

# **BYLAWS OF RIDGE HARBOR PROPERTY OWNERS' ASSOCIATION, INC**

## **ARTICLE 1 REGISTERED OFFICE**

**1.01** The registered office of Ridge Harbor Property Owners' Association, Inc (the "Association") as provided in the Articles of Incorporation, and the name of the registered agent of the Association as provided in the Articles of Incorporation may be changed as deemed necessary or desirable by the Board of Directors in accordance with the Texas Business Corporations Act.

## **ARTICLE II MEMBER AND MEMBERS MEETINGS**

**2.01 MEMBERS.** Each Lot Owner as defined in the Amended and Restated Declarations of Covenants, Conditions and Restrictions for Ridge Harbor Section 1, including the Reserved Tracts, a Portion of Ridge Harbor Section II and Certain Unplatted Acreage Adjacent to Ridge Harbor Section I (the "Declaration") shall be deemed a Member.

**2.02 ANNUAL MEETINGS.** The annual meetings of the Members shall be held each year without exception.

**2.03 TIME OF ANNUAL MEETINGS.** The annual meetings of the Members shall be held each year at 1:00 PM on the second Saturday of January or such other time as selected by the Directors. If this day falls on a legal holiday, the annual meeting shall be held at the same time on the next following Saturday thereafter.

**2.04 PLACE OF MEETING.** All meetings of the Members shall be held in Spicewood, Burnet County, Texas at a place determined by the President or other person calling the meeting.

**2.05 NOTICE OF MEETING.** Notice of the annual meeting of Members, stating the place, day, and hour of the meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be given in writing to each Member entitled to vote at the meeting at least thirty but not more than ninety days before the date of the meeting either personally or by mail or other means of written communication, addressed to the Member at the Member's most recent address appearing on the books of the Association or given by the Members to the Association for the purpose of notice. Notice of adjourned meetings is not necessary unless the meeting is adjourned for thirty days or more, in which case notice of the adjourned meeting shall be given as in the case of any special meeting.

**2.06 SPECIAL MEETINGS.** Special meetings of the Members for any purpose or purposes whatsoever may be called at any time by the President, or by the Board of Directors, or by any two or more Directors, or by any one or more Members.

**2.07 QUORUM.** A quorum shall be determined as follow: Written notice of any meeting of Members called for the purpose of taking action authorized under the Declaration shall be sent to

all Members not less than thirty days nor more than ninety days in advance of any special or annual meeting. At the first such meeting called, the presence of Members or holders of proxies entitled to vote amounting to fifty percent (50%) of all the votes eligible to be cast shall constitute a quorum. If the required quorum is not present, the meeting may be adjourned and reconvened subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. If the required quorum is not present at the second meeting, the meeting may be adjourned again and reconvened subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. A meeting may not be adjourned for a period longer than sixty (60) days following the preceding meeting.

**2.08 VOTING.** Only Members in whose names appear on the records of the Associations on the date on which such notice of the meeting is mailed shall be entitled to vote at such meeting, unless some other day is fixed by the Board of Directors for the determination of Members of record. Each Member is entitled to one vote for each Lot owned. When a Lot is owned by more than one Member, than such Members must determine amongst themselves how their vote will be cast, but in no circumstances may more than one vote be cast for each Lot. All voting shall be by voice unless any Member demands a ballot vote before the voting begins.

**2.09 PROXIES.** Every person entitled to vote or execute consents may do so either in person or by written proxy executed in writing by the Member or his duly authorized attorney in fact.

**2.10 CONSENT OF ABSENTEES.** No defect in calling or noticing of a Members' meeting will affect the validity of any action at the meeting if a quorum was present, and if each Member not present in person or by proxy signs a waiver of written notice, consent to the holding of the meeting, or approval of the minutes, either before or after the meeting, and such waivers, consents or approvals are filed with the corporate records or made a part of the minutes of the meeting.

**2.11 ACTION WITHOUT MEETING.** Action may be taken by the Members without a meeting if each Member entitled to vote signs a written consent to the action and such consents are filed with the Secretary of the Associations.

