

**AMENDED DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS
FOR THE HILLS OF CHILDRESS CREEK SUBDIVISION,
SECTION ONE, MCLENNAN COUNTY, TEXAS**

WHEREAS, Hines Development Corporation hereinafter called the "Declarant," is the owner of all that certain real property located in McLennan County, Texas, described as follows:

All that certain real property located in McLennan County, Texas, known as The Hills of Childress Creek, Section One, comprising all of Tracts One (1) through Twenty-Nine (29), Block "A", Tracts One (1) through Twenty-Two (22), Block "B", Tracts One (1) through Fourteen (14), Block "C" Tracts One (1) through Twenty-Four (24), Block "D", and Tracts One (1) through Twenty-Five (25), Block "E", of said subdivision, as recorded in Volume 256, Page 194, Official Public Records of McLennan County, Texas.

It is hereby declared that all of the property described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, 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 easements, restrictions, covenants, and conditions shall inure to the benefit of each owner thereof.

ARTICLE ONE

DEFINITIONS

Owner

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

Property

1.02 "Property" shall refer to that certain real property known as The Hills of Childress Creek, Section One, McLennan County, Texas, hereinabove described.

Tract

1.03 "Tract" Shall refer to any of the plots of land in The Hills of Childress Creek, Section One, shown upon the plat and subdivision map recorded in Volume 256, Page 194, Official Public Records Of McLennan County, Texas. The term "Tract" shall not include the Common areas nor any other reserves Shown On the Said map Or plat, if any.

Declarant

1.04 "Declarant" shall refer to Hines Development Corporation, a Texas corporation, its successors and assigns.

Wildlife Management Area

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

Wildlife Management Committee

1.06 "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 Six.

Homeowner's Association

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

Architectural Control Committee

1.08 "Architectural Control Committee" shall refer the Committee appointed by Declarant to carry out the duties and enforce the Architectural Controls as set out in Article Seven.

ARTICLE TWO

PURPOSE

2.01 The Property is hereby encumbered by the covenants, conditions, and restrictions hereinafter set forth to insure the best and highest use and the most appropriate development and improvement of each Tract within the Property for residential purposes; to further and preserve the use of the Property as a whole, as a Wildlife Management Area; to protect the Owners of the improper use of surrounding Tracts: to preserve, so far as practicable, the Tracts against natural beauty Of the Property; to guard against the erection of poorly designed Or poorly proportioned structures of improper or unsuitable materials; to encourage and secure the erection of attractive, appropriately located improvements on each Tract; to prevent haphazard and inharmonious improvement Of the Tracts; to secure and maintain the proper use of easements within the Property; to preserve the lines of sight and views from the Tracts as the Property; and, in general, to provide for development of the highest quality to enhance the value of the investment made by the Owners in purchasing Tracts in the subdivision.

ARTICLE THREE

DEVELOPMENT OF THE PROPERTY

Development by Declarant

3.01 Declarant may resubdivide, replat or amend any plats of the Property or any Lots owned by Declarant, so long as any such resubdivision, replat or amending plat does not attempt to amend or remove any of the Hills of Childress Creek Subdivision Restrictions. Declarant shall have the right to develop the Property in accordance with the plats of the Property and applicable governmental requirements, including the right, without limitation, to excavate, grade and construct streets, utilities, drainage and water quality facilities and other Improvements required for the development of the Property.

Addition of Land

3.02 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 obligation 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 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 this Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration, unless 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 McLennan 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 McLennan 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 covenants, conditions or restrictions that are different or unique to the added land.

Withdrawal of Land

3.03 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 McLennan County, Texas, a notice of withdrawal of land containing the following provisions:

- (A) A reference of this Declaration, which reference shall state the book and page numbers of the McLennan 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, including any plats thereto.

ARTICLE FOUR

ASSESSMENTS

4.01 Every owner of a Tract within the Property is obligated to pay its prorata 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 costs 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

4.02 General and special assessments shall be due and payable on the date declared due by Declarant or the Board of Directors levying such assessment.

