owner. In addition, the Declarant or the Association may exercise any and all other rights and remedies that may be available hereunder, or under Texas law, to enforce an Owner's obligations hereunder.

ARTICLE XII.

ASSESSMENT LIEN/NONJUDICIAL FORECLOSURE

Section 1. Special Deed of Trust. To secure the payment of assessments, reimbursements, and the other amounts owed to the Association by an Owner hereunder, and to ensure compliance with the applicable covenants, conditions, restrictions and easements set forth herein, each Owner, upon acceptance of his or her deed to a Tract governed by this Declaration conveys the Tract to the Trustee hereinafter named, in trust, for so long as these covenants, conditions, restrictions and easements shall remain in effect, such conveyance operating as a Special Deed of Trust. If an Owner fails to tender payment of any assessments, reimbursements, or other amounts owed to the Association when due, or if an Owner fails to perform any of the obligations under or maintain any condition required by this Declaration, the Association, in accordance with Article XI above, may perform those obligations, advance whatever funds may be required, and then be reimbursed by the Owner on demand for any sums so advanced, including attorney's fees, plus interest on those sums from the dates of payment at a rate equal to the lesser of (a) twelve percent (12%) per annum, or (b) the highest legal rate permitted by law for the Owner. The sum to be reimbursed shall be secured by this Special Deed of Trust.

Section 2. Failure to Pay. If the Owner fails on pay the Association for any assessments, reimbursements or other amounts owed by such Owner to the Association, and such failure continues after the Association gives the Owner notice of the failure and the time within which it must be cured, as may be required by law, then the Association, as the Beneficiary of this Special

Deed of Trust, may:

(a) Request the Trustee appointed herein, or such Trustee's successor, to foreclose the liens created herein, in which case the Association shall give notice of the foreclosure sale as provided by Section 51.002 et. seq. of the Texas Property Code then in effect or any successor statute thereto; and

(b) Purchase the Tract at any foreclosure sale by offering the highest bid and then have the bid credited to the amounts owed to the Association.

Section 3. Foreclosure. If requested by the Association to foreclose this lien, the Trustee shall:

(a) Either personally or by agent give notice of the foreclosure sale as required by, Section 51.002 et. seq. of the Texas Property Code then in effect or any successor statute thereto;

(b) Sell and convey the Tract to the highest bidder for cash with a general warranty binding the Owner, subject to prior liens and to other exceptions to conveyance and warranty; and

(c) From the proceeds of the sale, pay, in this order:

(1) expenses of foreclosure, including a commission to Trustee of five percent (5%) of the successful bid;

(2) to the Association, the full amount owed, attorney's fees, and other charges due and unpaid;

(3) any amounts required by law to be paid before payment to the Owner; and

(4) to the Owner, any remaining balance.

Section 4. Appointment of Trustee. Mark H. Beall is appointed Trustee for the purpose of this Article XII. The Association, as Beneficiary, may appoint a substitute or successor trustee, succeeding to all rights and responsibilities of the Trustee appointed herein, by filing an appropriate designation of substitute trustee among the Real Property Records of Gillespie County, Texas.

Section 5. Tenancy-At-Sufferance. From and after any foreclosure under this Article XII, the occupants of such Tract shall be required to pay a reasonable rent for the use of such Tract and such occupancy shall constitute a tenancy-at-sufferance. The purchaser at such foreclosure shall be entitled to the appointment of a receiver to collect such rents and, further, shall be entitled to sue for recovery of possession of such Tract by forcible detainer without further notice.

Section 6. Compliance with Property Code. It is the intent of the provisions of this

Section to comply with the provisions of the Texas Property Code (including, without limitation, Section 51.002), as such provisions may be amended from time to time. The President of the Association, acting without joinder of any Owner or mortgagee of any Owner, may, by amendment to this Declaration filed in the office of the County Clerk of Gillespie County, Texas, amend the provisions hereof so as to comply with Section 51.002.

Section 7. Priority of Lien. Any liens created by this Declaration, shall be superior to all other liens and charges against any Tract covered hereby, except only for tax liens, and mortgage, deed of trust, or home equity liens of record.

ARTICLE XIII.

PARTIAL INVALIDITY

The invalidation of any of the terms, provisions, covenants, conditions or restrictions contained in this Declaration, by judgment, court order, operation of law or otherwise, shall in no way affect the validity any of the other terms, provisions, covenants, conditions or restrictions hereof, which shall remain in full force and effect.

ARTICLE XIV.

AMENDMENT

(a) Except as otherwise provided herein, as long as Declarant owns any interest in the Property, the Declarant and the Owners (but expressly excluding their respective mortgagee's, if any) of at least two thirds (2/3rds) of the Tracts may amend this Declaration, by executing and filing an instrument containing such amendment, in the office of the County Clerk of Gillespie County, Texas. Except as otherwise provided herein, from and after the date that Declarant no longer owns any interest in the Property, the Owners (but expressly excluding their respective mortgagee's, if any) of at least two thirds (2/3rds) of the Tracts may amend this Declaration (except for the terms and conditions of any loan or assessments due to Declarant by the Association) by executing and filing an instrument containing such amendment, in the office of the County Clerk of Gillespie County, Texas.

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

(c) Notwithstanding the above, the covenants, conditions and restrictions contained in Article VIII above shall not be modified or amended in such a way that would cause a significant adverse affect on an Owner's then existing use of such Owner's Tract, without such Owner's consent.

ARTICLE XV.

WAIVER AND LACHES

The obligation to abide by the provisions contained in this Declaration shall be deemed to be of a continuing and continual basis. Each and every day an Owner allows a condition to exist on such Owner's Tract which is not in compliance with the requirements contained herein shall constitute a separate and individual violation hereof, and shall give rise to a new cause of action for such breach. The intended effect and express purpose of this provision shall be that every Owner, by accepting title to a Tract, hereby waives the affirmative defenses of the statute of limitations, waiver and laches with respect to covenant violations. Noncompliant conditions shall be allowed to exist on a Tract only upon the Owner obtaining a written variance in accordance with the applicable provisions herein. Failure of Declarant, the Association, the ARC, or of any Owner to enforce the terms of this Declaration shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE XVI.

ASSESSMENTS BY AWARD OR JUDICIAL DECREE

In the event arbitration or litigation is necessary to enforce any provision contained within this Declaration, any and all awards granted by the arbitrator, or damages, penalties, fees, costs, and/or any other charges awarded in the decree shall also constitute an assessment, which shall likewise run with the land, and which shall be secured by the lien created in Article XII herein.

ARTICLE XVII.

NOTICE

Whenever written notice or demand to an Owner is permitted or required hereunder, such notice shall be given by the mailing of such notice to such Owner at the address of such Owner appearing on the records of the Association, unless such Owner has given written notice to the Association of a different address, in which event such notice shall be sent to the Owner at the address so designated. Notice shall conclusively be deemed to have been given by the Association on the date such notice is deposited in the United States Mail, properly addressed, whether received by the addressee or not.

ARTICLE XVIII

HEADINGS

The headings contained herein are for convenience and reference only and are not intended to define, limit or describe the scope or intent of any provision of this Declaration.

EXECUTED by said Declarant, this 4 day of ~~November~~ December, 2007.

TRIPLE OAKS PARTNERS, LTD.,
acting by and through its General Partner,
Triple Oaks, L.C.

By: _____
Andrew Z. Smith, President

THE STATE OF TEXAS §

COUNTY OF GILLESPIE §

This instrument was acknowledged before me on this the 4 day of ~~November~~ December, 2007, by ANDREW Z. SMITH, President of Triple Oaks, L.C., the General Partner of Triple Oaks Partners, Ltd., a Texas limited partnership, for and on behalf of such limited partnership.

_____
Notary Public in and for
The State of Texas

LINDA KNEESE
Notary Public, State of Texas
My Commission Expires
JULY 15, 2011

David R. Johnson, Jr. and Stacy M. Johnson, the owners and holders of a lien against the Property, such lien being evidenced by a vendor's lien retained in Deed dated June 22,, 2007, from David Reichenau, Matthew David Reichenau, Mark Douglas Reichenau, and Joellen Reichenau Carroll to Triple Oaks Partners, Ltd., filed of record in Register Number 20073411, Official Public Records of Gillespie County, Texas, as well as a Deed of Trust dated June 22, 2007, to Gordon E. Sauer, Trustee, filed of record in Register Number 20073412, Official Public Records of Gillespie County, Texas, do hereby consent to and confirm the subdivision of the Property pursuant to the plat of the subdivision recorded in Volume 4, Pages 61-62, of the Plat Records of Gillespie County, Texas, and do hereby subordinate their liens and interests in all things in the Property to such plat and this Declaration of Covenants, Conditions and Restrictions; further, they hereby confirm that they are the present owners of the above described liens and have not assigned the same not any part thereof.

David R. Johnson, Jr.

Stacy M. Johnson

STATE OF TEXAS §

COUNTY OF GILLESPIE §

This instrument was acknowledged before me on the 4 day of December, 2007, by David R. Johnson, Jr. and Stacy M. Johnson.

LINDA KNEESE
Notary Public, State of Texas
My Commission Expires
JULY 15, 2011

Notary Public in and for
The State of Texas

EXHIBIT A

Centerline Description of Roadways

SULTEMEIER SURVEYING

805 North Llano Fredericksburg, TX

ROADWAYS IN BEAR VALLEY RANCH
GILLESPIE COUNTY, TEXAS

FN-07-BEARVALLEYROADS
OCTOBER 17, 2007

A DESCRIPTION OF THE ROADWAYS IN BEAR VALLEY RANCH LOCATED IN GILLESPIE COUNTY, TEXAS; SAID BEAR VALLEY RANCH BEING A 280.56 ACRE TRACT OF LAND COMPRISED OF 0.11 OF AN ACRE, MORE OR LESS, OF THE EDUARDO RIVAS SURVEY NO. 358, ABSTRACT NO. 579 AND 280.45 ACRES, MORE OR LESS, OF THE TYLER TAP RAILROAD COMPANY SURVEY NO. 193, ABSTRACT NO. 897, BOTH SITUATED IN GILLESPIE COUNTY, TEXAS; BEING THAT CERTAIN 140.278 ACRE TRACT I AND THAT CERTAIN 140.278 ACRE TRACT II (DEED/CALLED ACREAGES) DESCRIBED IN A CONVEYANCE FROM DAVID REICHENAU, ET AL TO TRIPLE OAKS PARTNERS, LTD., A TEXAS LIMITED PARTNERSHIP BY WARRANTY DEED WITH VENDOR'S LIEN DATED JUNE 22, 2007 AND RECORDED IN DOCUMENT #20073411 OF THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS; SAID ROADWAYS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PREMIER VIEW DRIVE

(uniform width segment)

60 FOOT WIDE STRIP OF LAND, THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING *at intersection of Bear Creek (County) Road and Premier View Drive:*

THENCE *passing over and across the said 280.56 acre tract the following thirty two (32) courses:*

1. *N 45°15'22" E, a distance of 8.34 feet;*

2. *N 25°53'56" E, a distance of 121.34 feet to a point of curve to the left;*

3. *A distance of 229.30 feet along the arc of a curve to the left, a radius of 789.46 feet and a chord bearing of N 17°34'41" E, a distance of 228.49 feet;*

4. *N 09°15'26" E, a distance of 18.34 feet to a point of curve to the right;*

5. *A distance of 135.79 feet along a curve to the right, a radius of 200.00 feet and a chord bearing of N 28°42'29" E, a distance of 133.20 feet;*

6. *N 48°09'33" E, a distance of 105.64 feet to a point of curve to the left;*

7. *A distance of 127.22 feet along a curve to the left, a radius of 200.00 feet and a chord bearing of N 29°56'09" E, a distance of 125.09 feet;*

8. *N 11°42'44" E, a distance of 103.31 feet to a point of curve to the right;*

9. *A distance of 192.58 feet along a curve to the right, a radius of 200.00 feet and a chord bearing of N 39°17'53" E, a distance of 185.23 feet;*

10. *N 66°53'01" E, a distance of 18.09 feet to a point of curve to the left;*

11. *A distance of 47.51 feet along a curve to the left, a radius of 200.00 feet and a chord bearing of N 60°04'42" E, a distance of 47.40 feet;*

12. N 53°16'22" E, a distance of 28.51 feet;

13. N 49°37'48" E, a distance of 122.37 feet to a point of curve to the right;

14. A distance of 98.06 feet along a curve to the right, a radius of 1290.77 feet and a chord bearing of N 51°48'22" E, a distance of 98.03 feet to a point of reverse curve to the left;

15. A distance of 134.02 feet along a curve to the left, a radius of 200.00 feet and a chord bearing of N 34°47'06" E, a distance of 131.53 feet to a point of reverse curve to the right;

16. A distance of 265.55 feet along a curve to the right, a radius of 617.74 feet and a chord bearing of N 27°54'08" E, a distance of 263.51 feet;

17. N 40°13'02" E, a distance of 453.35 feet to the intersection of the centerline of Premier View Drive and Contour Road;

18. N 40°13'02" E, a distance of 65.27 feet to a point of curve to the left;

19. A distance of 195.03 feet along a curve to the left, a radius of 294.30 feet and a chord bearing of N 21°14'00" E, a distance of 191.48 feet to the intersection of the centerline of Premier View Drive and Roundtop Trail;

20. Continuing a distance of 138.97 feet along a curve to the left, a radius of 294.30 feet and a chord bearing of N 11°16'42" W, a distance of 137.68 feet;

21. N 24°43'50" W, a distance of 90.69 feet to a point of curve to the right;

22. A distance of 298.25 feet along a curve to the right, a radius of 1531.86 feet and a chord bearing of N 24°29'50" W, a distance of 297.78 feet;

23. N 18°55'10" W, a distance of 235.56 feet to a point of curve to the left;

24. A distance of 29.69 feet along a curve to the left, a radius of 324.58 feet and a chord bearing of N 21°32'23" W, a distance of 29.68 feet;

25. N 24°09'35" W, a distance of 127.64 feet to a point of curve to the right;

26. A distance of 549.61 feet along a curve to the right, a radius of 479.57 feet and a chord bearing of N 08°40'18" E, a distance of 520.02 feet;

27. N 41°30'11" E, a distance of 207.67 feet to a point of curve to the left;

28. A distance of 597.16 feet along a curve to the left, a radius of 654.90 feet and a chord bearing of N 15°22'51" E, a distance of 576.69 feet;