### **ARTICLE III DIRECTORS**

**3.01 POWERS.** The Directors shall act only as a board and an individual Director shall have no power as such. All corporate powers of the Association shall be exercised by, or under the authority of, and the business and affairs of the Association shall be controlled by the Board of Directors, subject, however, to such limitations as are imposed by law, the Articles of Incorporation, the Declaration or these Bylaws as to actions to be authorized or approved by the Members. The Board of Directors may, by contract or otherwise, give general or limited or special power and authority to the officers and employees of the Association, and may give powers of attorney to agents of the Association to transact any special business requiring such authorization.

**3.02 NUMBER OF DIRECTORS.** The authorized number of Directors of this Association shall be at least three and may be increased or decreased as authorized by majority vote of the Members. No decrease the number of Directors shall have the effect of shortening the term of any incumbent Director. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by election at any annual meeting or at a special meeting of the Members called for that purpose.

**3.03 QUALIFICATION OF DIRECTOR.** Only individual Members shall be entitled to be Directors of the Association. If a Member is a partnership, corporation, limited liability company or other type of entity, then in such event, persons who are authorized to represent that entity may be a Director.

**3.04 ELECTION AND TERM OF OFFICE.** Directors shall be elected by the Members at the Annual Meeting of Members. Voice nominations for Directors shall be accepted at the Annual Meeting of Members. Any Member may nominate himself as Director. Upon written request to the President by a Member, at least ten days prior to the mailing of the Proxy for the Annual Member's Meeting, a Member may request that his or her name, or another Member's name, be placed on the Annual Proxy sent to Members as a nominated Director. The President shall honor all of such requests provided that they are timely received and the person nominated is duly qualified. Each Director shall hold a term of office of two years. There shall be no limit on the number of terms a Director may serve. The Directors shall endeavor to ensure continuity on the Board of Directors by making every effort to elect some Directors in odd years and the others in even years. In no case shall a Director's terms expire until a respective successor is elected, or until the death, resignation, or removal of a Director.

**3.05 VACANCIES.** Vacancies in the Board of Directors may be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director. The Members may elect a Director at any time to fill a vacancy not filled by the Directors.

**3.06 REMOVAL OF DIRECTORS.** The entire Board of Directors or any individual Director may be removed from office with or without cause by vote of the holders of a majority of the Members entitled to vote for directors, at any regular or special meeting of such Members.

**3.07 PLACE OF MEETINGS.** All meetings of the Board of Directors shall be held in Spicewood, Burnet County, Texas at a place determined by the President.

**3.08 ATTENDANCE & VOTING.** Directors shall endeavor to attend all meetings. In the event a Director fails to attend three consecutive Regular Meetings, that Director shall be subject to removal upon majority vote by the other Directors. A Director may attend a meeting in person or by blanket written proxy give to another Director who attends the meeting. Each Director shall be entitled to one vote in person or by proxy.

**3.09 REGULAR MEETINGS.** Regular meetings of the Board of Directors shall be held, without call or notice, immediately following each annual meeting of the Members of this Association, and on the first Saturday of each month at 10:00 a.m. or at other such times as the Directors may determine.

**3.10 SPECIAL MEETINGS—CALL & NOTICE.** Special meetings of the Board of Directors for any purpose shall be called at any time by the President or, if he is absent or unable or refuses to act, by the Secretary or any Director. Written notices of the special meetings, stating the time, and in general terms the purpose or purposes thereof, shall be mailed or telegraphed or personally delivered to each Director not later than ten days before the day appointed for the meeting. No business shall be conducted which was not included in the notice of meeting unless all Directors who attend the meeting consent, and provided further than all Directors who are not in attendance at any special meeting consent to the action taken in writing within a reasonable time after the meeting. Notice of meeting may be waived by a written consent executed by all Directors.

**3.11 QUORUM.** A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the Directors present shall be regarded as the act of the Board of Directors, unless a greater number be required by law, the Declaration or by the Articles of Incorporation. A Director shall be deemed present at a special or regular meeting if he provides a blanket written proxy to another Director who is present at the regular or special meeting.