General Assessments

4.03 The Declarant or the Board of Directors of the Homeowner's Association shall annually establish and approve an operating 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

4.04 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

4.05 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 FIVE

THE HILLS OF CHILDRRESS CREEK SUBDIVISION HOMEOWNERS ASSOCIATION

Creation

5.01 Declarant shall cause to be formed a Homeowner's Association (sometimes herein called the "Association") which shall be called The Hills of Childress Creek Subdivision Homeowner's Association. The Owners shall constitute the Association. Each owner of a lot, including Declarant, shall automatically be a member of the Association. The Association membership shall be appurtenant to ownership of a lot. Ownership of a lot is the sole criterion for membership in the Association

Transfer of Membership

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

Management of Association

5.03 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

5.04 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, 1999, 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

- 5.05 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 employee's.
 - (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 to implement this Declaration and the other purposes.
 - (H) To file liens against lot owners because of non-payment 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 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 Three of this Declaration.

- (N) To establish and enforce reasonable rules and regulations regarding the maintenance, upkeep and mowing of roadsides.

5.06 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 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 SIX

WILDLIFE MANAGEMENT AREA

6.01 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.

6.02 Declarant shall designate and appoint an initial Wildlife Management Committee consisting of three (3) or more persons, which 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.

6.03 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.

6.04 In the event that any plans and specifications are submitted to the Wildlife Management Committee as provided herein, and such Committee shall fail either to approve or reject such plan 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.

6.05 Each Tract shall be subject to the rules and regulations of The Hills of Childress Creek Subdivision Homeowners 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.

6.06 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.

6.07 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 by 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 Fees, Declarant or the Homeowner's Association may foreclose on Owner's Tract(s) with unpaid Fees and/or sue Owner for collection of the Fees. 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 its power to collect Fees to the Homeowner's Association.

ARTICLE SEVEN

ARCHITECTURAL CONTROL

Architectural Control Committee

7.01 Declarant shall designate and appoint an initial Architectural Control Committee consisting of three (3) or more persons, which committee shall serve at the pleasure of the Declarant. 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 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.

Approval of Plans and Specifications

7.02 No building, fence, wall, culvert, driveway, parking space, mailbox, enclosure or other structure shall be commenced, erected, materially altered, or maintained upon the Property,

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.

Failure of Committee to Act

7.03 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

EXTERIOR MAINTENANCE

8.01 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 Architectural Control Committee 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 Committee shall provide thirty (30) days written notice of the needed repair or restoration. In the event that Declarant or the Architectural Control Committee is required to pay for repair or restoration of Owner's tract, Owner shall reimburse Declarant or the Architectural Control Committee 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 Architectural Control Committee 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 costs 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 NINE

USE RESTRICTIONS

9.01 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.

Type of Buildings Permitted

9.02 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. The exterior walls of any residence situated on any tract shall consist of not less than eighty percent (80%) brick, stone, 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 residence 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.

Minimum Floor Area and Exterior Walls

9.03 Any single story residence constructed on any tract, must have a floor living area of not less than one thousand eight hundred fifty (1,850) 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 two thousand (2,000) square feet exclusive of open or screened porches, terraces, patios, driveways, carports, and garages.

Any residence situated on any Tract must have a minimum width of not less than forty (40) feet, exclusive of carports, porches of any kind, awnings, roof overhangs, and the like.

Setbacks

9.04 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 dwelling shall be located on any of the interior Tracts nearer than (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 permitted if a land tract makes the above setbacks unworkable, but Only after the Architectural Control Committee approves such variances.

Resubdivision

9.05 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, with a front Tract line of no 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 resubdivided unless there is an available water meter for both tracts of land.

Easements

9.06 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 The Hills of Childress Creek Subdivision; other easements and rights-of-ways, if any, shown in the records of the County Clerk of McLennan 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 which run along and adjacent to any street or road.

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 the easements. The easement area of each Tract and all improvements thereon shall be continuously maintained by the owner of such Tract, except for improvements for whose maintenance a public authority or utility company is responsible.

Noxious or Offensive Activities Prohibited

9.07 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.

Prohibited Residential Uses

9.08 No travel trailer, camping vehicle, basement, tent, shack, garage, barn, Or Other Outbuilding erected Or situated on any Tract shall at any time be used as a residence temporarily Or permanently nor shall any structure of a temporary character be used as a residence; provided, however, that nothing herein shall prohibit the temporary occupancy of a tent, camping vehicle, or travel trailer which is not permanently situated on a Tract. 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 house trailer, modular home, mobile home, double wide home, Or similar manufactured residence structure, shall be erected, parked, or otherwise situated on any Tract for

any reason.