29. N 10°44'28" W, a distance of 71.47 feet to a point of curve to the left;

30. A distance of 183.27 feet along a curve to the left, a radius of 205.99 feet and a chord that bears N 36°13'46" W, a distance of 177.28 feet to a point of curve to the left;

31. A distance of 516.34 feet along a curve to the left, a radius of 1357.38 feet and a chord that bears N 72°36'54" W, a distance of 513.23 feet;

32. N 83°30'45" W, a distance of 207.14 feet to the center of a cul-de-sac having a radius of 65.00 feet, for the **POINT OF TERMINATION** hereof;

ROUNDTOP TRAIL
(uniform width segment)

60 FOOT WIDE STRIP OF LAND, THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at intersection of Premier View Drive and Roundtop Trail:

THENCE passing over and across the said 280.56 acre tract the following three (3) courses:

1. N 82°38'04" E, a distance of 138.88 feet to a point of curve to the right;

2. A distance of 255.57 feet along a curve to the right, a radius of 693.41 feet and a chord that bears S 86°48'25" E, a distance of 254.12 feet;

3. S 76°14'54" E, a distance of 308.52 feet to the center of a cul-de-sac having a radius of 65.00 feet, for the POINT OF TERMINATION hereof;

CONTOUR ROAD
(uniform width segment)

60 FOOT WIDE STRIP OF LAND, THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at intersection of Premier View Drive and Contour Road:

THENCE passing over and across the said 280.56 acre tract the following eleven (11) courses:

1. S 55°37'05" E, a distance of 80.72 feet to a point of curve to the right;

2. A distance of 140.09 feet along a curve to the right, a radius of 330.28 feet and a chord that bears S 43°28'00" E, a distance of 139.04 feet;

3. S 31°18'56" E, a distance of 103.01 feet to a point of curve to the left;

4. A distance of 103.99 feet along a curve to the left, a radius of 200.00 feet and a chord that bears S 46°12'39" E, a distance of 102.82 feet to a point of reverse curve to the right;

5. A distance of 263.26 feet along a curve to the right, a radius of 200.00 feet and a chord that bears S 23'23'48" E, a distance of 244.66 feet;

6. S 14°18'46" W, a distance of 152.21 feet to a point of curve to the right;

7. A distance of 95.63 feet along a curve to the right, a radius of 200.00 feet and a chord that bears S 28°00'38" W, a distance of 94.72 feet;

8. S 41°42'31'" W, a distance of 21.13 feet to a point of curve to the right;

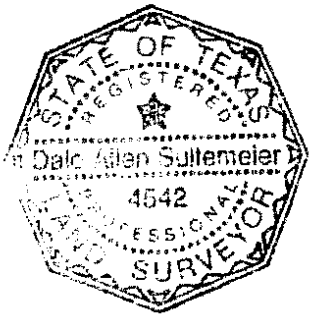
9. A distance of 93.05 feet along a curve to the right, a radius of 200.00 feet and a chord that bears S 55°02'12" W, a distance of 92.21 feet to a point of reverse curve to the left;

10. A distance of 54.33 feet along a curve to the left, a radius of 200.00 feet and a chord that bears S 52°16'48" W, a distance of 54.16 feet;

*11. S 44°10'46" W, a distance of 75.95 feet to the center of a cul-de-sac having a radius of 65.00 feet, for the **POINT OF TERMINATION** hereof;*

I, Dale Allen Sultemeier, a Registered Professional Land Surveyor, do hereby certify that this description and accompanying schematic were prepared from an on the ground survey performed under my direction and supervision.

SULTEMEIER SURVEYING
805 North Llano
Fredericksburg, Texas 78624
(830) 990-1221

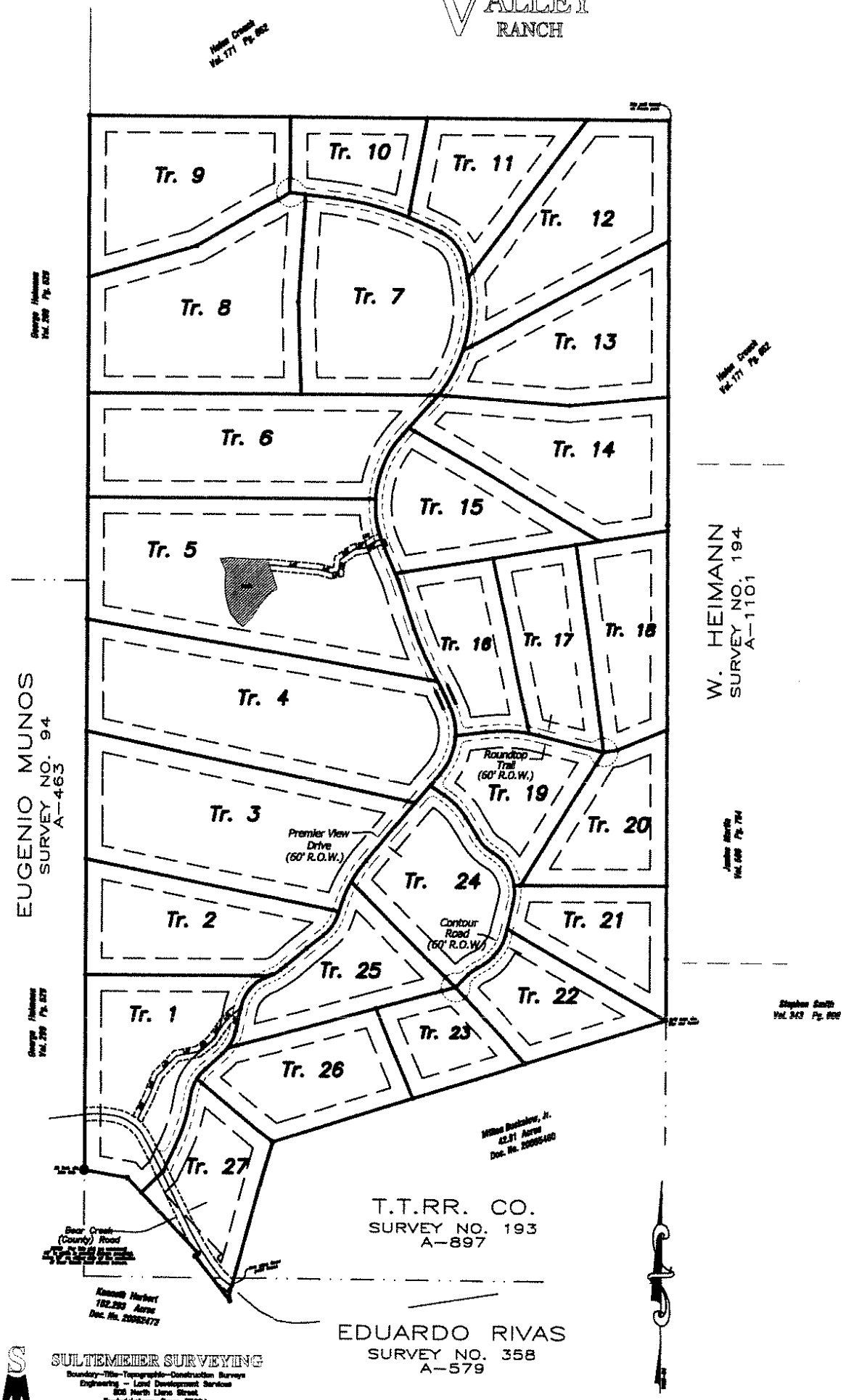


Dale Allen Sultemeier
Registered Professional Land Surveyor
No. 4542 - State of Texas

EXHIBIT B

Diagram of Roadways

BEAR VALLEY RANCH



SULTEMEIER SURVEYING
Boundary–Title–Topographic–Construction Surveys
Engineering – Land Development Services
826 North Llano Street
Fredericksburg, Texas 78624
(830) 990-1221 Fax (830) 990-1222

EXHIBIT C

Building Setbacks

EXHIBIT "C"

Bear Valley Ranch

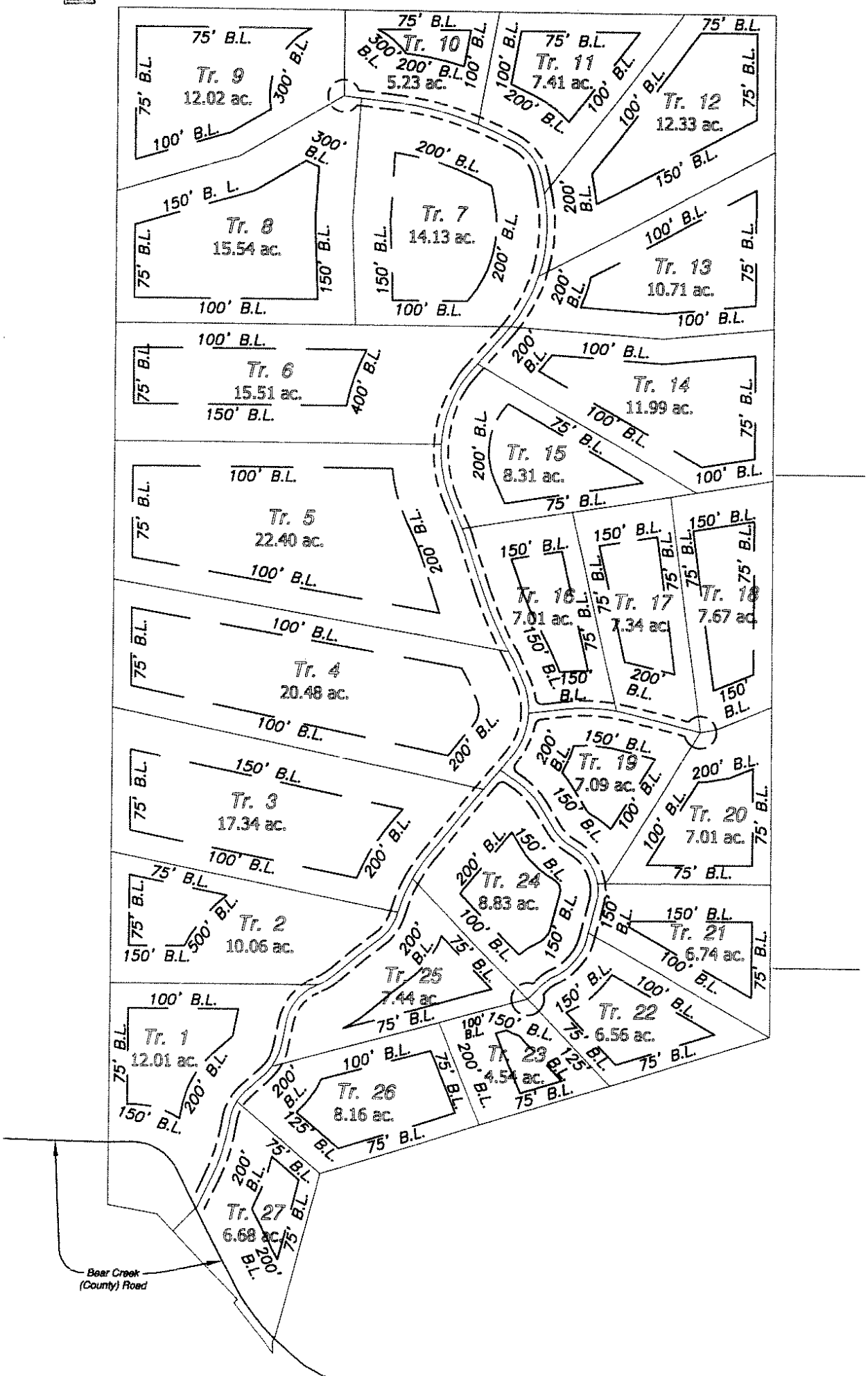


EXHIBIT D

Animal Unit Equivalency Chart

Animal Type	Animal Units
Cow or Cow and Calf	1.00
Mature Bull	1.25
Stocker or Feeder Calf	0.50
Horse	1.25
Miniature Horse	0.50
Donkey or Mule	1.25
Miniature Donkey/Burrow	0.75
5 Mature Sheep	1.00
8 Lambs (weaned to 1 year)	1.00
6 Mature Goats	1.00
10 Kid Goats (weaned to 1 year)	1.00
3 Llamas	1.00

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Mary Lynn Rusche

Mary Lynn Rusche, County Clerk

Gillespie County TEXAS

December 05, 2007 09:20:58 AM

FEE: $167.00 20076779

KC

HCT

FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF BEAR VALLEY RANCH SUBDIVISION

THE STATE OF TEXAS '
' KNOW ALL MEN BY THESE PRESENTS
COUNTY OF GILLESPIE '

WHEREAS, pursuant to that certain Declaration of Covenants, Conditions and Restrictions of Bear Valley Ranch Subdivision (the "Declaration") dated December 4, 2007, recorded under Register No. 20076779, Official Public Records of Gillespie County, Texas, TRIPLE OAKS PARTNERS, LTD. ("Declarant"), a Texas Limited Partnership, placed certain restrictive covenants on the Tracts at Bear Valley Ranch Subdivision (the "Subdivision"), a subdivision in Gillespie County, Texas, according to the plat (the "Plat") of said subdivision recorded in Volume 4, Pages 61-62 of the Plat Records of Gillespie County, Texas;

WHEREAS, the Declarant has determined that Article VIII, Section 3, Subsection (4) of the Declaration (the "Animal Unit Limitation") is ambiguous and may be too restrictive with respect to certain smaller tracts in the Subdivision;

WHEREAS, the Declarant has determined that it is necessary for the benefit of the overall development that the Animal Unit Limitation be changed to one (1) animal unit for every three (3) acres, and that the Association be granted the authority to consider and grant variances with respect to such Animal Unit Limitation;

WHEREAS, the undersigned Declarant, being the Declarant and the Owner of at least two thirds (2/3rds) of the Tracts in the Subdivision, hereby desires to amend the Declaration as set forth in this instrument, pursuant to the authority granted in Article XIV of the Declaration;

NOW, THEREFORE, pursuant to the authority granted in Article XIV of the Declaration, the Declarant hereby amends the Declaration in the following manner:

1. The use restriction set forth in Article VIII, Section 3, Subsection (4) is hereby amended in its entirety to read as follows:

> "(4) There shall be no commercial feeding operation or commercial breeding of animals or fowl on any Tract. Animals used for grazing a tract while simultaneously raising young (e.g., a cow/calf operation) shall not be considered commercial breeding of animals. One (1) male animal (for example, one bull or one ram) shall be permitted on a Tract. Stocking rates shall be limited to one (1) "animal unit" for every three (3) acres. If the size of a Tract is not a multiple of three (3), the number of permissible "animal units" shall not be rounded up or down. (For example, 2.67 "animal units" are permitted on a Tract of 8 acres. This shall not be construed to permit 3 "animal units", nor shall it be construed to limit the number of "animal units" to 2.) For purposes hereof, the "animal unit" equivalency for each animal type is listed on Exhibit D attached hereto and fully incorporated herein by

reference. The "animal unit" equivalency for any animal type not listed on Exhibit D shall be determined by the Association in the Association's sole discretion. The Association (with the approval of the Declarant, as long as the Declarant owns any interest in the Property) shall have the right to grant variances to the "animal unit" limitations set forth in this subsection, if the Association determines, in its sole discretion, that a variance will not detrimentally affect the Subdivision. Neither the Declarant, nor the Association, nor any member of the Board of Directors of the Association, shall be liable to any Owner for any claims, causes of action or damages arising out of the grant of any variance to an Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Association's right to strictly enforce this restriction against any other Owner. No variance granted hereunder shall relieve an Owner from such Owner's obligations under Article VIII, Section 5 of this Declaration, including, without limitation, the obligation not to overgraze an Owner's Tract."