**3.12 BOARD ACTION WITHOUT MEETING.** Any action required or permitted to be taken by the Board of Directors, may be taken without a meeting, and with the same force and effect as a unanimous vote of Directors, if all the Members of the Board shall individually or collectively consent in writing to such action.

**3.13 ADJOURNMENT.** A quorum of the Directors may adjourn any Directors' meeting to meet again at a stated day and hour. Notice of the time and place of holding such an adjourned meeting shall be given to absent Directors and the new time and place of the adjourned meeting shall be fixed at the meeting adjourned. In the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

**3.14 CONDUCT OF MEETINGS.** The President or, in his absence, any Director or officer selected by the Directors present, shall preside at meetings of the Board of Directors. The Secretary of the Association, or in his absence, any person appointed by the presiding officer, shall act as Secretary of the Board of Directors.

**3.15 INDEMNIFICATION OF DIRECTORS & OFFICERS.** The Board of Directors may authorize the Association to pay reasonable expenses incurred by, or to satisfy a judgment or fine rendered or levied against, present or former Directors, officers or employee conducting ordinary and necessary Association business. Otherwise, Directors shall serve without compensation.

**3.16 COMMITTEE.** The Board of Directors may establish one or more committees, as it deems necessary or desirable. The members of the committees must be members of the Association, but not necessarily Directors. However, any action by a committee appointed by the Directors shall not take effect until ratified by the Board of Directors.

## **ARTICLE IV OFFICERS**

**4.01 TITLE & APPOINTMENT.** The officers of the Association shall be a President, Secretary, Treasurer and such other officers as the Board of Directors shall from time to time determine. Any two offices may be held by one person. All officers shall be elected by and hold office at the pleasure of the Board of Directors, which shall fix the tenure of all officers.

**4.02 GENERAL POWERS & DUTIES OF OFFICERS.** The officers of the Association shall have the powers and duties generally ascribed to the respective offices, and such additional authority or duty as may from time to time be established by the Board of Directors. The officers shall at all times act in good faith with respect to all dealing with the Members of the Association.

**4.03 SPECIFIED DUTIES RELATING TO THE DECLARATION.** The President shall diligently enforce the terms and conditions of the Declaration on behalf of the Members. The Declaration was adopted by the members to preserve property values and enhance the appearance of Ridge Harbor Subdivision. This duty may be delegated by the President to a subdivision manager appointed by the Directors, however, the President shall remain primarily responsible for enforcing the terms of the Declaration.

**4.05 LOANS.** Upon approval of the Board of Directors, the President or any other authorized officer may borrow money in the name of the Association for the purposes described in Section 4.02 of the Declaration, but not for any other purpose. Upon approval of the Board of Directors, the Association, acting through its authorized officers, may pledge both Annual and Special Assessments as defined in the Declaration to secure loans to the Association. However, the Association shall not be permitted to encumber the Common Areas or Common Facilities as defined in the Declaration except for the purpose of constructing new capital improvements or refinancing existing debt on capital improvements.

**4.06 INDEMNIFICATION OF OFFICERS.** The Board of Directors may authorize the Association to pay reasonable expenses incurred by, or to satisfy a judgment or fine rendered or levied against present or former Directors, officers, or employees of this Association which expense, judgment or fine was incurred as a result of a Director, officer or employee conducting ordinary and necessary Association business. Otherwise, Directors shall serve without compensation.

## **ARTICLE V EXECUTION OF INSTRUMENTS**

**5.01** The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute and corporate instrument or document, or to sign the corporate name without limitation, except where otherwise provided by law, and such execution or signature shall be binding upon the Association.

**ARTICLE VI  
RECORDS & REPORTS**

**6.01** All books and records of the Association shall be open to inspection of the Members from time to time upon reasonable notice. The Directors may examine such books and records at all reasonable times.

**6.02** The Board of Directors may close the list of Members in their discretion for a period not exceeding fifty (50) days preceding any meeting, annual or special, of the Members.

