

AMENDED AND RESTATED RESERVATIONS, CONDITIONS AND RESTRICTIONS
**HORSE CREEK RANCH, HORSE CREEK RANCH SUBDIVISION,
PHASE I AND PHASE II,
AND HORSE CREEK RANCH SUBDIVISION, PHASE III (*LEGEND OAKS*),
CORYELL COUNTY, TEXAS**

THE STATE OF TEXAS }
COUNTY OF CORYELL }

WHEREAS, HINES OF TEXAS, LTD., hereinafter called the Declarant is the owner of all that certain real property located in Coryell County, Texas, known as and herein described as Horse Creek Ranch being a 1,273.506 acre tract of land situated in the CHARLES LA JOICE SURVEY, ABSTRACT No. 635, the R.M. COLEMAN SURVEY, ABSTRACT No.195, J.J. MORTON SURVEY, ABSTRACT No 679, the VINCENT EVANS SURVEY, ABSTRACT No. 315, the J.N.O. SMITH SURVEY, ABSTRACT No. 956, the WILLIAM L. BAUGH SURVEY, ABSTRACT No.73, and the CHARLES CALIOTTE SURVEY, ABSTRACT No. 216, Coryell County, Texas and being a part or portion of that certain 1,273.495 acre tract of land described in a Correction Special Warranty Deed with Vendor's Lien dated October 14, 1988 from Baptist Foundation of Texas, a Texas corporation, as agent for Baylor University, Waco, Texas to Reidy International, Inc. and being of record in Volume 472, Page 68, Deed Records of Coryell County, Texas, hereinafter sometimes referred to as the "Property". Said property has heretofore been platted and further described in separate Tracts as follows:

All that certain real property located in Coryell County, Texas, known as Horse Creek Ranch (unplatted Tracts), Horse Creek Ranch Subdivision, Phase I, comprising all of Tracts One (1) through Twenty-Three (23) of said subdivision, as recorded in File Number **127418** Official Public Records of Coryell County, Texas, and Horse Creek Ranch Subdivision, Phase II, comprising all of Tracts One (1) through Seven (7) of said subdivision, as recorded in File Number **127419** Official Public Records of Coryell County, Texas; and

A Tract known as "Horse Creek Ranch Subdivision, Phase III, Legend Oaks", described as follows:

All that certain property located in Coryell County, Texas, known as Horse Creek Ranch, Phase III, Legend Oaks, comprising all of Tracts One (1) through Fifty-Seven (57), of said subdivision, as recorded in File Number **174830** Official Public Records of Coryell County, Texas. Said Phase III Tract hereinafter sometimes referred to as "**LEGEND OAKS**".

WHEREAS, Horse Creek Ranch (unplatted Tracts), Horse Creek Ranch Subdivision, Phase I, and Horse Creek Ranch Subdivision, Phase II are subject to certain Reservations, Conditions and Restrictions for Horse Creek Ranch, (the "Declaration"), recorded in File Number **124933** of the Official Public Records of Coryell County, Texas and which are restated herein along with additional specific reservations, conditions and restrictions that apply specifically to Horse Creek Ranch Subdivision, Phase III, Legend Oaks.

WHEREAS, the Declarant will convey the above described property subject to certain protective reservations, conditions and restrictions as hereinafter set forth;

WHEREAS, these Amended and Restated Reservations, Conditions and Restrictions are being amended and restated in accordance with the provisions of the Reservations, Conditions and Restrictions

dated June 29, 1999 as originally filed of record in File Number **124933** of the Official Public Records of Coryell County, Texas, and are being amended as provided for in Section 8.03 thereof, to remain effective as of the date of original recordation; it being deemed by Declarant that these amendments are reasonable and necessary to complete the Declarant's development plan;

NOW, THEREFORE, it is hereby declared that the property described above shall be held, sold, and conveyed subject to the following easements, reservations, conditions and restrictions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and shall be binding on all parties having any right, title, or interest in or to the above described property or any part thereof, and their heirs, successors, and assigns, and which reservations, conditions and restrictions covenants, shall inure to the benefit of each owner thereof as herein amended and restated.

ARTICLE ONE

DEFINITIONS

1.01 "Owner" shall refer to the record owner, whether one or more persons or entities, of the fee simple title to any portion of the above described property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

1.02 "Declarant" shall refer to Hines of Texas, LTD., its successors and assigns.

1.03 "Tract" shall refer to any of the plots of land in Horse Creek Ranch.

1.04 "Wildlife Management" shall refer to the Property as operated in compliance with the Wildlife Management Plan developed for the Property by Declarant.

1.05 "Wildlife Management Committee" shall refer to the Committee appointed by Declarant to carry out the duties and enforce compliance with the Wildlife Management Area guidelines as set out in Article Five.