This Amendment may be executed in several counterparts, each of which shall serve as an original for all purposes, but all of which constitute but one and the same Amendment.

EXECUTED by said Declarant, this 8 day of February, 2008.

TRIPLE OAKS PARTNERS, LTD.,
acting by and through its General Partner,
Triple Oaks, L.C.

By: _____
Andrew Z. Smith, President

THE STATE OF TEXAS §

COUNTY OF GILLESPIE §

This instrument was acknowledged before me on this the 8 day of February, 2008, by ANDREW Z. SMITH, President of Triple Oaks, L.C., the General Partner of Triple Oaks Partners, Ltd., a Texas limited partnership, for and on behalf of such limited partnership.

LINDA KNEESE
Notary Public, State of Texas
My Commission Expires
JULY 15, 2011

Linda Kneese
Notary Public in and for
The State of Texas

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Mary Lynn Rusche

Mary Lynn Rusche, County Clerk

Gillespie County TEXAS

February 08, 2008 11:49:00 AM

FEE: $19.00 20080685

KC

HCT

208-364

SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF BEAR VALLEY RANCH SUBDIVISION

THE STATE OF TEXAS '
' KNOW ALL MEN BY THESE PRESENTS
COUNTY OF GILLESPIE '

WHEREAS, pursuant to that certain Declaration of Covenants, Conditions and Restrictions of Bear Valley Ranch Subdivision (the "Original Declaration") dated December 4, 2007, recorded under Register No. 20076779, Official Public Records of Gillespie County, Texas, TRIPLE OAKS PARTNERS, LTD. ("Declarant"), a Texas Limited Partnership, placed certain restrictive covenants on the Tracts at Bear Valley Ranch Subdivision (the "Subdivision"), a subdivision in Gillespie County, Texas, according to the plat (the "Plat") of said subdivision recorded in Volume 4, Pages 61-62 of the Plat Records of Gillespie County, Texas;

WHEREAS, the Original Declaration has been amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions of Bear Valley Ranch Subdivision (the "First Amendment") recorded under Register No. 20080685, Official Public Records of Gillespie County, Texas (the Original Declaration, as amended by the First Amendment, is referred to herein as the "Declaration");

WHEREAS, the Declarant has replatted Tracts 1-8, 12-16, and 18, according to the Replat of Tracts 1-8, 12-16 & 18 of the Subdivision recorded in Volume 4, Pages 74-75 of the Plat Records of Gillespie County, Texas (the "Replat");

WHEREAS, pursuant to Article III, Section 2 of the Declaration, the Declarant desires to grant, dedicate and reserve additional roads in the Subdivision, as shown on the Replat, and as described on Exhibit A-1 attached hereto and fully incorporated herein by reference (the "Additional Roads");

WHEREAS, Declarant is the Owner of all of the replatted Tracts, and is the owner of all portions of the Subdivision over which the Additional Roads are situated;

WHEREAS, Declarant is the Owner of at least two thirds (2/3rds) of all the Tracts in the Subdivision;

WHEREAS, as a result of the Replat, it is necessary to (i) amend the Declaration to grant, dedicate and reserve the Additional Roads, and (ii) amend the Declaration to avoid any ambiguity or inconsistency in the application of the terms and provisions of the Declaration to the replatted Tracts;

NOW, THEREFORE, the Declaration is hereby amended in the following manner (all capitalized terms, if not otherwise defined in this instrument, shall have the same definitions as set forth in the Declaration):

1. All references in the Declaration to the "Plat" shall mean and refer to the map or plat of the Subdivision recorded in Volume 4, Pages 61-62 of the Plat Records of Gillespie County, Texas, as such Plat has been modified and amended by the Replat of Tracts 1-8, 12-16 & 18 recorded in Volume 4, Pages 74-75 of the Plat Records of Gillespie County, Texas, and as such Plat may be

further modified and amended from time to time.

2. Without limiting the general application of Paragraph 1 above, all references in the Declaration to a "Tract" shall mean any plot of land shown on the Plat of the Subdivision as modified by the Replat, and as may be further modified and amended from time to time, with the exception of any plot designated on the Plat or Replat as a Common Area.

3. In the first paragraph on Page 1 of the Declaration, the phrase "according to the plat of said subdivision as recorded in Volume 4, Pages 61-62 of the Plat records of Gillespie County, Texas", is hereby modified to read "according to the plat of said subdivision as recorded in Volume 4, Pages 61-62 of the Plat records of Gillespie County, Texas, as such plat has been modified and amended by the Replat of Tracts 1-8, 12-16 & 18 recorded in Volume 4, Pages 74-75 of the Plat Records of Gillespie County, Texas".

4. Declarant hereby dedicates the Additional Roadways being sixty (60) feet in width the centerlines of which are described by metes and bounds on Exhibit A-1 attached hereto and fully incorporated herein by reference, for the common use of all Owners, and does hereby grant to all such Owners, their heirs, successors and assigns, and their agents, licensees, guests, tenants, invitees and permittees, the free nonexclusive and uninterrupted use, liberty, privilege and easement of passage in and along the Additional Roadways, together with free ingress, egress and regress, over and across the same, at all times and seasons forever, in, along, upon and out of said way (the "Additional Roadway Easement"). The right to use and enjoy the Additional Roadway Easement shall exist in favor of and shall inure to the benefit of the Owners, and each of them, and each of their respective heirs, successors and assigns, and their respective agents, licensees, tenants, guests, invitees and permittees in common with each other, the Declarant, the Declarant's successors and assigns, and their respective agents, licensees, tenants, guests, invitees and permittees. The Additional Roadway Easement shall further be deemed an easement appurtenant to the Property, and each and every portion thereof. The right of ingress and egress provided by the Additional Roadway Easement may be exercised by any reasonable means, whether now in existence or known or whether by a means which may come into existence in the future, and regardless of any increased burden which may result from such use. Accordingly, Article III, Section 1 of the Declaration is hereby amended in its entirety to read as follows:

> "Section 1. Dedication of Roadways. Declarant hereby dedicates the roadways ("Roadways") being sixty (60) feet in width the centerlines of which are described by metes and bounds on Exhibit A and Exhibit A-1, attached hereto and fully incorporated herein by reference, for the common use of all Owners (such Roadways being generally depicted on the diagram attached hereto as Exhibit B and fully incorporated herein by reference), and does hereby grant to all such Owners, their heirs, successors and assigns, and their agents, licensees, guests, tenants, invitees and permittees, the free nonexclusive and uninterrupted use, liberty, privilege and easement of passage in and along the Roadways, together with free ingress, egress and regress, over and across the same, at all times and seasons forever, in, along, upon and out of said way (the "Roadway Easement"). The right to use and enjoy the Roadway Easement shall exist in favor of and shall inure to the benefit of the Owners, and each of them, and each of their respective heirs, successors and assigns, and their respective agents, licensees, tenants, guests, invitees and permittees in common with each other, the Declarant, the Declarant's successors and assigns, and

their respective agents, licensees, tenants, guests, invitees and permittees. The Roadway Easement shall further be deemed an easement appurtenant to the Property, and each and every portion thereof. The right of ingress and egress provided by the Roadway Easement may be exercised by any reasonable means, whether now in existence or known or whether by a means which may come into existence in the future, and regardless of any increased burden which may result from such use."

5. The Declaration is hereby amended (i) by adding new Exhibit A-1 containing a description of the Additional Roads, such new Exhibit A-1 to be the same as Exhibit A-1 attached hereto and fully incorporated herein by reference, and (ii) by deleting the existing Exhibit B attached to the Declaration and replacing it with a new Exhibit B setting forth a diagram of the Roadways of the Subdivision, such new Exhibit B to be the same as Exhibit B attached hereto and fully incorporated herein by reference.

6. In addition to the utility easements reserved by Declarant pursuant to Article IV, Section 1 of the Declaration, Declarant hereby reserves unto Declarant and Declarant's successor and/or assigns, a perpetual easement (the "Tract 27 Utility Easement"), twenty (20) feet in width, for the installation and maintenance of utilities and all necessary appurtenances thereto, whether installed in the air, upon the surface or underground, the centerline of such easement being set forth on Exhibit D attached hereto and fully incorporated herein by reference; with the authority to place, construct, operate, maintain, relocate and replace utility lines, systems and equipment thereon. The Tract 27 Utility Easement includes the right of anchoring any support cables or other devices outside such easement area when deemed necessary to support equipment. Nothing shall be placed or permitted to remain within the easement area which may damage or interfere with the installation and maintenance of utilities. The easement area and all Improvements within it shall be maintained by the Owner of Tract 27, except as otherwise provided in the Declaration and except for those Improvements for which an authority or utility provider is responsible. Utility providers shall have 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 to ingress to, and egress from, the easement area, and the right from time to time to cut and trim all trees, undergrowth and other obstructions that may injure, endanger or interfere with the installation, operation or maintenance of utilities. Declarant shall have the right, without the necessity of joinder by the Association or any Owner, to execute and deliver any and all instruments that may be required by any provider of such utilities in order to grant or assign such provider the right to utilize the easement reserved hereby to provide such utilities. The Tract 27 Utility Easement hereby reserved by Declarant is included within the term "Utility Easements" pursuant to, and for all purposes of, the Declaration, including without limitation, Article IV, Section 1 of the Declaration.

7. Declarant hereby reserves the drainage easements shown on the Replat, and all such drainage easements are included within the term "Drainage Easements" pursuant to, and for all purposes of, the Declaration, including without limitation, Article IV, Section 3 of the Declaration.

8. Declarant hereby reserves the following rights and easements:

a. The exclusive right and easement to construct, repair, replace, maintain, alter and modify from time to time a "cluster mailbox" structure, along with a drive up and parking area (the "Cluster Mailbox Improvements") within the Roadway Easement and on any portions of any Tract outside the Roadway Easement on which the Cluster Mailbox Improvements may be actually located when

construction is completed, together with the right of ingress and egress to and from such improvements for such purposes. All Cluster Mailbox Improvements shall be included within the term "Common Areas" pursuant to, and for all purposes of, the Declaration.

b. The exclusive right and easement to construct, repair, replace, maintain, alter and modify from time to time an entrance gate to the Subdivision and related walls, structures and equipment (the "Entryway Improvements") within the Roadway Easement and on any portions of any Tract outside the Roadway Easement on which the Entryway Improvements may be actually located when construction is completed, together with the right of ingress and egress to and from such improvements for such purposes. All Entryway Improvements shall be included within the term "Common Areas" pursuant to, and for all purposes of, the Declaration.

c. The exclusive right and easement to construct, repair, replace, maintain, alter and modify from time to time fences and/or walls along with related gate(s) and cattle guard(s) on Tract 27 and Tract 28 in the general locations shown on the diagram attached hereto as Exhibit E and fully incorporated herein by reference (the "Frontage Fences"). The actual location of the easement hereby granted shall be the actual locations of the Frontage Fences where originally constructed and shall include the area within ten (10) feet on both sides of the center line of the Frontage Fences where originally constructed (except to the extent such area is outside the perimeter boundary of the Subdivision). The easement also includes the right of ingress and egress to and from the Frontage Fences over Tract 27 and Tract 28. The Frontage Fences shall be included within the term "Common Areas" pursuant to, and for all purposes of, the Declaration. The provisions of Article III, Section 5 of the Declaration shall not apply to the Frontage Fences and such Frontage Fences shall not be considered "Perimeter Fences" under such section. The Frontage Fences shall, at all times and for all purposes, be a part of the Common Areas of the Subdivision, whether or not the Owner of any Tract on which a Frontage Fence is situated has fenced off such Owner's Tract from the remainder of the Subdivision.

9. Article V of the Declaration is hereby amended in its entirety to read as follows:

"Other than the Roadways, the entry to the Subdivision, and, as such terms are defined in that certain Second Amendment to Declaration of Covenants, Conditions and Restrictions of Bear Valley Ranch Subdivision, the "Cluster Mailbox Improvements", the "Entryway Improvements" and the "Frontage Fences", and any other Improvements in connection therewith, there are no Common Areas planned to be developed within the Subdivision. Notwithstanding the above, the portions of the Perimeter Fences that the Association is responsible to maintain (if any) pursuant to Article III, Section 4. above, shall also be considered a part of the Common Areas."

10. The restriction set forth in Article VIII, Section 1, Subsection (1) is hereby amended by adding the following sentence at the end of the Subsection:

"WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NO BUILDING, STRUCTURE, FENCE, WALL, OR OTHER IMPROVEMENT (OTHER THAN THE FRONTAGE FENCES) SHALL BE CONSTRUCTED, ERECTED OR PLACED ANYWHERE ON OR WITHIN THE PORTIONS OF TRACT 27 AND TRACT 28 SITUATED ACROSS BEAR CREEK ROAD ON THE SIDE OPPOSITE OF THE ENTRANCE TO

THE SUBDIVISION, AND THE ARC SHALL NOT HAVE THE AUTHORITY TO APPROVE ANY SUCH IMPROVEMENT UNLESS THE ARC DETERMINES, IN ITS SOLE DISCRETION, THAT ANY SUCH IMPROVEMENTS WILL NOT ADVERSELY AFFECT IN ANY SIGNIFICANT WAY THE AESTHETIC APPEAL OF THE ENTRANCE TO THE SUBDIVISION."