No used structure shall be moved on any Tract without the express written consent of the Declarant and the Architectural Control Committee.

Fencing

9.09 No barbed wire, hog wire, chain link, chicken wire, goat wire, solid privacy, or similar type fence shall be erected on any Tract within a hundred (100) feet of the front or side lines of any street, road, or highway, without the written consent of Declarant or the Architectural Control Committee. Any fencing within one hundred (100) feet of any street road or highway shall be of a decorative nature and Owner shall submit plans for such fencing to Declarant or the Architectural Control Committee for approval prior to construction. All fences shall be constructed with new materials.

Mailboxes

9.10 All mailboxes and support poles at streets for United States mail delivery must be enclosed with material such as stone or brick; not less than two foot by two foot square in designated street location approved by McLennan County, City of Waco and United States Post Office.

Radio and Television Antennae

9.11 Any radio and/or television antenna or satellite dish erected on any Tract shall not exceed by more than thirty (30) feet in height above the highest part of the roof of the highest building on the Tract and shall not be located forward of the principal dwelling erected on the Tract.

Manufacturing and Commercial Activity

9.12 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 hereinafter 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 the 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.

Compliance with Law

9.13 No building or other structure shall be erected or situated on any Tract except in compliance with applicable building and use codes, zoning laws, and other laws and regulations applicable to the Property.

Rubbish, Trash and Garbage

9.14 No Tract shall 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. All incinerators or other equipment for the storage and disposal of such materials shall be kept in a clean and sanitary condition. No trash burning will be permitted on any tract of land.

Sewage Disposal

9.15 No individual sewage disposal system shall be permitted on any Tract 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. Approval of the system as installed shall be obtained from that authority.

Clothes Drying Facilities

9.16 Outside clothes lines or other facilities for drying clothes or airing clothes shall not be erected, placed, or maintained on any Tract unless they are concealed in such a manner so as not to be visible from streets or from access roads.

Water Supply

9.17 No individual water supply system shall be permitted on any Tract 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.

Dams

9.18 Dams may be built on creeks or natural waterways only if:

- (1) Written permission is obtained from owners of land adjacent to such waterways on both sides;
- (2) Such dam will not be built so as to back water upon or inundate the land of another owner, unless a written easement is obtained from such other owner;
- (3) Such dam will not cause the flooding of any roadway;
- (4) Necessary and proper governmental permits are obtained; and
- (5) Such dam is approved in writing by the Wildlife Management Committee as consistent with the Wildlife Management Plan.

Signs

9.19 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 built 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 purchase. No signs with the words "For Sale" or "Sale" will be permitted. All signs must be of professional quality and must be approved in advance by the Architectural Control Committee.

Water Runoff

9.20 Nothing shall be erected, placed, maintained, done or permitted to remain on any Tract 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.

Clearing and Burning

9.21 Clearing may be done by Owner provided that no hardwood trees are removed without the Wildlife Management Committee and 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.

Sight Distance at Intersections

9.22 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 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 within (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.

Pollution

9.23 All springs, creeks, ponds, stock tanks, ditches, and gullies, and any water on any Tract 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 Tract.

Animals

9.24 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 cattey 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 numbers 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 of the Tract.
- E. Not more than one (1) head of livestock and ten (10) head of poultry per acre 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 circumstances are approved with express written consent of Declarant.

Prohibited Use and Items

9.25 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 any Tract so as to be visible from any street or highway or from any adjacent Tract.

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.

Autos, Trucks, Buses and Trailers

9.26 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 or visible from 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.

On-street Parking for periods in excess Of twelve (12) hours shall not be permitted.

Driveways

9.27 Driveways shall be constructed of concrete, minimum 4" reinforced with #3 bars 18" center to center with expansion joints max 20' spacing or asphalt paving, minimum 6" compacted road gravel and 1 1/2 " hot mix asphaltic concrete for not less than one hundred and fifty (150) feet from any public road or right-of-way. Beginning at a minimum distance of one hundred and fifty (150) feet from any public road or right-of-way, driveways may be constructed Of any customary road material. Driveway culverts must be no less than 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, such as those leading to barns, workshops, etc., are exempt from this restriction as long as they do not adjoin public dedicated roadways. Secondary driveways may adjoin public dedicated roadways without concrete or asphaltic paving 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.