1.06 "Homeowner's Association" shall refer to an association of Owners, membership in which is open to and required of all Owners.

1.07 "Architectural Control Committee" shall refer to the Committee appointed by Declarant to carry out the duties and enforce the Architectural Controls as set forth herein.

ARTICLE TWO

DEVELOPMENT OF THE PROPERTY

2.01 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 (except as provided below), 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 reservations, conditions and restrictions and obligations set forth herein shall apply to the added land, and the rights, privileges, duties and liabilities of the Persons subject to this

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 or 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 Coryell 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 file number of the Coryell County Official Public Records wherein this Declaration is recorded;
- B. A statement that all of the provisions of this Declaration shall apply to the added land;
- C. A legal description of the added land; and
- D. Any reservations, conditions and restrictions that are different or unique to the added land.

WITHDRAWAL OF LAND

2.02 Declarant may, at any time and from time to time, reduce or withdraw areas owned by Declarant from the Property, and upon such withdrawal, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall no longer apply to those lands withdrawn. In order to withdraw land from the Property hereunder, Declarant shall be required only to record in the Official Public Records of Coryell County, Texas, a notice of withdrawal of land containing the following provisions:

- A. A reference of this Declaration, which reference shall state the file number of the Coryell County Official Public Records wherein this Declaration is recorded;
- B. A statement that the provisions of this Declaration shall no longer apply to the withdrawn land; and
- C. A legal description of the withdrawn land.

ARTICLE THREE

ASSESSMENTS

3.01 Every owner of a Tract within the Property is obligated to pay its prorated share of the expenses of complying with the Wildlife Management Plan and/or maintaining roadsides within the Property. Such payment is to be made in the form of general and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date (as specified by Declarant or the Board of Directors of the Homeowner's Association), the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Declarant or Homeowner's Association may bring an action at law against the Owner personally obligated to pay the same, or for foreclosure of the lien against the Tract and interest of the responsible Owner, such action to also include cost and reasonable attorney's fees of any such action. No owner shall otherwise escape liability for the assessments provided for herein by non-use of the Property or abandonment of his Tract. The initial general assessment shall equal \$50.00 per year per Tract, prorated for partial year's ownership. In the event an Owner owns more than one Tract, that Owner's assessment for each additional Tract shall equal 60% of the full

assessment for a single Tract. Declarant is exempt from paying assessments.

DUE DATE OF ASSESSMENTS

3.02 General and special assessments shall be due and payable on the date declared due by Declarant or the Board of Directors of the Homeowner's Association levying such assessments.

GENERAL ASSESSMENTS

3.03 The Declarant or the Board of Directors of the Homeowner's Association shall annually establish and approve an operation budget and shall fix the general assessment at an amount sufficient to satisfy the cash requirements of such budget. Declarant shall give written notice to each Owner of any change in the general assessment.

SPECIAL ASSESSMENTS

3.04 In addition to the general assessments authorized above, the Declarant or Homeowner's Association, upon approval by majority vote of the eligible votes of a quorum of members attending (in person or by proxy) a meeting called to consider such assessment, may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any compliance with the Wildlife Management Plan and/or repair and maintenance of roadsides located within the Property.

SUBORDINATION OF ASSESSMENT LIEN

3.05 The lien securing payment of the assessments and charges provided for herein shall be subordinate to the lien of any mortgage or mortgages granted or created by the Owner of any tract to secure the payment of monies advanced and used for the purpose of purchasing and/or improving such Tract. Sale or transfer of any Tract pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments, which became due prior to such sale or transfer. No sale or transfer shall relieve such Tract, and the Owner thereof, from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE FOUR

CREATION

4.01 Declarant shall cause to be formed a Homeowner's Association (sometimes herein called the "Association") which shall be called Horse Creek Ranch Homeowner's Association. The Owners shall constitute the Association. Each owner of a land Tract including Declarant shall automatically be a member of the Association. The Association membership shall be appurtenant to ownership of a land Tract. Ownership of a land Tract is the sole criterion for membership in the Association.

TRANSFER OF MEMBERSHIP

4.02 Association membership can be transferred to the grantee of a conveyance of a land Tract in fee. Membership shall not be assigned, pledged or transferred in any other way. Any attempt to make a prohibited transfer shall be void.

MANAGEMENT OF ASSOCIATION

4.03 The Association shall be incorporated as a non-profit corporation. The Association shall be managed by the Corporation's Board of Directors pursuant to the procedures set forth in the Association's Articles of Incorporation and Bylaws, subject to this Declaration. The initial board of directors shall be appointed by Declarant. Terms of directors shall be staggered in accordance with the Association's Bylaws.