11. The restriction set forth in Article VIII, Section 1, Subsection (10) is hereby amended in its entirety to read as follows:

"(10) Recreational vehicles, travel trailers, buses, mobile homes, modular homes, pre-manufactured homes and/or industrial-built homes shall not be permitted on any Tract; except that recreational vehicles, travel trailers, and buses shall be permitted on Tracts 4, 6, 8, 9, 11, 12, 13, 17, 18, 21, 22, and 26, provided (i) they are not stored on a Tract prior to the construction of a principal dwelling, (ii) they are not used as a dwelling, and (iii) they are kept in an enclosed structure approved by the ARC and in an inconspicuous location approved by the ARC. All boats, tractors, golf carts, ATV's, motorcycles, "pop up" campers, and other similar types of vehicles and equipment shall be stored in a garage or other enclosed structure out of view."

12. Article VIII, Section 1, is hereby amended by adding a new Subsection (21) to read as follows:

"(21) Unless otherwise approved by the ARC, vehicular access to and from Tract 27 and Tract 28 shall only be via the Roadways of the Subdivision, and no roads or driveways shall be constructed providing access to any such Tract from Bear Creek Road, except via the Roadways of the Subdivision. This restriction shall not apply to the portions of Tract 27 and Tract 28 situated across Bear Creek Road on the side opposite of the entrance to the Subdivision.

13. The Setback Requirements applicable to the replatted Tracts are shown on Exhibit C attached hereto and fully incorporated herein by reference. Accordingly, the Declaration is hereby amended by deleting the existing Exhibit C and replacing it with a new Exhibit C setting forth the setback requirements of the Subdivision, such new Exhibit C to read the same as Exhibit C attached hereto and fully incorporated herein by reference.

14. The restriction set forth in Article VIII, Section 5 is hereby amended by adding a new Subsection (4) to read as follows:

"(4) No live trees shall be cut down on any of the following Tracts, without the prior written consent of the ARC: Tracts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, 14-A, 14-B, 15, 16, 18, 19, 20, 21, 22, 24, 25, 27, 28, 29, 30, 31, and 32.

This Amendment may be executed in several counterparts, each of which shall serve as an original for all purposes, but all of which constitute but one and the same Amendment.

EXECUTED by said Declarant, this 8 day of May, 2008.

TRIPLE OAKS PARTNERS, LTD.,
acting by and through its General Partner,
Triple Oaks, L.C.

By: _____
Andrew Z. Smith, President

THE STATE OF TEXAS §
COUNTY OF GILLESPIE §

This instrument was acknowledged before me on this the 8 day of May, 2008, by ANDREW Z. SMITH, President of Triple Oaks, L.C., the General Partner of Triple Oaks Partners, Ltd., a Texas limited partnership, for and on behalf of such limited partnership.

_____
Notary Public in and for
The State of Texas

LINDA KNEESE
Notary Public, State of Texas
My Commission Expires
JULY 15, 2011

David R. Johnson, Jr. and Stacy M. Johnson, the owners and holders of a lien against the Property, such lien being evidenced by a vendor's lien retained in Deed dated June 22, 2007, from David Reichenau, Matthew David Reichenau, Mark Douglas Reichenau, and Joellen Reichenau Carroll to Triple Oaks Partners, Ltd., filed of record in Register Number 20073411, Official Public Records of Gillespie County, Texas, as well as a Deed of Trust dated June 22, 2007, to Gordon E. Sauer, Trustee, filed of record in Register Number 20073412, Official Public Records of Gillespie County, Texas, do hereby consent to and confirm the replat of the subdivision of the Property pursuant to the Replat of Tracts 1-8, 12-16 & 18 of the Subdivision recorded in Volume 4, Pages 74-75 of the Plat Records of Gillespie County, Texas (the "Replat"), and do hereby subordinate their liens and interests in all things in the Property to such Replat and the Declaration of Covenants, Conditions and Restrictions, as amended by the First Amendment and by this instrument; further, they hereby confirm that they are the present owners of the above described liens and have not assigned the same not any part thereof.

David R. Johnson, Jr.

Stacy M. Johnson

STATE OF TEXAS §
COUNTY OF GILLESPIE §

This instrument was acknowledged before me on the 8 day of May, 2008, by David R. Johnson, Jr.

LINDA KNEESE
Notary Public, State of Texas
My Commission Expires
JULY 15, 2011

Notary Public in and for
The State of Texas

STATE OF TEXAS §
COUNTY OF GILLESPIE §

This instrument was acknowledged before me on the 6th day of May, 2008, by Stacy M. Johnson.

DENESE L. GIBSON
MY COMMISSION EXPIRES
January 31, 2010

Notary Public in and for
The State of Texas

EXHIBIT A-1

SULTEMEIER SURVEYING

805 North Llano Fredericksburg, TX

ROADWAYS IN A REPLAT OF TRACTS 1-8, 12-16 & 18 IN
BEAR VALLEY RANCH
GILLESPIE COUNTY, TEXAS

FN-08: BVR ROADS
APRIL, 2008

A DESCRIPTION OF THE ROADWAYS AS SHOWN ON A REPLAT OF TRACTS 1-8, 12-16 & 18 IN BEAR VALLEY RANCH, A PLAT OF RECORD IN VOLUME 4, PAGE 74 ET SEQ. OF THE PLAT RECORDS OF GILLESPIE COUNTY, TEXAS; BEING PART OF THAT CERTAIN 140.278 ACRE TRACT I AND THAT CERTAIN 140.278 ACRE TRACT II (DEED/CALLED ACREAGES) DESCRIBED IN A CONVEYANCE FROM DAVID REICHENAU, ET AL TO TRIPLE OAKS PARTNERS, LTD. BY A WARRANTY DEED WITH VENDOR'S LIEN DATED JUNE 2, 2007 AND RECORDED IN DOCUMENT NO. 20073411 OF THE OFFICIAL PUBLIC RECORDS OF SAID COUNTY; SAID ROADWAYS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THREE OAKS DRIVE

A SIXTY FOOT WIDE STRIP OF LAND, THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a 60d nail found on the centerline of Premier View Drive, a 60 foot wide roadway in Bear Valley Ranch, a Plat of record in Volume 4, Page 61 of the Plat Records of said County, being at the most easterly corner of Tract 28 and at the most southerly corner of Tract 29 as shown on said Replat, for the southerly corner hereof, whence a 30 inch diameter Live Oak found at the southwest corner of said Bear Valley Ranch bears S 42° 48' 36" W, a distance of 1095.95 feet;

THENCE departing from said Premier View Drive and passing over and across said Tract I with the following fifteen (15) courses:

1. N 68° 10' 10" W, a distance of 130.36 feet,
2. A distance of 31.19 feet along the arc of a curve to the right having a radius of 626.47 feet and a chord bearing of N 66° 44' 35" W, a distance of 31.18 feet to the common easterly corner of Tract 28 and Tract 30 in said Replat,
3. A distance of 213.76 feet along the arc of a curve to the right having a radius of 626.47 feet and a chord bearing of N 55° 32' 31" W, a distance of 212.72 feet,
4. N 45° 46' 02" W, a distance of 178.69 feet,
5. N 44° 37' 31" W, a distance of 20.40 feet,
6. A distance of 184.68 feet along the arc of a curve to the right having a radius of 200.00 feet and a chord bearing of N 18° 10' 19" W, a distance of 178.19 feet,
7. N 08° 16' 53" E, a distance of 78.87 feet to the common northerly corner of Tract 29 and Tract 30 in said Replat,
8. N 08° 16' 53" E, a distance of 29.35 feet,
9. A distance of 8.58 feet along the arc of a curve to the left having a radius of 200.00 feet and a chord bearing of N 07° 03' 10" E, a distance of 8.58 feet,
10. N 05° 49' 27" E, a distance of 144.34 feet,

11. A distance of 122.62 feet along the arc of a curve to the right having a radius of 282.64 feet and a chord bearing of N 18° 15' 08" W, a distance of 121.66 feet,

12. N 30° 40' 50" E, a distance of 24.66 feet,

13. N 34° 04' 46" E, a distance of 32.44 feet,

14. A distance of 49.52 feet along the arc of a curve to the left having a radius of 200.00 feet and a chord bearing of N 26° 59' 13" E, a distance of 49.39 feet, and

15. N 15° 05' 00" E, a distance of 42.63 feet to the center of a cul-de-sac having a radius of 65 feet, for the Point of Termination hereof.

SUNNY CIRCLE

A SIXTY FOOT WIDE STRIP OF LAND, THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a 60d nail found on the said centerline of Premier View Drive at the common west corner of Tract 12 and Tract 13 as shown on said Replat, whence a 16p nail found at the northeast corner of said Bear Valley Ranch bears N 44° 15' 04" E, a distance of 1320.40 feet;

THENCE departing from said centerline and passing over and across said Tract II with the following five (5) courses:

1. S 86° 33' 57" E, a distance of 69.20 feet,

2. A distance of 94.12 feet along the arc of a curve to the left having a radius of 200.00 feet and a chord bearing of N 79° 57' 06" E, a distance of 93.26 feet,

3. N 66° 28' 10" E, a distance of 60.46 feet,

4. A distance of 75.45 feet along the arc of a curve to the left having a radius of 200.00 feet and a chord bearing of N 55° 39' 45" E, a distance of 75.00 feet, and

5. N 44° 51' 21" E, a distance of 18.39 feet to the center of a cul-de-sac having a radius of 65 feet, for the Point of Termination hereof.

PERFECT VALLEY TRAIL

A SIXTY FOOT WIDE STRIP OF LAND, THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a 60d nail found on the said centerline of Premier View Drive at the common west corner of Tract 15 and Tract 16 as shown on said Replat, whence a 16p nail found at the northeast corner of said Bear Valley Ranch bears N 27° 20' 18" E, a distance of 2555.92 feet;

THENCE departing from said centerline and passing over and across said Tract II with the following five (5) courses:

1. N 67° 05' 27" E, a distance of 54.51 feet,

2. *A distance of 86.57 feet along the arc of a curve to the left having a radius of 200.00 feet and a chord bearing of N 54° 41' 28" E, a distance of 85.89 feet,*

3. *N 42° 17' 28" E, a distance of 113.69 feet,*

4. *A distance of 164.41 feet along the arc of a curve to the left having a radius of 1808.68 feet and a chord bearing of N 39° 41' 13" E, a distance of 164.36 feet, and*

5. *N 37° 04' 58" E, a distance of 49.78 feet to the center of a cul-de-sac having a radius of 65 feet, for the Point of Termination hereof.*

I, Dale Allen Sultemeier, a Registered Professional Land Surveyor, do hereby certify that this description was prepared from an on the ground survey performed under my direction and supervision.

SULTEMEIER SURVEYING
805 North Llano
Fredericksburg, Texas 78624
(830) 990-1221

STATE OF TEXAS
REGISTERED
Dale Allen Sultemeier
4542
PROFESSIONAL
LAND SURVEYOR

Dale Allen Sultemeier
Registered Professional Land Surveyor
No. 4542 - State of Texas

EXHIBIT B

Exhibit "B"