Electrical Service

9.28 All electrical service, whether from underground lines or from overhead lines located in the rear of the tracts, must be run to the various service areas (houses, garages, barns, shops, etc.) underground. No above ground electrical poles shall be permitted unless special written approval is granted in advance by the Architectural Control Committee.

Construction Completion

9.29 Exterior and interior construction of all structures 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.

ARTICLE TEN

GENERAL PROVISIONS

Enforcement

10.01 The Declarant, any Owner, or the Homeowner's Association 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.

Severability

10.02 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. To the extent that any Provision of this Declaration conflicts with, or cannot be reconciled With, any applicable loan regulation, rule or guideline of the Farmers Home Administration or Veterans Administration such regulation, rule or guideline shall control. In such an instance, the remaining provisions Of this Declaration shall be unaffected and Shall remain in full force and effect.

Duration and Amendment

10.03 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, the Owner of

any Tract subject to this Declaration, or an association of Owners of Tracts subject to this Declaration, and their respective legal representatives, heirs, successors, and assigns, and, unless amended as provided heres, shall be effective for a term of twenty-five (25) years from the date this Declaration is recorded, after which time said covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years. The covenant, conditions, and restrictions of this Declaration may be amended during the first twenty-five (25) year period by an instrument signed by the Owner or Owners of not less than sixty-six and two-third percent (66 2/3 %) of the Tracts and thereafter by an instrument signed by the Owner or Owners of not less than fifty-one percent (51%) of the Tracts. This Declaration may be amended from time to time by Declarant in accordance with the terms and provisions hereof until such time as Declarant no longer holds any right, title or interest in and to the Property. Notwithstanding anything to the contrary in this Declaration, the Declarant may at any time amend this Declaration or the Bylaws 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, Vettrans 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 for the Subdivision or any portion hereof. At such time as Declarant no longer owns a Lot in the Subdivision, the provisions of this Section 10.03 shall terminate. No amendment shall be effective until recorded in the Real Property Records of McLennan County, Texas, nor until the approval of any governmental regulatory body which is required shall have been obtained. Until January 1, 2000, Declarant may amend this Declaration of Covenants, Conditions and Restrictions to eliminate or modify the Wildlife Management Area Provisions, provided however that no modifications shall be more restrictive than those provided herein.

Declarant not Liable

10.04 Effective as of the date Declarant conveys all of its rights, title and interest in and to the Property and no longer holds any interest in and to the Property or any Property thereafter added pursuant to Article Three, Declarant shall be deemed to have assigned all its rights, benefits and obligations as Declarant hereunder to the Association. Declarant shall then be relieved of the performance of any further duty or obligations hereunder, and the Association and its Board shall then be obligated to perform all such duties and obligations of the Declarant with the necessity of any further writing of assignment of such rights and obligations by the Declarant.

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.

Assignment by Declarant

10.05 Notwithstanding any provision in this Declaration to the contrary, Declarant may in writing filed of record referring to this Declaration by volume and page number, expressly assign in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any other Person or entity and may permit the participation, in whole or in part, by any other Person or entity of any of its privileges, exemptions, rights and duties hereunder. Upon assignment by Declarant of any or all of Declarant's rights, the Declarant shall no longer be liable for performance of such assigned rights provided that the assignee expressly assumes in the recorded assignment the obligations of declarant that are assigned.

IN WITNESS OF, Declarant has executed this Amended Declaration as of this the 29 day of December, 1998.

DECLARANT:
HINES DEVELOPMENT CORPORATION,
A Texas Corporation

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the left.

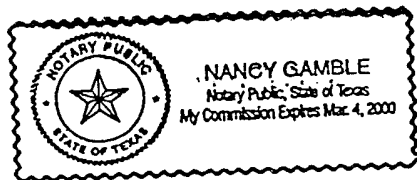
BY: _____
A.W. Hines, Chairman

CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF McLENNAN :

This instrument was acknowledged before me on the 29th day of December, 1998, by A.W. Hines, Chairman of Hines Development Corporation, a Texas Corporation.



Nancy Gamble
Notary Public
State of Texas

NANCY GAMBLE
Notary Printed Name

March 4, 2000
Date Commission Expires