MEMBERSHIP VOTING, ELECTIONS, AND MEETINGS

4.04 Each owner shall have one vote. There shall be at least one meeting of the membership each year. The first such meeting shall be held in January, 2000, following proper written notice to all property owners of the time and place for such meeting. Declarant shall have three (3) votes for each Tract of property that it owns until such time that Declarant no longer owns any right, title or interest in and to the Property. Pursuant to the Association's Bylaws, the initial board of directors shall be appointed by Declarant, which number shall not exceed twelve (12). Declarant shall retain the right to appoint five (5) of the twelve (12) directors until such time as Declarant no longer owns any right, title or interest in and to the Property. At the initial meeting, the Owners shall vote on any matters the Board chooses to place before the membership, and discuss any matter of Association business that the Board or any Owner wishes to bring before the entire membership.

DUTIES AND POWERS OF BOARD

- 4.05 Through its Board, the Association shall have the following powers and duties;
- A. To adopt rules and regulations to implement this Declaration and the Association's Bylaws.
 - B. To enforce this Declaration, the Bylaws, its rules and regulations.
 - C. To elect officers of the Board and select members of the Architectural Control Committee when that power devolves to the Board.
 - D. To delegate its powers to committees, officers, or employees.
 - E. To prepare a balance sheet and operating income statement for the Association and deliver a report to the membership at its annual meeting.
 - F. To establish and collect regular assessments to defray expenses attributable to the Association's duties, to be levied against each owner. Declarant shall be exempt from any and all assessments and/or dues.
 - G. To establish and collect special assessments for capital improvements and other purposes.
 - H. To file liens against lot owners because of non-payment of assessments duly levied and to foreclose on those liens.
 - I. To receive complaints regarding violations of this Declaration, the Bylaws, or the rules and regulations.

- J. To hold hearings to determine whether to discipline owners who violate this Declaration, the Bylaws, or the rules and regulations.
- K. To give reasonable notice to all owners of all annual meetings of the membership and all discipline hearings.
- L. To hold regular meetings of the Board at least quarterly.
- M. To enforce compliance with the Wildlife Management Plan as set forth in Article Two of this Declaration.
- N. To establish and enforce reasonable rules and regulations regarding the maintenance, upkeep and mowing of roadsides.

4.06 No less than three members of the Board of Directors of the Homeowner's Association shall constitute the membership of the Wildlife Management Committee and/or of the Architectural Control Committee as initially appointed thereto by Declarant and thereafter as elected by the Board of Directors in accordance with applicable provisions of these Declarations.

ARTICLE FIVE

WILDLIFE MANAGEMENT AREA

5.01 The Property shall be operated as a Wildlife Management Area. All Tracts shall be improved, used, and maintained as an integral part of the Wildlife Management Area in compliance with the Wildlife Management Plan developed by the Declarant.

5.02 Declarant shall designate and appoint an initial Wildlife Management Committee consisting of three (3) or more persons, this committee shall serve to maintain the Property as a Wildlife Management Area. If the committee consists of three (3) or more persons, one-half or more of the members may act for the committee. Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to designate and appoint the Wildlife Management Committee to the Homeowner's Association. The Wildlife Management Committee shall be chosen from among the members of the Board of Directors of the Homeowner's Association.

5.03 All buildings, fences, driveways or other structures shall be constructed and maintained in accordance with the Wildlife Management Plan. In order to assure that all construction of buildings, fences, driveways and other structures complies with the Wildlife Management Plan, all plans and specifications relating to the construction of such structures shall be submitted to the Wildlife Management Committee for review and approval in writing. Approval of this Committee shall not be unreasonably withheld.

5.04 In the event that any plans and specifications are submitted to the Architectural Control Committee as provided herein, and such Committee shall fail either to approve or reject such plans and specifications for a period of Thirty (30) days following such submission, approval by the committee shall not be required, and full compliance with this Article shall be deemed to have been had.

5.05 Each Tract shall be subject to the rules and regulations of Horse Creek Ranch Homeowner's Association concerning the operation of the Property as a Wildlife Management Area. Each Owner of a Tract agrees to make application acceptable to Declarant for his/her Tract to become a Wildlife Management Area.

5.06 In the event an Owner of any Tract shall fail to maintain his/her premises and the improvements thereon in a manner consistent with the Wildlife Management Plan, the Declarant or the Wildlife Management Committee shall have the right to enter upon said Tract and to bring the Tract into compliance with the Wildlife Management Plan at the expense of the Owner. Declarant or the Wildlife Management Committee shall also have the authority to enforce these covenants by legal action. However, prior to entering said Tract the Declarant or Committee shall provide thirty (30) days written notice of the needed work to bring the Tract into compliance with the Wildlife Management Plan.