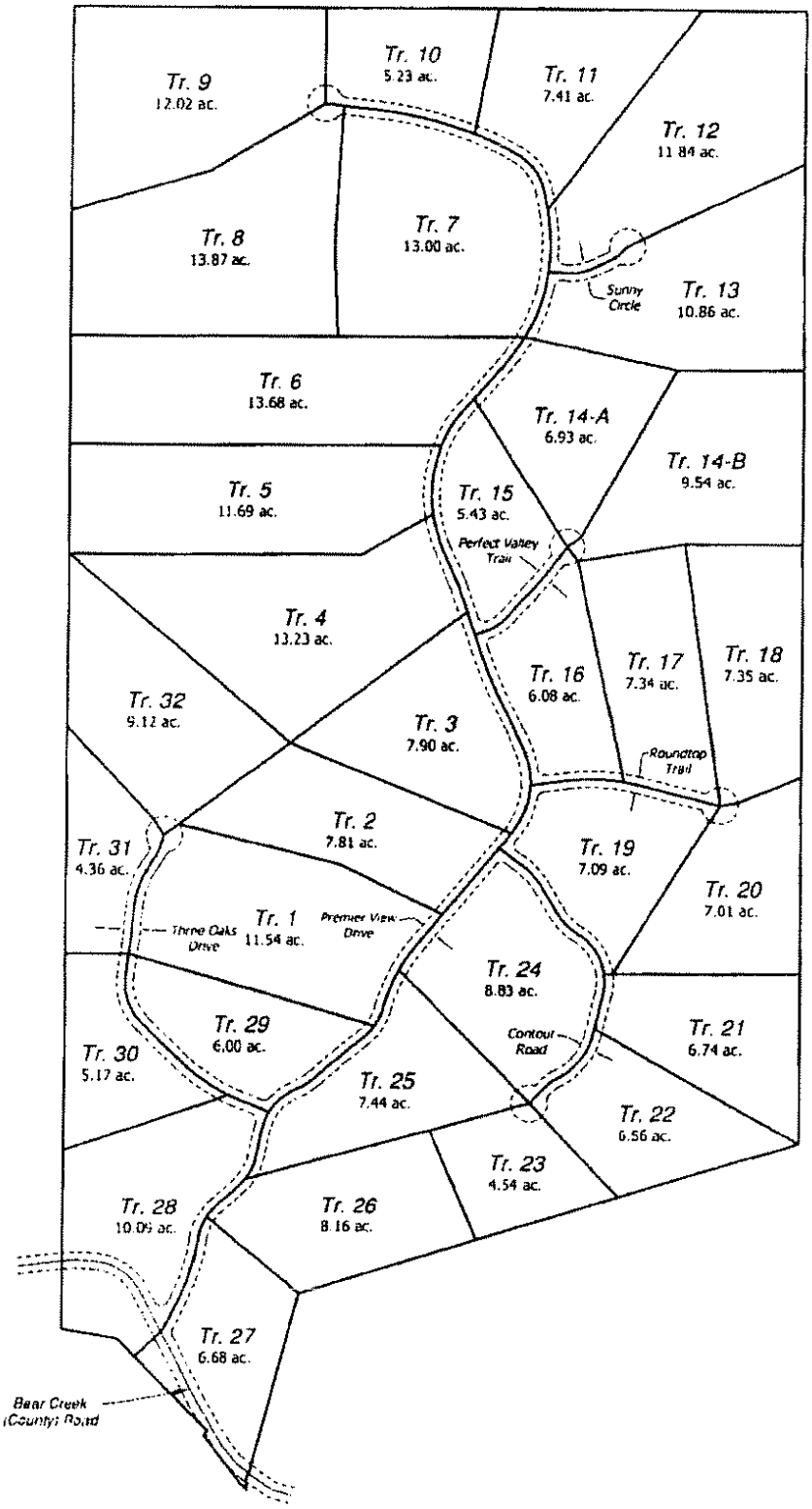


EXHIBIT C

Bear Valley Ranch

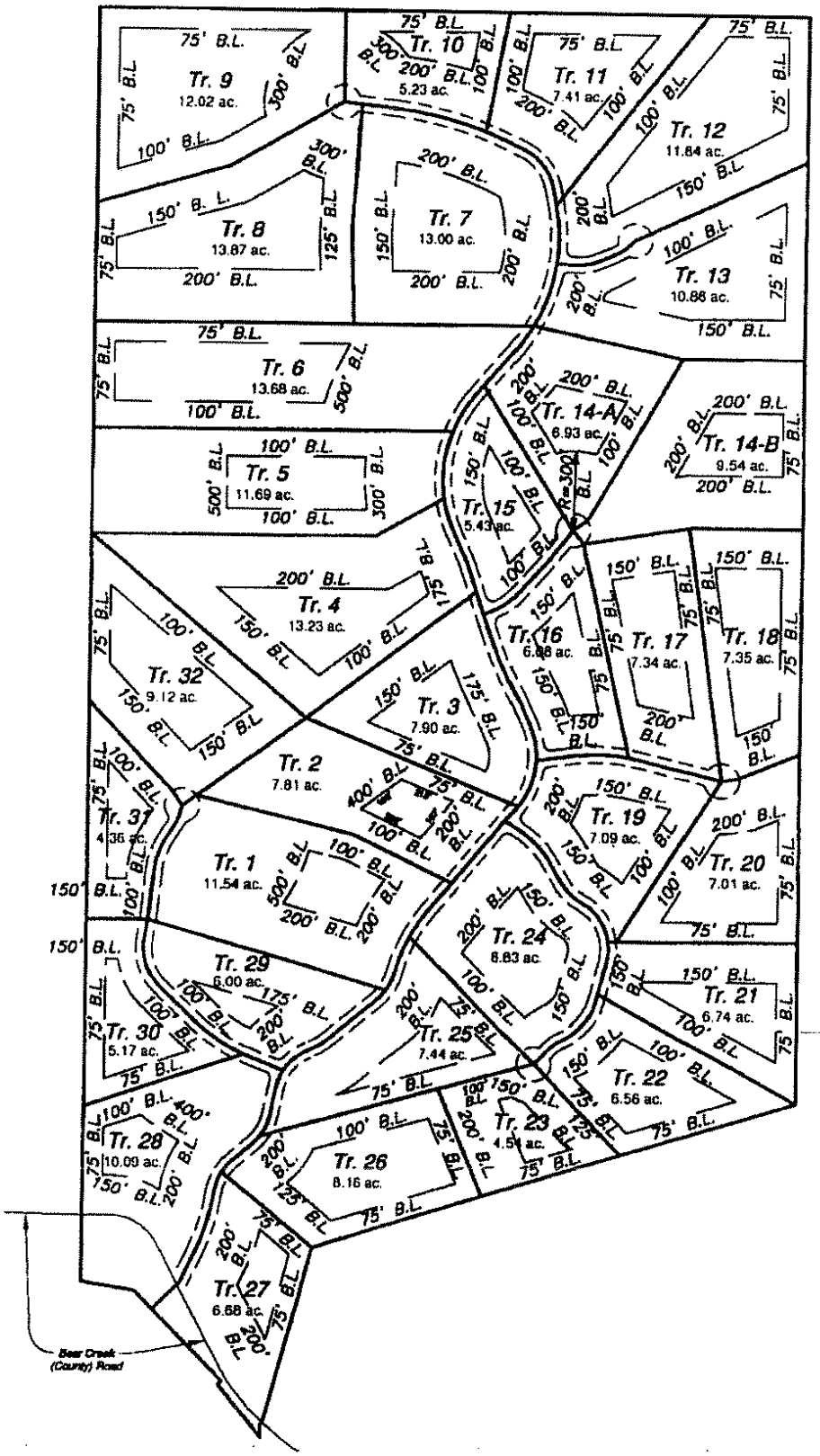


EXHIBIT D

SULTEMEIER SURVEYING

805 North Llano Fredericksburg, TX

CENTERLINE OF A 20 FOOT WIDE STRIP/
PROPOSED EASEMENT
GILLESPIE COUNTY, TEXAS

CTEC ESMT. ON TR. 27
MARCH 3, 2008

A DESCRIPTION OF THE CENTERLINE OF A 20 FOOT WIDE STRIP OF LAND WHICH EXTENDS ACROSS PART OF THE T. T. RAILROAD CO. SURVEY NO. 193, ABSTRACT NO. 897, SITUATED IN GILLESPIE COUNTY, TEXAS; BEING OVER AND ACROSS PART OF TRACT 27 IN BEAR VALLEY RANCH, A PLAT OF RECORD IN VOLUME 4, PAGE 61 ET SEQ. OF THE PLAT RECORDS OF SAID COUNTY; SAID 20 FOOT WIDE STRIP BEING A PROPOSED ELECTRICAL EASEMENT, THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a point on the east line of said Tract 27, whence the southeast corner thereof bears S 11° 35' 53" W, a distance of 168.01 feet;

THENCE departing from said east line in a northwesterly direction and passing over and across said Tract 27 with the following seven (7) courses:

1. N 45° 51' 52" W, a distance of 176.22 feet,
2. N 33° 26' 37" W, a distance of 143.74 feet,
3. N 21° 09' 07" W, a distance of 90.72 feet,
4. N 12° 27' 46" W, a distance of 53.12 feet,
5. N 07° 23' 59" E, a distance of 75.16 feet,
6. N 02° 29' 58" E, a distance of 81.31 feet, and
7. N 66° 08' 09" W, a distance of 17.14 feet to the east line of Premier View Drive, a 60 foot wide private roadway easement shown on the said Plat of Bear Valley Ranch, for the **POINT OF TERMINATION** of the herein described centerline.

I, Dale Allen Sultemeier, a Registered Professional Land Surveyor, do hereby certify that this description and accompanying plat were prepared from an on the ground survey performed under my direction and supervision.

SULTEMEIER SURVEYING
805 North Llano
Fredericksburg, TX 78624
(830) 990-1221

STATE OF TEXAS REGISTERED Dale Allen Sultemeier 4542 PROFESSIONAL LAND SURVEYOR

Dale Allen Sultemeier
Registered Professional Land Surveyor
No. 4542 - State of Texas

Page 1 of 1

A PLAT SHOWING THE CENTERLINE OF A TWENTY (20) FOOT WIDE STRIP OF LAND/PROPOSED EASEMENT WHICH EXTENDS ACROSS PART OF THE T. T. RR. CO. SURVEY NO. 193; GILLESPIE COUNTY, TEXAS.

EUGENIO MUNOS
SURVEY NO. 94
A-463

LINE TABLE		
LINE	BEARING	LENGTH
L40	N 11°35'53" E	168.01'
L41	N 45°51'52" W	176.22'
L42	N 33°26'37" W	143.74'
L43	N 21°09'07" W	90.72'
L44	N 12°27'46" W	53.12'
L45	N 07°23'59" E	75.16'
L46	N 02°29'58" E	81.31'
L47	N 66°08'09" W	17.14'

A legal description of same date accompanies this plat.

I, Dale Allen Sultemeier, a Registered Professional Land Surveyor, do hereby certify that this plat and accompanying legal description were prepared from on on the ground survey performed under my direct[illegible] supervision.

Dale Allen Sultemeier
Registered Professional Land Surveyor
No. 4542 - State of Texas

STATE OF TEXAS
REGISTERED
Dale Allen Sultemeier
4542
PROFESSIONAL
LAND SURVEYOR

March 3, 2008

SULTEMEIER SURVEYING
805 North Llano
Fredericksburg, TX 78624
(830) 990-1221

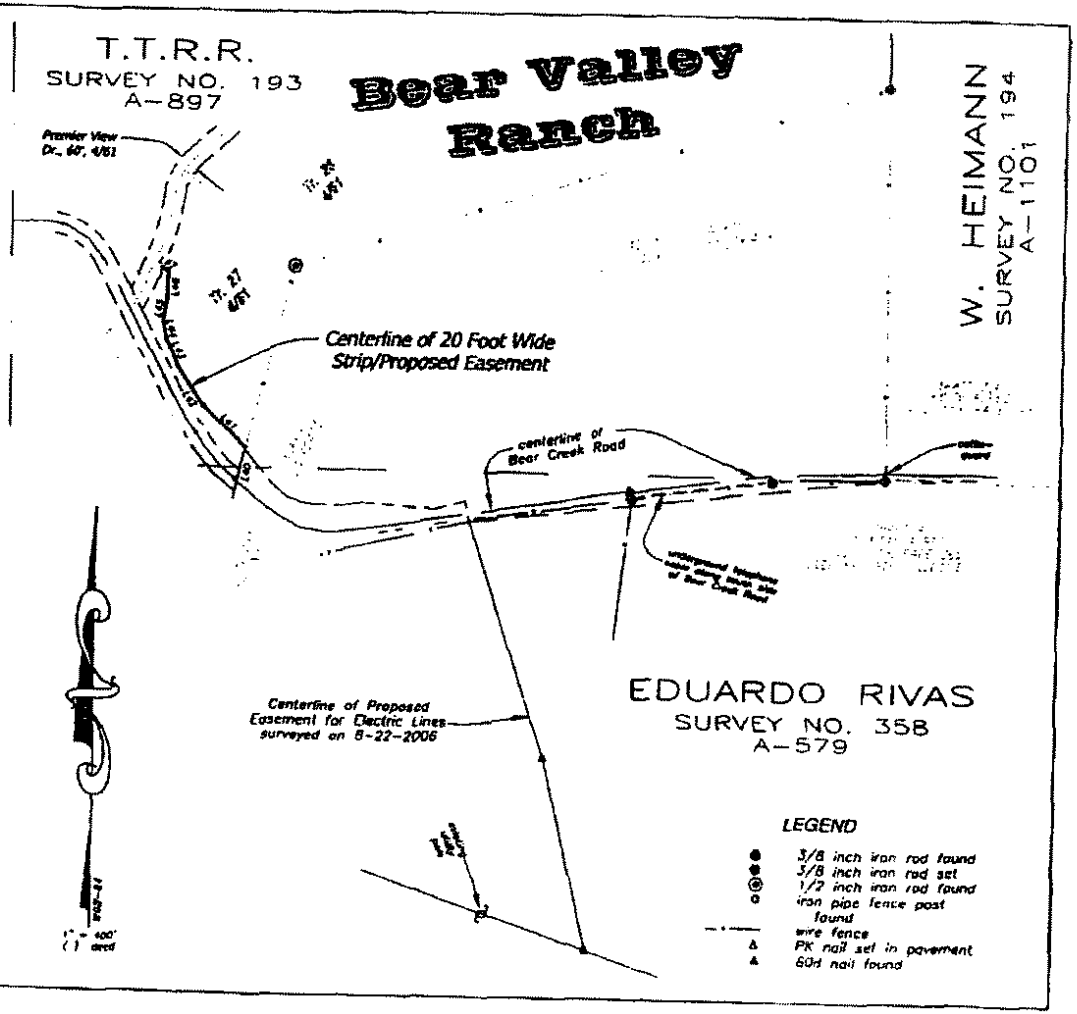
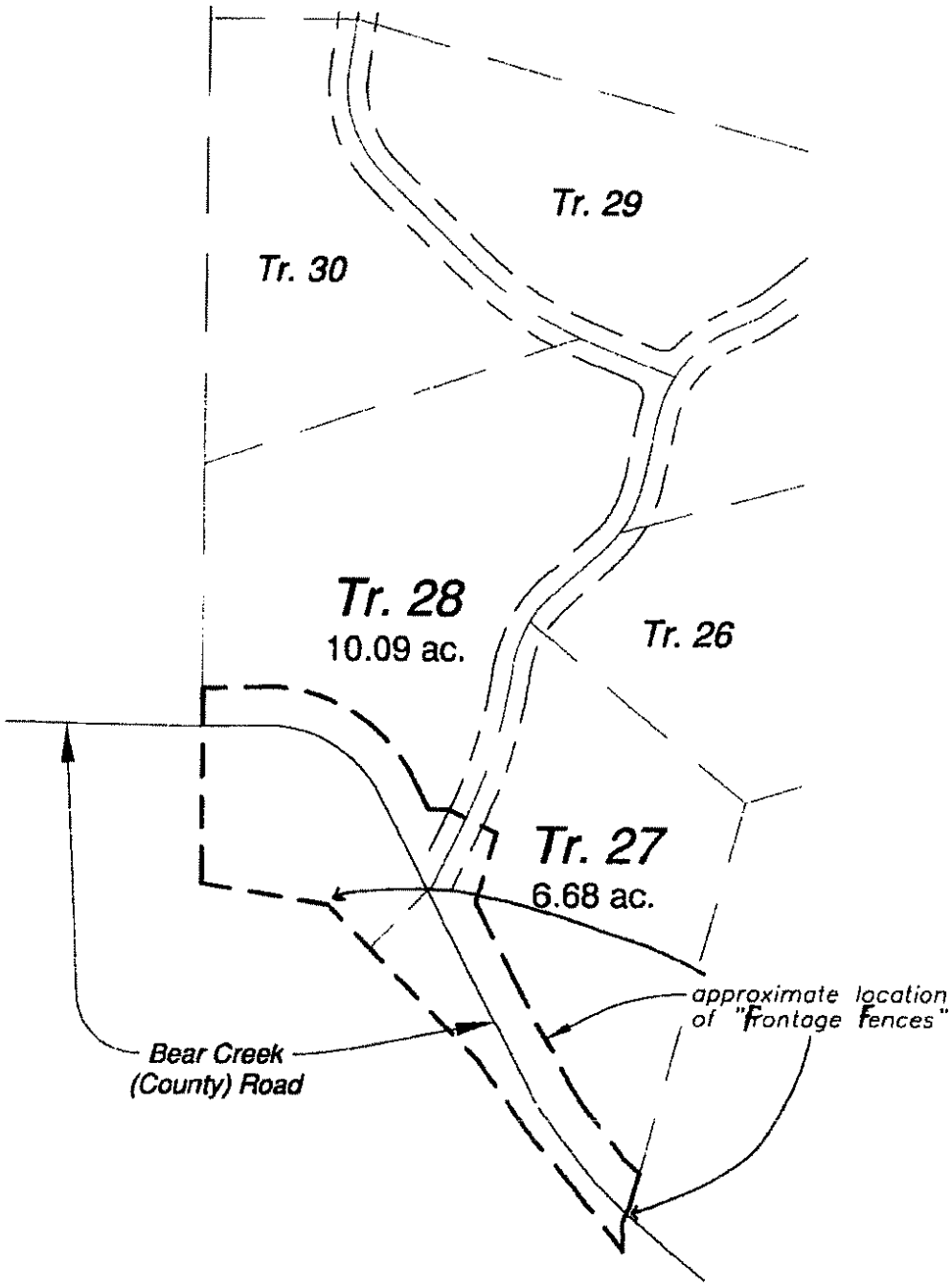