5.07 Each Owner shall pay a fee ("Fee") of initially \$50.00 per year per Tract to the Declarant for the purpose of compliance with the Wildlife Management Plan and to maintain roadsides, as more fully set out in Article Four. In the event an Owner owns more than one Tract, the first Tract shall bear the full Fee and each additional Tract shall bear a Fee equal to 60% of the Fee at that time. Fees may be increased or decreased only upon majority vote of the Homeowner's Association upon written notice to each Owner. Fees shall be due and payable on January 1 of each year or when an Owner purchases a Tract, for the upcoming year. Fees shall be prorated for partial years' ownership.

In the event an Owner does not pay the Fee timely, Declarant may charge interest on the unpaid portion of the Fee until paid at the highest rate allowed by law. In the event an Owner refuses to pay the Fee(s) Declarant or the Homeowner's Association may foreclose on Owner's Tract(s) with unpaid Fees and/or sue Owner for collection of the Fee(s), Owner shall be liable for all reasonable attorneys fees and expenses incurred by Declarant or the Homeowner's Association in the collection of the Fee(s). Declarant may make, but shall not be obligated to make, an irrevocable assignment of this power to collect Fees to Homeowner's Association.

ARTICLE SIX

EXTERIOR MAINTENANCE

6.01 In the event an Owner of any Tract shall fail to maintain the premises and the improvements situated thereon in a clean, sanitary, neat, and orderly manner, the Declarant or the Homeowner's Association shall have the right, through its agents and employees, to enter upon said Tract and to clean, repair, maintain, and restore the Tract and exterior of the buildings and any other improvements erected thereon, all at the expense of the Owner. However, prior to entering said Tract the Declarant or Homeowner's Association shall provide thirty (30) days written notice of the needed repair or restoration. In the event that Declarant or the Homeowner's Association is required to pay for repair or restoration of Owner's Tract, Owner shall reimburse Declarant or the Homeowner's Association within thirty (30) days written notice of the amount due and owing ("expense"). If the expense is not paid within (30) days after the date, the expense shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Declarant or Homeowner's Association may bring an action at law against the Owner personally obligated to pay the same, or for foreclosure of the lien against the Tract and interest of the responsible Owner, such action to also include cost and reasonable attorney's fees of any such action. No owner shall otherwise escape liability for the expenses provided for herein by non-use of the Property or abandonment of his Tract.

ARTICLE SEVEN

USE RESTRICTIONS

7.01 Each use restriction set forth below may be modified in the future by Declarant as necessary

to operate the Property as a Wildlife Management Area. Declarant may, but shall not be obligated to assign its power to modify these use restrictions to the Homeowner's Association.

7.02 The property shall not be used or maintained as a dumping ground for rubbish or trash, and no garbage or other waste shall be kept except in sanitary containers or composted or buried in a sanitary manner.

7.03 No individual sewage disposal system shall be permitted on the property unless the system is designed, located, and constructed in accordance with the requirements, standards, and recommendations of any state, county, municipal, or other governmental subdivision or agency having lawful authority pertaining thereto.

7.04 All springs, creeks, ponds, stock tanks, ditches, and gullies, and any water on the property shall be kept free of trash, rubbish, garbage, waste, effluent from sewage disposal systems or other waste disposal systems, and all other forms of pollution by the Owner of the property.

7.05 No junk yard or wrecking yard may be operated or maintained on the property and no wrecked, junked, broken down, or inoperative automobile, truck, bus, motorcycle, or other motor vehicle, boat, or trailer, or any part thereof, shall be placed or parked or be permitted to remain on or in front of the property so as to be visible from any street or highway or from any adjacent property.

7.06 All livestock, dogs, and poultry must be kept penned or fenced-in at all times or must be individually tethered or leashed. No stable, barn, shed, or sty in which livestock are housed or fed; no livestock feeding trough, bin or station; no poultry house, coop or yard; no dog kennel; and no cattery shall be erected, used or maintained on any Tract at any time for any purpose within twenty-five (25) feet of the boundary line of any other Tract. For purposes of the provisions of this Article, the Owner of more than one Tract shall treat all contiguously owned Tracts or parts thereof as if constituting a single Tract. As used herein, the term "livestock" shall include horses, mules, donkeys, calves, heifers, sheep, goats, llamas, and similar animals and ostriches, emus, and similar birds; and the term "cattle" shall include cows, bulls, steers, oxen, bison, calves and heifers. In addition to the number of animals, livestock, and poultry otherwise permitted to be kept or maintained on any Tract, the natural offspring of such animals, livestock, and poultry may be temporarily kept or maintained for the period of time during which such offspring are normally dependent on a parent for feeding, nurturing, or protection. Except as otherwise provided herein, no animals, livestock, or poultry of any kind shall be raised, bred, kept, or maintained on any Tract at any time for any purpose in violation of the following rules and limitations;

- A. No more than five (5) dogs may be raised, bred, kept or maintained on any Tract.
- B. No more than five (5) cats may be raised, bred, kept or maintained on any Tract.
- C. No more than one head of swine may be raised, bred, kept or maintained on any Tract.
- D. No more than one head of cattle may be raised, bred, kept or maintained on any Tract for each one (1) acre in size the of the Tract.
- E. Not more than one (1) head of livestock and ten (10) head of poultry may be raised, bred, kept or maintained on any Tract for each acre in size of the Tract.
- F. No lions, tigers, panthers, bears, or similar animals may be raised, bred, kept or maintained on any Tract.

- G. No animals, livestock, or poultry of any kind shall be raised, bred, kept, or maintained on any Tract in such manner as to cause a safety or health risk or hazard to humans or other animals, livestock, or poultry or in such manner as to cause a noise, odor or other nuisance.
- H. Any livestock or cattle kept or raised in excess of two per five acres must be penned and fed in stalls or corrals unless by express written approval of Declarant.

7.07 Without the prior express written consent of Declarant, its successors or assigns, no rock, gravel, or other mining or quarrying shall be conducted on any property except for the purpose of supplying rock, gravel, or other material for use on the property.

7.08 (a) All Tracts shall be used for residential purposes only, and no building shall be erected, altered, placed or permitted to remain on any Tract other than one detached single family dwelling not to exceed two (2) stories in height plus any workshops, private garages, barns, and other necessary outbuildings (all such outbuildings not to exceed thirty [30] feet in height), provided, however, that not more than one single family guest house may be erected on a Tract in addition to the above. No structure of a temporary character, trailer, motor home, basement, tent, shack, garage, or other outbuilding shall be used on the property as a residence, provided, however, that the temporary use on the property for brief periods of occupancy of a trailer, motor home, tent, or similar vehicle or structure, not permanently situated on the property, shall not constitute a violation of this provision. For purposes of this provision, temporary occupancy shall mean a period of occupancy not longer than forty-five (45) days including any periods of vacancy which commence after the start of the period of occupancy and which are shorter than ten (10) days in length. No "single-wide" mobile home shall be situated on the Property at any time for any purpose except on those Tracts of land down and along county road # 339, and those Tracts to be subdivided and plated on the south east end of county road # 338 (east of Horse Creek). Permitted single-wide mobile homes must be not less than fourteen (14) feet wide and not less than sixty (60) feet long; and not more than eight (8) years old, Further provided, that nothing herein shall be construed as prohibiting the erection or situating on the property or the occupancy on the property of a manufactured dwelling house, sometimes called a "double-wide" mobile home, of not less than one thousand two hundred (1,200) square feet in size, installed on a permanent, fixed foundation, fully underpinned and skirted, having a peaked roof, and having a minimum width, exclusive of porches, carports, awnings, and the like, of not less than twenty-eight (28) feet.

(b) **TRACTS 1 THRU 25, LEGEND OAKS** -- Any residence situated on Tracts 1 thru 25 in Horse Creek Ranch Subdivision, Phase III, Legend Oaks shall be constructed on site. The exterior walls of any residence shall consist of not less than sixty percent (60%) brick, stone, hardiplank, cedar, finished and treated logs, or other similar construction; provided, however, that all construction shall be of materials designed and manufactured for finished exterior use on site built residential structures of average or better quality. All non-masonry exterior construction on any residence or other building must be painted, stained or otherwise appropriately finished or treated. Any single story residence constructed on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks, must have a floor living area of not less than one thousand, four hundred (1400) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports and garages; any residence two (2) stories in height must have a floor living area of not less than one thousand, eight hundred (1800) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports and garages. Any residence situated on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks must have a minimum width of not less than (36) feet, exclusive of carports, porches of any kind, awnings, roof overhangs, and the like.

(c) **TRACTS 26 THRU 57, LEGEND OAKS** -- The type of residential dwelling permitted on Tracts 26 thru 57 in Horse Creek Ranch Subdivision, Phase III, Legend Oaks shall include, in addition to the aforementioned site built type of structure, a manufactured dwelling house not more than five (5) years of age and of not less than one thousand, four hundred (1400) square feet in size, installed on a permanent, fixed foundation, fully underpinned and skirted, having a peaked roof, and having a minimum width, exclusive of porches, carports, awnings, and the like, of not less than thirty-two (32) feet.

7.09 (a) No building shall be located on any of the Tracts nearer to the front lot line than seventy-five (75) feet, or nearer than seventy-five (75) feet to any side street line; except, however, minor variations of the minimum set-back line shall be permitted to allow for preservation and utilization of existing trees or views. No building shall be located nearer than twenty (20) feet to an interior Tract line. No building shall be located on any of the interior Tracts nearer than thirty (30) feet to the rear Tract line. For the purposes of this covenant, eaves, steps, and open porches shall not be considered as a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a Tract to encroach upon any other Tract, provided, however that this provision shall not apply to interior Tract boundary lines between contiguous Tracts having a common owner.