EXHIBIT E

Exhibit "E"

Frontage Fences



HCT

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Mary Lynn Rusche

Mary Lynn Rusche, County Clerk

Gillespie County TEXAS

May 08, 2008 12:02:30

FEE: $75.00 20082720

KC

MONROE HERBORT TO THE SOUTHWESTERN STATES TELEPHONE COMPANY

EASEMENT AND RIGHT OF WAY

FORM ED-12R

THE STATE OF Texas

COUNTY OF Gillespie

VOL. 89 PAGE 373

KNOW ALL MEN BY THESE PRESENTS:

EXCHANGE Fredericksburg

ORDER NO. 62

That Monroe E. Herbort

of the County of Gillespie and State aforesaid, for and in consideration of the sum of One Dollar

To Monroe E Herbort in hand paid by THE SOUTHWESTERN STATES TELEPHONE COMPANY, a Delaware corporation, the receipt of which is hereby acknowledged and confessed, have this day granted and conveyed and do, by these presents, grant and convey unto The Southwestern States Telephone Company, its successors and assigns, an easement of right-of-way for a communication line, or lines, consisting of variable number of wires, and all other necessary or desirable appurtenances (including towers, H-frames, or poles made of wood, metal or other material, props and guys,) at or near the location and along the general course now located and staked out by said Company, over, under, across and upon the following described property, to wit:

Abstract or Lot	Cert. or Block	Survey or Div.	Original Grantee	Acres
462	—	94	MUHOZ, EVG.	
579	—	358	RIVOS, EDW	6
579	—	358	DO	120
897	—	193	T.T. RR. CO.	250.5
				320.
961	740	227	ARHELGER, D	40
1321	—	227	ARHELGER, D	143

Situated in Gillespie, Kendall, Kerr County State of Texas, and the Grantor (s) recognizes that the general course of said lines, as above described, is based upon preliminary survey only, and Grantor (s) hereby agree (s) that the easement hereby granted shall apply to the actual location of said lines when constructed.

The said easement is hereby expressly enlarged insofar as it is agreed to include the overhead easement and overhang of crossarms, wire or cable attached to the Grantee's poles, also to include the necessary easement to accommodate the said wires, fixtures, crossarms and guy wires. Together with the right of ingress and egress over my (our) adjacent lands to or from said right-of-way for the purpose of inspecting, maintaining, constructing, reconstructing, operating and removing its lines and appurtenances over, under, across and upon the above described property; the right to lease pole space to other telephone, telegraph, or power companies, or governmental bodies, for the purpose of permitting these parties to string wire or other desirable appurtenances on said line; and the right to trim or cut down trees or shrubbery, to the extent, in the sole judgement of the Company, as may be necessary to prevent possible interference with the operation of said line and equipment or to remove possible hazards thereto.

TO HAVE AND TO HOLD the above described easement and rights unto the said Company, its successors and assigns, until said line shall be abandoned.

And I (we) do hereby bind myself (ourselves), my (our) heirs and legal representatives, to warrant and forever defend, all and singular the above described easement and rights unto the said Company, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESS my hand this 16th day of November, 1965.

Monroe Herbert

VOL 89 PAGE 374

THE STATE OF Texas
County of Gillespie

BEFORE ME, the undersigned authority, on this day personally appeared Monroe E. Herbert

known to me to be the person (s) whose name (s) is (are) subscribed to the foregoing instrument, and acknowledged to me that He executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 16th day of November, A. D. 1965

Chas Klinksiek

Notary Public Gillespie County, Texas

Chas. Klinksiek
Notary Public, Gillespie County, Texas

Filed for record in my office the 15th day of June A.D. 1966 at 3:44 o'clock P . M. and duly recorded the 16th day of June A.D. 1966 at 9:44 o'clock A. M. in Volume 89 , pages 373-374.

Felix Scheele, Clk. Co. Ct., Gillespie County, Texas.

AF 20076780

21 PGS

BVR OWNERS ASSOCIATION, INC. TO THE PUBLIC

NOTICE OF FILING OF CERTIFICATE AND BYLAWS

THE STATE OF TEXAS X
X KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF GILLESPIE X

BVR Owners Association, Inc. (the "Association"), being the property owners association for Bear Valley Ranch Subdivision, does hereby file the attached Certificate of Formation and Bylaws of the Association, pursuant to Section 202.006 of the Texas Property Code.

BVR Owners Association, Inc.

By: _____
Andrew Z. Smith, President

THE STATE OF TEXAS X

COUNTY OF GILLESPIE X

This instrument was acknowledged before me on this the 4 day of ~~November~~ December, 2007, by Andrew Z. Smith, President of BVR Owners Association, Inc., for and on behalf of said corporation.

_____
Notary Public in and for the State of Texas

LINDA KNEESE
Notary Public, State of Texas
My Commission Expires
JULY 15, 2011

z:\tripleoaks.bearvalleyranch.bvrownersassoc.notice
Notice of Filing – Page Solo

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Phil Wilson
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

BVR OWNERS ASSOCIATION, INC.
File Number: 800902421

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 11/27/2007

Effective: 11/27/2007

Phil Wilson
Secretary of State

CERTIFICATE OF FORMATION

OF

BVR OWNERS ASSOCIATION, INC.

A Texas Nonprofit Corporation

I, the undersigned natural person over the age of eighteen years, acting as incorporator of a corporation under the Texas Business Organizations Code (the "TBOC"), do hereby adopt the following Certificate of Formation for the corporation:

1. PROPERTY OWNERS ASSOCIATION. The corporation is the "Association" as defined in the Declaration of Covenants, Conditions and Restrictions for Bear Valley Ranch Subdivision, a rural residential subdivision, recorded in the Official Public Records of Gillespie County, Texas, as such instrument may be amended from time to time (the "Declaration").

2. NAME. The name of the corporation is BVR OWNERS ASSOCIATION, INC. The corporation is hereinafter referred to as the "Association".

3. NONPROFIT. The Association is a corporation not for profit organized pursuant to the TBOC.

4. DURATION. The duration of the Association is perpetual.

5. PURPOSES. The general purposes for which the Association is formed are to exercise all of the rights and powers and to perform all of the duties and obligations of the Association, as set forth in and in accordance with the Declaration, the Bylaws of the Association, and State law, as each may be amended from time to time; including, without limitation (i) to provide for the acquisition, construction, management, maintenance, and care of properties of the Association, and to promote the recreation, health, safety, and welfare of the owners of the lots or tracts within the Bear Valley Ranch Subdivision, a subdivision situated in Gillespie County, Texas, as such subdivision is shown, designated and delineated by the map or plat recorded in the Plat Records of Gillespie County, Texas (the "Subdivision"); (ii) to provide for the improvement and maintenance of the common areas of the Subdivision, which may include but not be limited to, construction and maintenance of roads, parkways, rights-of-ways, easements, curbs, sidewalks, street lights, landscaping, entrance signs, entry gates, walls, bridges, and similar facilities within the Subdivision; (iii) to fix, levy, collect, and enforce payment of any charges or assessments, as set forth in the Declaration, and (iv) to pay all expenses incurred by the Association in connection with the exercise of its rights, the performance of its duties, and/or the conduct of the business of the Association.

6. POWERS. In furtherance of its purposes, the Association shall have the following powers:

a. All rights and powers conferred upon non-profit corporations by State law in effect from time to time;

b. All rights and powers conferred upon property owners associations by State law, in effect from time to time; and

c. All powers necessary, appropriate, or advisable to perform any purpose or duty of the Association as set out in these Articles, the Bylaws, the Declaration, or State law.

7. RESTRICTIONS ON POWERS. The Association shall have no power to take any action that would be inconsistent with the requirements for tax exemption under Section 528 of the Internal Revenue Code of 1986, as amended from time to time, and related or successor regulation, ruling, and procedures.

8. MEMBERSHIP. The Association will have members. The Declaration and Bylaws will determine the number and qualifications of members of the Association; any classes of membership; the voting rights and other privileges of membership; and the obligations and liabilities of members. Cumulative voting is not allowed.

9. MANAGEMENT BY BOARD. The management and affairs of the Association are vested in the Board of Directors, except for those matters, if any, expressly reserved to others in the Declaration or the Bylaws. The Bylaws may determine the number and qualification of directors; the term of office of directors; the methods of electing, removing, and replacing directors; and the methods of holding a board meeting and obtaining consents.

10. LIMITATIONS ON LIABILITY. An officer or director of the Association is not liable to the Association or its members for monetary damages for acts or omissions that occur in the person's capacity as an officer or director, except to the extent a person is found liable for (i) a breach of the officer or director's duty of loyalty to the Association or its members; (ii) an act or omission not in good faith that constitutes a breach of duty of the officer or director to the Association; (iii) an act or omission that involves intentional misconduct or a knowing violation of the law; (iv) a transaction from which the officer or director receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the person's office; or (v) an act or omission for which the liability of an officer or director is expressly provided by an applicable statute. The liability of officers and directors of the Association may also be limited by the Charitable Immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended.

11. INDEMNIFICATION. To the extent permitted by the TBOC, as the TBOC may be amended from time to time, and in accordance with the Bylaws of the Association, the Association shall indemnify any person who was, is, or is threatened to be made a named defendant or respondent in any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding by reason of the fact that he, his testator, or intestate, is or was a director or officer of the Association or of any corporation which he served in such capacity at the request of the Association, and shall pay or reimburse the reasonable expenses incurred by such director or officer where permitted. The right to indemnification conferred by this Article shall not restrict the power of the Association to make any other type of indemnification permitted by law.

12. AMENDMENT OF ARTICLES. These Articles may be amended as follows:

a. As long as the Declarant (as such term is defined in the Declaration) owns any interest in the Subdivision (as such term is defined in the Declaration), this Certificate of Formation may be amended with the approval of the Declarant and the affirmative vote of at least two thirds (2/3rds) of all of the votes of the membership of the Association (excluding any votes of members whose voting rights have been suspended). Except as otherwise provided herein, from and after the date that Declarant no longer owns any interest in the Subdivision, this Certificate of Formation may be amended by the affirmative vote of at least two thirds (2/3rds) of all of the votes of the membership of the Association (excluding any votes of Members whose voting rights have been suspended).

b.. Without member approval, the board of directors may adopt amendments permitted by Section 22.107 of the TBOC.

13. AMENDMENT OF BYLAWS. The Bylaws of the Association may be amended or repealed according to the amendment provision of the Bylaws, which may reserve those powers to the members, exclusively.

14. DISSOLUTION. The Association may be dissolved only as provided in the Declaration, Bylaws, and by State law. On dissolution of the Association, other than incident to a merger or consolidation, title to the common areas and other assets owned by the Association shall vest in the members as tenants in common in proportion to their respective interests.

15. INITIAL BOARD OF DIRECTORS. The initial board consists of three (3) directors who will serve as directors until their successor or successors are elected and qualified, as provided in the Bylaws. The name and address of the initial directors are as follows:

Name	Address
Andrew Z. Smith	128 Montclair, San Antonio, Texas 78209
David R. Johnson, Jr.	62 Bohnert Lane, Fredericksburg, Texas 78624
Tully Currie	4900 Goehmann Lane, Fredericksburg, Texas 78624

16. INITIAL REGISTERED AGENT. The name of the Association's initial registered agent is David R. Johnson, Jr. The address of its initial registered office is 62 Bohnert Lane, Fredericksburg, Texas 78624.

17. INCORPORATOR. The name of the incorporator is Mark H. Beall. The address of the incorporator is 114 E. Austin St., Fredericksburg, Texas 78624.

SIGNED this 27th day of November, 2007.

Mark H. Beall, Incorporator

Bylaws of
BVR Owners Association, Inc.
A Non-Profit Corporation

Article 1.
General

1.1. Principal Office. The principal office of the Association in the State of Texas shall be located in the City of Fredericksburg, County of Gillespie. The Association may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Association may require from time to time.

1.2. Registered Office and Registered Agent. The Association shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Business Organizations Code. The registered office may be, but need not be, identical with the principal office of the Association in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

Article 2.
Definitions

"Association" shall mean and refer to BVR Owners Association, Inc. (a Texas non-profit corporation), its successors and assigns.

"Board" or "Board of Directors" shall mean the Board of Directors of the Association.

"Certificate" shall mean the Certificate of Formation of the Association.

"Common Area" shall mean all real property (including the improvements thereto) leased, owned or maintained by the Association for the common use and enjoyment of the Owners. By way of illustration, Common Area may include, but not necessarily be limited to, the following: private streets, signs, street medians, entry gates, landscaping, lighting, entrance signs, walls, bridges, and other similar or appurtenant improvements.

"Declarant" shall mean and refer to TRIPLE OAKS PARTNERS, LTD., its successors and assigns, if such successors or assigns should acquire all of the undeveloped and unsold Tracts or acreage from the Declarant for the purpose of development.

"Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions of the Subdivision recorded in ~~Volume~~ Reg., ~~Pages~~ #2007679, of the Official Public Records of Gillespie County, Texas, as such instrument may be amended from time to time.