A variance may be granted in the sole discretion of Declarant in the event the size, location, shape or topography makes the above setbacks impractical for residential use, but only after the Architectural Control Committee approves such variances.

(b) As to Tracts within **Legend Oaks**; No building shall be located on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks nearer to the front lot line than fifty (50) feet, or nearer than fifty (50) feet to any side street line; except, however, minor variations of the minimum set-back line shall be permitted to allow for preservation and utilization of existing trees or views. No structure shall be permitted to be located between the residence in Horse Creek Ranch Subdivision, Phase III, Legend Oaks and any paved street. If no residence is located on the Tract any secondary structure must not be located closer than one hundred fifty (150) feet to any paved street. Manufactured homes may not be located closer than two hundred (200) feet to any common boundary line with any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks restricted to site-built homes. (This pertains to setbacks, not residential structures. Should be (b) under 7.09.)

7.10 No signs shall be permitted on unimproved Tracts except to identify the Tract by legal description. General contractors and sub-contractors may each post one sign on Tracts upon which homes are under construction. Owners of improved property (property with a home on it) or builders, investors or their authorized agent who have constructed "spec homes" may post one sign on the improved property indicating the property is available for sale. All signs must be of professional quality.

7.11 (a) A Tract owner may subdivide or resubdivide a Tract into no more than two (2) separate Tracts; provided, however, such resubdivision complies with applicable law and resubdivision regulations. No Tract may be subdivided or resubdivided in such a manner that the smallest Tract remaining after the subdivision or resubdivision is smaller in area than one acre. No subdivided or resubdivided Tract may have a front boundary line of less than two hundred (200) feet. Other resubdivisions of a Tract may be possible with the express written consent of Declarant. No Tract may be subdivided or resubdivided unless there is an available water meter for both Tracts of land.

(b) As to Tracts within **Legend Oaks**; No Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks may be subdivided or resubdivided.

7.12 Clearing may be done by Owner provided that no hardwood trees are removed without the Declarant's approval and when said clearing is not in violation of any local, state or federal laws. Brush and removed trees may be burned only if it is not in violation of any local, state, or federal laws; the local fire department has no burning ban in effect at that time; it is done during damp weather with low winds, and there is a cleared area around the brush or trees to be burned. A bulldozer or local fire department surveillance is required at the burning sight.

7.13 No manufacturing or commercial enterprise or enterprises of any kind for profit shall be maintained on or in front of any Tract nor shall such property in any way be used for other than strictly residential purposes. This restriction shall not be construed, however, as preventing the growing of crops or the raising of animals (except as heretofore provided) which are removed from the Property before sale or which are sold for delivery elsewhere than on the Property, nor shall it be construed as preventing the practice, by a person actually residing on a Tract, of architecture, accountancy, engineering, computer programming, counseling, individualized teaching or tutoring, general or specialized consulting, or of similar or analogous professions or skills; provided, however, that no sales of goods of any kind shall be permitted to be made on any Tract except sales which are only occasional and which are merely incidental to their residential or other permitted use of the Property (a non-commercial garage sale, for example) and, further provided, that not more than one non-resident employee may be employed on any Tract at any one time; and, further provided, that nothing herein shall prohibit an artist or craftsman actually residing on a Tract from producing art or craft objects which are removed from the Property before the sale. This provision shall not preclude Declarant from engaging in commercial activity related to the development, construction and sale of the Property, and Declarant may construct and maintain such facilities as may be reasonably necessary or convenient for such development, construction and sale, including but not limited to, sales offices, construction headquarters, storage areas, model units, etc.

No part of any Tract shall be used or maintained as a place for the acquisition, storage, processing, disposition, or sale of junk, used goods, or bulk materials or goods.

No oil or gas well drilling, oil or gas development operations, oil refining, quarrying, gravel pits, or mining operations of any kind shall be permitted on a Tract, nor shall oil wells, gas wells, tanks, tunnels, mineral excavations, or shafts be permitted on any Tract without the express written consent of Declarant. No derrick or other structure designed for use in boring for oil, natural gas, or other minerals shall be erected, maintained, or permitted on any Tract without the express written consent of Declarant

7.14 No noxious or offensive activities shall be allowed on the Property; nor shall anything be done thereon which may become an annoyance, danger or nuisance to the neighborhood, including hunting, which is not in compliance with the provisions of the Wildlife Management Plan, on any size Tract. In addition to applicable federal, state and local law, any and all hunting rules and regulations shall be promulgated and enforced by the Wildlife Management Committee on a yearly basis, and no hunting in violation of said rules and regulations shall be tolerated.

7.15 As to Tracts within **Legend Oaks**; Owner shall submit plans for any fencing on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks to the Architectural Control Committee for approval prior to construction. No barbed wire, hog wire, chain link, chicken wire, goat wire, solid privacy, or similar type fence shall be erected on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks within seventy-five (75) feet of the front or side lines of any street, road or highway, or between the residence constructed or planned to be constructed on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks and any street, road or highway, without prior written approval of the Architectural Control Committee. Any fencing within one hundred (100) feet of the front or side lines of any street, road or highway, or between the residence constructed or planned to be constructed on any Tract in Horse Creek Ranch

Subdivision, Phase III, Legend Oaks and any street, road or highway, shall be of a decorative nature. All fencing shall be constructed with new materials suitable for exterior use which will withstand weather and time.

7.16 As to Tracts within **Legend Oaks**; Any radio and/or television antennae or satellite disk erected on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks shall not exceed by more than thirty (30) feet in height the highest part of the roof of the highest building on the Tract and shall not be forward of the principal dwelling erected on the Tract.

7.17 As to Tracts within **Legend Oaks**; Outside clothes lines or other facilities for drying clothes or airing clothes shall not be erected, placed or maintained on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks unless they are concealed in such a manner so as not to be visible from streets or access roads.

7.18 As to Tracts within **Legend Oaks**; No individual water supply system shall be permitted on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks unless the system is located, constructed, and equipped in accordance with the requirements, standards, and recommendations of any state, county, municipal, or other governmental subdivision or agency having lawful authority pertaining thereto. Approval of the system as installed shall be obtained from that authority.

7.19 As to Tracts within **Legend Oaks**; Nothing shall be erected, placed, maintained, done or permitted to remain on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks which interferes with surface water runoff in such manner as to cause such water runoff to be diverted across any other Tract or which causes flooding or erosion to any other Tract or to any street or ditch.

7.20 As to Tracts within **Legend Oaks**; No fence, wall hedge, or shrub planting that obstructs sight lines at elevations between two (2) and six (6) feet above the roadway shall be placed or permitted to remain on any corner Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks within the triangular area formed by the street property lines and a line connecting them at points thirty (30) feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley. No tree shall be permitted to remain within such distances of intersections unless the foliage line is maintained to meet the sight-line requirements set forth above.

7.21 As to Tracts within **Legend Oaks**; No motor homes, recreational house trailers, horse or cattle trailers, truck campers, boats, boat trailers and other recreational vehicles shall be parked openly in the street. No motorized vehicle of any kind shall be operated in any manner which is dangerous, noisy, or creates nuisance in the opinion of the Homeowner's Association or Declarant.

7.22 As to Tracts within **Legend Oaks**; Driveways in Horse Creek Ranch Subdivision, Phase III, Legend Oaks may be constructed of any customary road material. Driveway culverts must be no less than twelve (12) inches in diameter unless otherwise approved by the Architectural Control Committee. Culvert pipe must be Galvanized Corrugated Metal (GCM) or concrete pipe. Plastic or PVC of any kind shall not be permitted in any application as a drain pipe under a driveway, whether the location of that pipe is in the public right-of-way or on private property. Secondary driveways in Horse Creek Ranch Subdivision, Phase III, Legend Oaks, such as those leading to barns, workshops, etc. may adjoin public dedicated roadways as long as they are approved in advance by the Architectural Control Committee and the property owner owns at least three hundred and fifty (350) feet of public road frontage along said public road.

7.23 As to Tracts within **Legend Oaks**; All mailboxes and support poles at street for United States mail delivery must be constructed of new materials and permanently installed in designated street location approved by Coryell County and United States Post Office.

7.24 As to Tracts within **Legend Oaks**; Each Owner covenants to provide and hereby grants easements and rights-of-way for existing utility lines and roadways, whether of record or not; easements and rights-of-way shown on the plat of Horse Creek Ranch Subdivision, Phase III, Legend Oaks; other easements and rights-of-ways, shown in the records of Coryell County, Texas; and easements for installation and maintenance of utilities and drainage facilities, fifteen (15) feet in width, along and inside of all Tract boundary lines. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage, or interfere with, or change the direction of flow of drainage facilities in these easements. The easement area of each Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks and all improvements thereon shall be continuously maintained by the Owner of such Tract, except for improvements for whose maintenance a public authority, utility company or Homeowner's Association is responsible.

7.25 As to Tracts within **Legend Oaks**; Exterior and interior construction of all structures in Horse Creek Ranch Subdivision, Phase III, Legend Oaks must be completed within twelve (12) months from the date of written approval of plans by the Architectural Control Committee unless an extension is granted by said committee.

7.26 As to Tracts within **Legend Oaks**; There shall be reserved a perpetual easement and right-of-way to construct and maintain entrance way markers, signs and walls. On Tracts 2, 17, 18 and 25 of Horse Creek Ranch Subdivision, Phase III, Legend Oaks, there shall be reserved and excepted an easement and right-of-way to construct and maintain entrance way markers and walls to be located on said Tracts for the purpose of designating the entry way to the Horse Creek Ranch Subdivision, Phase III, Legend Oaks to be placed along and inside the property line at or near the corner created by the intersection of Highway 236 and Lonesome Dove and/or Shady Oaks.