"Majority Vote" shall mean the vote of more than fifty percent (50%) of all of the votes of the membership of the Association (excluding any votes of Members whose voting rights have been suspended).

"Majority of the Members" shall mean those Members who are entitled to vote more than fifty percent (50%) of all of the votes of the membership of the Association (excluding any votes of Members whose voting rights have been suspended).

"Member" shall mean an Owner who is a Member of the Association as provided for below.

"Owner" shall mean the record owner (including Declarant), whether one or more persons or entities, of a fee simple title to any Tract, including contract Sellers, but excluding those having such interest merely as security for the performance of an obligation.

"Plat" shall mean the map or plat of the Subdivision recorded in Volume 4, Pages 61-62 of the Plat Records of Gillespie County, Texas, as such plat may be modified and amended from time to time.

"Subdivision" shall mean the Bear Valley Ranch Subdivision, according to the Plat, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

"Tract" shall mean and refer to any plot of land shown upon the Plat, with the exception of any plot designated as a Common Area.

"Turnover Date" shall mean the date that the Declarant turns the management of the Association over to the Owners in accordance with Article VII, Section 2 of the Declaration.

Article 3.
Members

3.1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Tract which is a part of the Subdivision 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. Membership shall be appurtenant to and may not be separated from ownership of any Tract governed by the terms of the Declaration.

3.2. Class of Members/Voting Rights. The Association shall have two classes of membership.

Class A: Class A Members shall be all Owners of Tracts, with the exception of the Declarant, and shall be entitled to one (1) vote for each Tract owned. When more than one person owns an interest in any Tract, all such persons shall be Members. The vote for such Tract shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any one Tract hereunder.

Class B: Class B Members shall be the Declarant. Declarant shall be entitled to three (3) votes for each Tract owned. Once a Tract is sold to person or persons who would be classified as Class A Members, the three (3) votes attached to that Tract shall be extinguished.

When more than one person owns an interest in any Tract, in order for the vote attributable to such Tract to be valid, the Owners of such Tract (or their representatives) shall deliver to the Board of Directors such instruments and documents (including, without limitation, resolutions, authorizations, approvals, and certifications) as the Board of the Directors may reasonably request to confirm that such vote was authorized; such instruments and documents to be delivered prior to the taking of the vote of the members. If such instruments and documents are not delivered, or if the Board of Directors determines, in its sole discretion, that such vote was not properly authorized, the vote submitted for such Tract shall be deemed to be an abstention.

3.3. Transfer of Membership. Membership in the Association is not transferable or assignable. Membership automatically terminates when an Member no longer owns a fee or undivided fee interest in a Tract.

3.4. Suspension of Voting Rights and Rights to Use Common Areas. A Member's voting rights and/or rights to use any Common Areas and facilities may be suspended by the Board of Directors during any period in which such Member shall be in default of the payment of any assessment levied by the Association, or in default of any provisions of the Declaration, or in default of any rules and regulations adopted by the Association.

Article 4.
Meeting of Members

4.1. Annual Meetings. The first annual meeting of the Members shall be held on or before April 30, 2008. Thereafter, an annual meeting of Members shall be held every twelve (12) months for the transaction of such business as may be properly brought before the meeting. The annual meeting shall be held within four (4) months following the end of the calendar year on a day and hour to be selected by the President, the Board of Directors, or a Majority of the Members.

4.2. Special Meeting. Unless otherwise prescribed by statute, special meetings of the Members may be called for any purpose or purposes. Special meetings may be called by the President, the Board of Directors, or by a Majority of Members. Only business within the purpose or purposes described in the notice required by Section 4.4. may be conducted at a special meeting of the Members.

4.3. Place of Meeting. The Board of Directors may designate any place in Gillespie County as the place of meeting for any annual meeting. The person or group that called a special meeting may designate any place in Gillespie County, Texas, as the place of meeting for any special meeting of the Members, unless otherwise prescribed by statute. If no designation is made, the place of meeting shall be the principal office of the Association in the State of Texas.

4.4. Notice of Meeting.

A. Except as otherwise provided in Subsection 4.4.B. below, written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than ninety (90) days before the date of the meeting, either personally, by facsimile transmission, by electronic message, or by mail, by or at the direction of the President, the Secretary, or the person calling the meeting, to each Member entitled to vote at such meeting.

B. With respect to any meeting of the Members called for the purpose of taking any action requiring a vote of Members under Article VII, Section 5 or Section 6 of the Declaration regarding annual assessments and special assessments, written or printed notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called, shall be delivered not less than twenty (20) nor more than ninety (90) days before the date of the meeting, either personally, by facsimile transmission, by electronic message, or by mail, by or at the direction of the President, the Secretary, or the person calling the meeting, to each Member entitled to vote at such meeting.

C. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at the Member's last known address as it appears on the records of the Corporation, with postage thereon paid. If transmitted by facsimile or electronic message, notice is deemed to be delivered on the date and at the time the facsimile or electronic message is sent to a facsimile number or electronic message address provided by the Member for purposes of receiving notice (provided that, written confirmation that such notice was sent shall be maintained by the Corporation). Notice shall be valid whether or not it is actually received.

4.5. Quorum of and Voting by Members.

A. With respect to a meeting of the Members called for the purpose of taking any action requiring a vote of Members under Article VII, Section 5 or Section 6 of the Declaration regarding annual assessments and special assessments, the presence of Members or proxies entitled to cast sixty percent (60%) of all the votes of the membership of the Association shall constitute a quorum. If the required quorum is not present, another meeting may be called by the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 90 days following the preceding meeting.

B. With respect to any other matter, a quorum shall be present at a meeting of Members if a Majority of the Members are represented at the meeting in person or by proxy. Once a quorum is present at a meeting of Members, the Members represented in person or by proxy at the meeting may conduct such business as may be properly brought before the meeting until it is adjourned, and the subsequent withdrawal from the meeting of any Member or the refusal of any Member represented in person or by proxy to vote shall not effect the presence of a quorum at the meeting. The Members represented in person or by proxy at a meeting of the Members at which a quorum is not present may adjourn the meeting until such time and to such place as may be determined by the vote of more than fifty percent (50%) of the votes that may be cast by the Members represented at that meeting in person or by proxy.

C. With respect to any matter, other than a matter for which the affirmative vote of a specified number of Members is required by law, the Certificate, the Declaration, or these Bylaws, the affirmative vote of more than fifty percent (50%) of the votes that may be cast by the Members represented in person or by proxy at a meeting of Members at which a quorum is present shall be the act of the Members.

4.6. Proxies. A Member may vote in person or by proxy executed in writing by the Member or such Member's duly authorized attorney in fact. The Board of Directors may designate the form of the proxy to be used. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

4.7. Method of Voting. With respect to the election of Directors, voting shall be by secret written ballot. Voting on any other matter may be by voice or show of hands unless the presiding officer shall order, or any Member shall demand, that voting be by written ballot.

4.8. Rules of Procedure. To the extent applicable, the most recent edition of Robert's Rules of Order in effect at the time of the Members' meeting may govern the conduct and procedure at all Members' meetings.

4.9. Action by Written Consent. Any action required by law to be taken or which may be taken at any annual or special meeting of Members may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall have been signed by all the Members entitled to vote with respect to the action that is the subject of the consent.

Article 5
Board of Directors

5.1. Management of Association. The affairs of the Association shall be managed by its Board of Directors. The Directors need not be residents of Texas.

5.2. Powers of the Board of Directors. The Board of Directors shall have the power to:

a. Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

b. Suspend the voting rights of any Member and/or the right of any Member to use of any Common Area and facilities during any period in which such Member shall be in default of the payment of any assessment levied by the Association, or in default of any provisions of the Declaration, or in default of any rules and regulations adopted by the Association;

c. Hire such personnel as are in the opinion of the Board necessary for the efficient and effective operation of the Association and delegate to such

personnel such of the rights, powers and privileges of the Board of Directors as the Board of Directors may deem to be necessary or advisable;

d. Exercise the rights, powers and privileges delegated to the Board of Directors herein, or in the Certificate, the Declaration or by State law; and

e. Exercise for and on behalf of the Association all powers, duties, and authorities vested in or delegated to the Association and not otherwise reserved to the Members of the Association herein, in the Certificate, the Declaration or by State law.

5.3. Duties. It shall be the duty of the Board of Directors to:

a. Cause to be kept a complete record of all its acts and corporate affairs and (i) to present an annual report thereof to the members at the annual meeting of the members, and (ii) to provide interim reports thereof to the Members if such interim report is requested in writing by Members who are entitled to vote at least one fourth (1/4) of all of the votes of the membership of the Association;

b. Supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

c. As more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Tract at least ten (10) days in advance of each annual assessment period;

(2) send written notice of each annual assessment to every Owner subject thereto; and

(3) cause collection action to be taken to secure and collect delinquent assessments as more particularly set out in the Declarations.

d. Procure and maintain adequate liability insurance, and hazard insurance on property owned by the Association;

e. Cause all officers or employees of the Association having fiscal responsibilities to be bonded, if the Board of Directors deems such bonding to be reasonable and appropriate; and

f. Cause the Common Area to be maintained.

5.4. Number. The number of Directors shall not be less than three (3) nor more than five (5).

5.5. Qualifications of Directors. Prior to the Turnover Date, a Director need not be a Member of the Association. From and after the Turnover Date, a Director shall be a Member of the Association in good standing as of the time of nomination.

5.6. Appointment/Election. Prior to the Turnover Date, the Declarant shall appoint the Directors of the Association. After the Turnover Date, Directors shall be elected by the Members in accordance with Article 4 above.

5.7. Term of Office. Prior to the Turnover Date, each member of the Board of Directors shall serve for a term of three (3) years, unless such Director resigns or is removed by the Declarant. At the meeting of the Members to elect Directors as a result of the Declarant's "turnover" of the management of the Association to the Owners in accordance with Article VII, Section 2 of the Declaration, the Members shall elect not more than one-third (1/3) of the number of Directors to be elected for a term of one (1) year, not more than one-third (1/3) of the number of Directors to be elected for a term of two (2) years, and the rest of the Directors to be elected for a term of three (3) years. Thereafter, Directors shall be elected for a term of three (3) years.

5.8. Nominations.

A. Nominations for election to the Board of Directors shall be made in writing on a form approved by the Board of Directors for nominations. Nominations shall include the written undertaking of the nominee to serve if elected. Written nominations shall be accepted if delivered to the Secretary of the Board of Directors not less than fifteen (15) days prior to the date of the meeting at which such election is to be held. Nominations may also be made at the floor of the meeting at which an election is to be held.

B. The election officer shall check all nominations and shall disqualify from election any nominee not qualified for election or improperly nominated. In the event a nominee is disqualified, he or she shall be immediately notified in person, by telephone or in writing of such disqualification and shall be entitled to remedy such disqualification within twenty-four (24) hours of such notification, in which case his or her nomination shall be accepted notwithstanding the initial disqualification. The decision of the election officer regarding disqualification shall be final.

C. Notice of election shall be included with the notice of the meeting at which such election is to be held.

D. The Board of Directors shall, by resolution, designate one of its members not standing for re-election to serve as election officer for the election. The election officer shall administer the election. The election officer may appoint such assistants as are in his or her judgment required to conduct the election. An assistant shall not be a candidate for election to the Board of Directors in such election. Neither the election officer, nor any assistants shall receive any compensation for serving in such capacities.

E. At each election for Directors every Member entitled to vote at such election shall have the right to vote, in person or by proxy, for as many persons as there are directors to be elected and for whose election such Member has a right to vote. Cumulative voting shall not be permitted.

F. Election to the Board of Directors shall be by secret written ballot. Voting and the counting of ballots cast shall be conducted by the election officer and his or her assistants. The results of the balloting shall be announced before the close of the meeting. The nominee(s) receiving the highest number of votes shall be declared to have been elected.

5.8. Annual Meeting. An annual meeting of the Directors shall be held within sixty (60) days after the annual meeting of the Members, for the purpose of electing Officers and for the transaction of other business as may come before the meeting

5.9. Special Meeting. Special meetings of the Directors may be called by the President or by two (2) or more of the Directors.

5.10. Place of Meeting. The Board of Directors may designate any place in Gillespie County, Texas, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made, the place of meeting shall be the principal office of the Association in the State of Texas; but, if all of the Directors shall meet at any time and place, either within or without the State, and all consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such corporate meeting action may be taken.

5.11. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of Directors shall be delivered, either personally, by facsimile transmission, by electronic message, or by mail, to each Director not less than three (3) or more than ninety (90) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Director at such Director's address as it appears on the records of the Association, with postage thereon prepaid. If transmitted by facsimile or electronic message, notice is deemed to be delivered on the date and at the time the facsimile or electronic message is sent to a facsimile number or electronic message address provided by the Director for purposes of receiving notice (provided that, written confirmation that such notice was sent shall be maintained by the Corporation). Notice shall be valid whether or not it is actually received.

5.12. Informal Act By Directors. Any action required by law to be taken at a meeting of the Directors, or any action which may be taken at a meeting of the Directors, may be taken without a meeting, if consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof.

5.13. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business of any meeting of the Board; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

5.14. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law, the Certificate, the Declaration, or these Bylaws.

5.15. Vacancies. Prior to the Turnover Date, any vacancy occurring in the Board of Directors shall be filled by the Declarant. From and after the Turnover Date, any vacancy occurring in the Board of Directors shall be filled by the remaining Directors, and the person elected to fill such vacancy shall serve for the unexpired term of his or her predecessor.

5.16. Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

5.17. Removal. Prior to the Turnover Date, any Director may be removed from the Board, with or without cause, by the Declarant. From and after the Turnover Date, any Director may be removed by a Majority Vote of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

5.18. Open Meetings. Regular meetings of the Board of Directors shall be open to all Members, provided, however, that Members who are not members of the Board of Directors may not participate in any deliberation or discussion unless recognized by the President to so participate. The Board of Directors may, with the approval of a majority of a quorum of the Directors, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, property matters, orders of business relating to matters which are or may be the subject of a claim or privilege, or for any purpose deemed appropriate in the discretion of the Board of Directors.

Article 6.
Officers

6.1. Officers. The officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable. The officers shall have such authority and shall perform such duties as may be prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

6.2. Election and Term of Office. The officers of the Association shall be elected annually by the Board of Directors at the annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

6.3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Association

would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

6.4. President. The President shall be the principal executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. The President shall preside at all meetings of the members of the Board of Directors. The President may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any contracts or other instruments which the Board of Directors have authorized to be executed (except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Association); and in general the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

6.5. Vice President. In the absence of the President or in the event of the President's inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in order of their election) shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned by the President or Board of Directors.