7.27 As to Tracts within **Legend Oaks**; Declarant shall designate and appoint an initial Architectural Control Committee, which committee shall serve at the pleasure of the Declarant. Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to designate and appoint the Architectural Control Committee to the Homeowner's Association. The Architectural Control Committee shall be chosen from among the members of the Board of Directors of the Homeowner's Association.

7.28 As to Tracts within **Legend Oaks**; No building, fence, wall, culvert, driveway, enclosure or other structure shall be commenced, erected, materially altered, or maintained upon any Tract in Horse Creek Ranch Subdivision, Phase III, Legend Oaks, nor shall any exterior addition to, or change or alteration therein, be made, until the plans and specifications showing the nature, kind, shape, color, height, materials and location of the same shall have been submitted to, and approved in writing by, the Architectural Control Committee as to harmony of external design and location in relation to surrounding structures and topography. However, approval by this committee shall not be unreasonably withheld.

7.29 As to Tracts within **Legend Oaks**; In the event that any plans and specifications are submitted to the Architectural Control Committee as provided herein, and such Committee shall fail either to approve or reject such plans and specifications for a period of Thirty (30) days following such submission, approval by the Committee shall not be required, and full compliance with this Article shall be deemed to have been had.

ARTICLE EIGHT

GENERAL PROVISIONS

8.01 The Declarant, any Owner, any association of Owners, and any person owning all or any part of all that certain real property shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations now or hereafter imposed by the provisions of this Declaration. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

8.02 Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, and all other provisions shall remain in full force and effect.

8.03 The covenants, conditions, and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforceable by the Declarant, Declarant's successors in title to any property which is contiguous to the property above described, any Owner, or any association of Owners, and their respective legal representatives, heirs, successors, and assigns, and, unless amended as provided herein, shall be effective for a term of fifty (50) years from the date this Declaration is recorded, after which time said covenants, conditions, and restrictions of this Declaration may be amended at any time by an instrument signed by the Owner or Owners of not less than sixty-six and two-thirds percent (66 2/3%) of the total acreage comprising the property. Notwithstanding anything to the contrary in this Declaration, the Declarant may at any time amend this Declaration by instrument duly signed, acknowledged and filed for record, for (i) the sole purpose of having the Declaration comply with financing eligibility requirements of the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration, Federal Housing Administration, or comparable federal or state agencies, or (ii) any other purpose deemed by Declarant to be reasonable, necessary or convenient to complete Declarant's development plan. During any succeeding ten (10) year period, the covenants, conditions, and restrictions of this declaration may be amended during the last year of any such ten (10) year period by an instrument signed by the Owner or Owners of not less than fifty percent (50%) of the total acreage comprising the property. No amendment shall be effective until recorded in the Real Property Records of Coryell County, Texas, nor until the approval of any governmental entity or regulatory body which is required by law shall have been obtained.

8.04 DURING THE TERM OF THIS DECLARATION AND THEREAFTER, NEITHER DECLARANT NOR THE PARTNERS, OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES AND AGENTS OF IT SHALL BE LIABLE FOR DAMAGES OR OTHERWISE TO ANY OWNER OF ANY PROPERTY RELYING ON THESE RESTRICTIONS FOR REASON OF THEIR UNENFORCEABILITY OR BY REASON OF DECLARANT'S ENFORCEMENT OR NONENFORCEMENT THEREOF, IN ADDITION, DURING THE TERM OF THE DECLARATION AND THEREAFTER, EACH OWNER AGREES THAT HE WILL NOT BRING ANY ACTION OR SUIT AGAINST DECLARANT OR THE PARTNERS, OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES AND AGENTS OF IT, TO RECOVER ANY SUCH DAMAGES, AND HEREBY RELEASES ALL CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST DECLARANT ARISING OUT OF OR IN CONNECTION WITH ANY DECISION, ACTION, JUDGMENT, NEGLIGENCE, ENFORCEMENT ACTION OR ANY OTHER ACT OR OMISSION BY DECLARANT IN CONNECTION WITH THE ENFORCEMENT (OR LACK THEREOF) OF THIS DECLARATION.

Executed on this _____ day of _____, 2005.

HINES OF TEXAS, LTD.

By: _____
RICK HINES, LIMITED PARTNER

THE STATE OF TEXAS §
COUNTY OF McLENNAN §

This instrument was acknowledged before me on this the _____ day of _____, 2005,
by RICK HINES, LIMITED PARTNER of Hines of Texas, LTD., on behalf of said partnership.

Notary Public, State of Texas