6.6. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of the Treasurer's duties in such sum and with surety or sureties as the Board of Directors shall determine. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association, receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these Bylaws; and in general perform all the duties as from time to time may be assigned by the President or by the Board of Directors.

6.7. Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors; give all notices in accordance with the provisions of these Bylaws or as required by law; be custodian of the Association records; keep a register of the post office address of each Director which shall be furnished to the Secretary by each Director, and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

Article 7.
Committees

7.1. Committees of Directors. The Board of Directors by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two (2) or more Directors, which committees, to the extent provided in said resolution shall have and exercise the authority of the Board of Directors in the management of the Association. The designation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed by law.

7.2. Other Committees. Other committees may be designated by a resolution adopted by a majority of the Directors present at a meeting of which a quorum is present.

Article 8.
Contracts, Checks, Deposits and Funds

8.1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Association. Such authority may be general or confined to specific instances.

8.2. Checks and Drafts. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

8.3. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors select.

Article 9.
Books and Records

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Directors. All books and records of the Association may be inspected by any Director or his agent or attorney for any proper purpose at any reasonable time.

Article 10.
Fiscal Year

The fiscal year of the Association shall be determined by the filing of its first return with the Internal Revenue Service.

Article 11.
Waiver of Notice

Whenever any notice is required to be given under the provisions of the Texas Business Organizations Code or under the provisions of the Certificate of Formation or the Bylaws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Article 12.
Indemnification of Directors and Officers

12.1. Definitions. In this Article:

A. "Indemnitee" means (i) any present or former Director, advisory director or officer of the Association, (ii) any person who while serving in any of the capacities referred to in clause (i) hereof served at the Association's request as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, and (iii) any person nominated or designated by (or pursuant to authority granted by) the Board of Directors or any committee thereof to serve in any of the capacities referred to in clauses (i) or (ii) hereof.

B. "Official Capacity" means (i) when used with respect to a Director, the office of Director of the Association, and (ii) when used with respect to a person other than a Director, the elective or appointive office of the Association held by such person or the employment or agency relationship undertaken by such person on behalf of the Association, but in each case does not include service for any other foreign or domestic corporation or any partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise.

C. "Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, any appeal in such an action, suit or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding.

12.2. Indemnification. The Association shall indemnify every Indemnitee against all judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by the Indemnitee in connection with any Proceeding to which he was, is or is threatened to be named defendant or respondent, or in which he was or is a witness without being named a defendant or respondent, by reason, in whole or in part, of his serving or having served, or having been nominated or designated to serve, in any of the capacities referred to in Section 12.1.A., if it is determined in accordance with Section 12.4. that the Indemnitee (a) conducted himself in good faith, (b) reasonably believed, in the case of conduct in his Official Capacity, that his conduct was in the Association's best interests and, in all other cases, that his conduct was at least not opposed to the Association's best interests, and (c) in the case of any criminal proceeding, had no reasonable cause to believe that his conduct was unlawful; provided, however, that in the event a determination is made that a person is entitled to indemnification pursuant to this Section 12.2. in connection with a Proceeding in which the Indemnitee is found liable to the Association or is found liable on the basis that personal benefit was improperly received by the Indemnitee, whether or not the benefit resulted from an action taken in the Indemnitee's Official Capacity, such indemnification shall be limited to the reasonable expenses (including court costs and attorney's fees) actually incurred by the Indemnitee in connection with the Proceeding. No indemnification shall be made under this Section 12.2. in respect of any judgment, penalty, fine or amount paid in settlement in

connection with any Proceeding in which such Indemnitee shall have been found liable for willful or intentional misconduct in the performance of his duty to the Association. The termination of any Proceeding by judgment, order, settlement or conviction, or on a plea of nolo contendere or its equivalent, is not of itself determinative that the Indemnitee did not meet the requirements set forth in clauses (a), (b) or (c) in the first sentence of this Section 12.2. An Indemnitee shall be deemed to have been found liable in respect of any claim, issue or matter only after the Indemnitee shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom.

12.3 Successful Defense. Without limitation of Section 12.2. and in addition to the indemnification provided for in Section 12.2., the Association shall indemnify every Indemnitee against reasonable expenses incurred by such person in connection with any Proceeding in which (i) he is a witness or other participant because he served in any of the capacities referred to in Section 12.1.B., at a time when he is not a named defendant or respondent in the Proceeding, or (ii) he is a named defendant or respondent because he served in any of the capacities referred to in Section 12.1.B., if such person has been wholly successful, on the merits or otherwise, in defense of the Proceeding.

12.4 Determinations. Any indemnification under Section 12.2. (unless ordered by a court of competent jurisdiction) shall be made by the Association only upon a determination that indemnification of the Indemnitee is proper in the circumstances because he has met the applicable standard of conduct. The Association shall take all steps necessary to make such determination on its own initiative or upon the request of an Indemnitee. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who, at the time of such vote, are not named defendants or respondents in the Proceeding; (b) if such a quorum cannot be obtained, then by a majority vote of a committee of the Board of Directors, duly designated to act in the matter by a majority vote of all Directors (in which designation Directors who are named defendants or respondents in the Proceeding may participate), such committee to consist solely of two or more Directors who, at the time of the committee vote, are not named defendants or respondents in the Proceeding; (c) by special legal counsel selected by the Board of Directors or a committee thereof by vote as set forth in clauses (a) or (b) of this Section 12.4. or, if the requisite quorum of all of the Directors cannot be obtained therefor and such committee cannot be established, by a majority vote of all of the Directors (in which Directors who are named defendants or respondents in the Proceeding may participate); or (d) by the members in a vote that excludes the Directors that are named defendants or respondents in the Proceeding. Determination as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, determination as to reasonableness of expenses must be made in the manner specified in clause (c) of the preceding sentence for the selection of special legal counsel. In the event a determination is made under this Section 12.4. that the Director or officer has met the applicable standard of conduct as to some matters but not as to others, amounts to be indemnified may be reasonably prorated.

12.5. Advancement of Expenses. Reasonable expenses (including court costs and attorney's fees) incurred by an Indemnitee who was or is a witness or was, is or is threatened to be made a named defendant or respondent in a Proceeding shall be paid by the Association at reasonable intervals in advance of the final disposition of such Proceeding and without the determination specified in Section 12.4. after the Association receives (a) a written affirmation by

such Indemnitee of his good faith belief that he has met the standard of conduct necessary for indemnification by the Association under this Article and (b) a written undertaking by or on behalf of such Indemnitee to repay the amount paid or reimbursed by the Association if it shall ultimately be determined that he has not met that standard or if it shall ultimately be determined that indemnification of such Indemnitee against expenses incurred by him in connection with that proceeding is prohibited by Section 12.2. Such written undertaking shall be an unlimited obligation of the Indemnitee but need not be secured and it may be accepted without reference to financial ability to make repayment. Notwithstanding any other provision of this Article, the Association may pay or reimburse expenses incurred by an Indemnitee in connection with his appearance as a witness or other participation in a Proceeding at a time when he is not named a defendant or respondent in the Proceeding.

12.6. Other Indemnification and Insurance. The indemnification provided by this Article shall not be deemed exclusive of, or to preclude, any other rights to which those seeking indemnification may at any time be entitled under the Association's Certificate of Formation, any law, agreement or vote of members or disinterested Directors, or otherwise, or under any policy or policies of insurance or other arrangement, consistent with law, purchased and maintained by the Association on behalf of any Indemnitee, both as to action in his Official Capacity and as to action in any other capacity. The indemnification provided by this Article shall continue as to a person who has ceased to be in the capacity by reason of which he was an Indemnitee with respect to matters arising during the period he was in such capacity, and shall inure to the benefit of the heirs, executors and administrators of such a person.

12.7. Notice. Any indemnification or advance of expenses to a present or former Director of the Association in accordance with this Article shall be reported in writing to the Members of the Association with or before the notice or waiver of notice of the next Members' meeting and, in any case, within the twelve (12) month period immediately following the date of the indemnification or advance.

12.8. Construction. The indemnification provided by this Article shall be subject to all valid and applicable laws, including, without limitation, Chapter 8 of the Texas Business Organizations Code, and, in the event this Article or any of the provisions hereof or the indemnification contemplated hereby are found to be inconsistent with or contrary to any such valid laws, the latter shall be deemed to control and this Article shall be regarded as modified accordingly, and, as so modified, to continue in full force and effect.

12.9. Continuing Offer, Reliance, Etc. The provisions of this Article (i) are for the benefit of, and may be enforced by, each Director and officer of the Association, the same as if set forth in their entirety in a written instrument duly executed and delivered by the Association and such Director or officer and (ii) constitute a continuing offer to all present and future Directors and officers of the Association. The Association, by its adoption of these Bylaws, (i) acknowledges and agrees that each present and future Director and officer of the Association has relied upon and will continue to rely upon the provisions of this Article in accepting and serving in any of the capacities referred to in Section 12.1.A. of this Article, (ii) waives reliance upon, and all notices of acceptance of, such provisions by such Directors and officers and (iii) acknowledges and agrees that no present or future Director or officer of the Association shall be prejudiced in his right to enforce the

provisions of this Article in accordance with their terms by any act or failure to act on the part of the Association.

12.10 Effect of Amendment. No amendment, modification or repeal of this Article or any provision hereof shall in any manner terminate, reduce or impair the right of any past, present or future Director or officer of the Association to be indemnified by the Association, nor the obligation of the Association to indemnify any such Director or officer, under and in accordance with the provisions of this Article as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

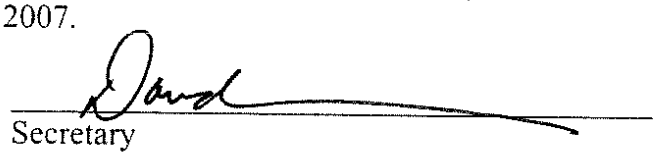
Article 13.
Amendment To Bylaws

Except as otherwise provided herein, as long as Declarant owns any interest in the Subdivision, these Bylaws may be amended with the approval of the Declarant and the affirmative vote of at least two thirds (2/3rds) of all of the votes of the membership of the Association. Except as otherwise provided herein, from and after the date that Declarant no longer owns any interest in the Subdivision, these Bylaws may be amended by the affirmative vote of at least two thirds (2/3rds) of all of the votes of the membership of the Association.

Article 14.
Dissolution

The Association may be dissolved by the vote of not less than two thirds (2/3rds) of all of the votes of the membership of the Association (excluding any votes of members whose voting rights have been suspended). Upon dissolution of the Association, the Association's interest in the Common Areas and other assets owned by the Association shall be distributed in accordance with a plan of distribution adopted by the board of directors and approved by the vote of not less than two thirds (2/3rds) of all of the votes of the membership of the Association (excluding any votes of members whose voting rights have been suspended).

I, the undersigned, being the Secretary of BVR Owners Association, Inc., do hereby certify the foregoing to be the Bylaws of the said Association, as adopted by the Board of Directors effective the ___, day of November, 2007.



Secretary

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Mary Lynn Rusche

Mary Lynn Rusche, County Clerk

Gillespie County TEXAS

December 05, 2007 09:20:58 AM

FEE: $91.00 20076780

KC

HCT

AF 20076781
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TRIPLE OAKS PARTNERS, LTD TO THE PUBLIC

NOTICE OF PRIVATE MAINTENANCE

STATE OF TEXAS §

COUNTY OF GILLESPIE §

ALL STREETS AND ROADWAYS OF THE BEAR VALLEY RANCH SUBDIVISION, A SUBDIVISION IN GILLESPIE COUNTY, TEXAS, ACCORDING TO THE PLAT OF RECORD IN VOLUME 4, PAGES 61-62, PLAT RECORDS OF GILLESPIE COUNTY, TEXAS (THE "SUBDIVISION") SHALL BE PRIVATELY MAINTAINED BY THE BVR OWNERS ASSOCIATION, INC. (THE "ASSOCIATION"), THE PROPERTY OWNER'S ASSOCIATION CREATED TO MANAGE OR REGULATE THE SUBDIVISION. GILLESPIE COUNTY, TEXAS SHALL NOT BE RESPONSIBLE FOR THE MAINTENANCE AND REPAIR OF THE STREETS AND ROADWAYS. THE ROADWAYS WITHIN THE SUBDIVISION WILL BE MAINTAINED AND REPAIRED BY MAINTENANCE ASSESSMENTS WHICH ARE COLLECTED FROM OWNERS OF TRACTS WITHIN THE SUBDIVISION. BY ACCEPTANCE OF A DEED TO A TRACT WITHIN THE SUBDIVISION, EACH OWNER OF SUCH TRACT COVENANTS AND AGREES TO WAIVE ANY RIGHT SUCH OWNER MAY HAVE TO DEMAND OR COMPEL THE MAINTENANCE OR REPAIR OF THE STREETS AND ROADWAYS OF THE SUBDIVISION BY GILLESPIE COUNTY, TEXAS AND IS ESTOPPED FROM DOING SO.

THIS INSTRUMENT IS EXECUTED AND RECORDED TO PROVIDE NOTICE TO THE PUBLIC AND PARTICULARLY TO PROSPECTIVE PURCHASERS OF LOTS OR TRACTS WITHIN THE SUBDIVISION THAT THE ROADWAYS ARE PRIVATELY MAINTAINED.

SIGNED this the 4 day of ~~November~~ December, 2007.

TRIPLE OAKS PARTNERS, LTD.
By: Triple Oaks Partners, L.C., its
General Partner
By: _____
Andrew Z. Smith, President

THE STATE OF TEXAS §
COUNTY OF GILLESPIE §

This instrument was acknowledged before me on this the 4 day of ~~November~~ December, 2007, by ANDREW Z. SMITH, President of Triple Oaks, L.C., the General Partner of Triple Oaks Partners, Ltd., for and on behalf of such partnership.

_____
Notary Public in and for the State of Texas

LINDA KNEESE
Notary Public, State of Texas
My Commission Expires
JULY 15, 2011

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Mary Lynn Rusche

Mary Lynn Rusche, County Clerk

Gillespie County TEXAS

December 05, 2007 09:20:58 AM

FEE: $15.00 20076781

KC

HCT