**ARTICLE VII  
AMENDMENT OF BYLAWS**

**7.01 AMENDMENT OF BYLAWS.** The power to alter, amend or repeal these bylaws is vested in the Members, but such power may be delegated to the Directors.

**ARTICLE VIII  
DECLARATION**

**8.01 INCORPORATION OF DECLARATION.** The terms of the Declaration referenced in Section 2.01 hereof, and any amendments thereof, are incorporated herein by this reference.

**8.02 INCONSISTENCIES WITH DECLARATION.** To the extent these Bylaws are inconsistent with the Declaration, the Declaration shall control in all respects.

**8.03 TERMS.** The capitalized terms contained herein shall have the meaning ascribed to those terms in the Declaration except as otherwise stated herein.

**AMENDED AND RESTATED DECLARATIONS OF COVENANTS, CONDITIONS  
AND RESTRICTIONS FOR RIDGE HARBOR SECTION 1, INCLUDING THE  
RESERVED TRACTS, A PORTION OF RIDGE HARBOR SECTION II AND CERTAIN  
UNPLATTED ACREAGE ADJACENT TO RIDGE HARBOR SECTION 1**

RIDGE HARBOR SUBDIVISION, BURNET COUNTY, TEXAS

STATE OF TEXAS

COUNTY OF BURNET

This Amended and Restated Declaration of Covenants, Conditions, and Restrictions for the Ridge Harbor Subdivision Section I and certain other properties in the Ridge Harbor Subdivision (the "Declaration") is made on the date hereinafter set forth by the owners of the property encompassed by the Declaration acting by and through Ridge Harbor Property Owners' Association, Inc., Harbor Point Property Owners' Association, Harbor Cover Property Owners' Association, Inc., Courtside Property Owners' Association, Ridge Harbor Joint Venture, Ridge Harbor Holdings, Ltd. And Robert L. W. Jordan, all of the foregoing named persons and entities being hereinafter referred to collectively at the "Declarants".

THIS DECLARATION SUPERSEDES AND REPLACES THE PRIOR DECLARATION FOR RIDGE HARBOR SECTION I RECORDED IN VOLUME 329, PAGE 824 OF THE DEED RECORDS OF BURNET COUNTY, TEXAS.

THIS DECLARATION ALSO SUPERSEDES AND REPLACES THIS DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR CERTAIN PORTIONS OF THE RIDGE HARBOR SUBDIVISION RECORDED IN VOLUME 600, PAGE 725 OF THE DEED RECORDS OF BURNET COUNTY, TEXAS EXCEPT TO THE EXTENT THAT DECLARATION APPLIES TO THE FORTY-SIX ACRES AS THEREIN DEFINED.

TO THE EXTENT THE FOLLOWING NAMED DECLARATIONS ARE SILENT, OR THIS DECLARATION IS MORE SPECIFIC, THOSE DECLARATIONS ARE SUPERSEDED AND MODIFIED BY THIS DECLARATION: THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR HARBOR POINT RECORDED IN VOLUME 346, PAGE 67 OF THE DEED RECORDS OF BURNET COUNTY, TEXAS; THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR COURTSIDE AT RIDGE HARBOR RECORDED IN VOLUME 409, PAGE 873 OF THE DEED RECORDS OF BURNET COUNTY, TEXAS; DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF HARBOR COVE RECORDED IN VOLUME 374, PAGE 511 OF THE DEED RECORDS OF BURNET COUNTY, TEXAS.

THIS DECLARATION IS EXPRESSLY SUBJECT TO THE AGREEMENTS RELATING TO DEVELOPMENT OF THE RIDGE HARBOR SUBDIVISION RECORDED IN VOLUME 600, PAGE 827 OF THE DEED RECORDS OF BURNET COUNTY, TEXAS.

RIDGE HARBOR SECTION II, LOT NUMBERS 115, 116, 117, 118, 119, 120, 121, 151, 152, AND 175 ARE SUBJECT TO THIS DECLARATION. THIS DECLARATION DOES NOT APPLY TO THE OTHER LOTS IN RIDGE HARBOR SECTION II OR RIDGE HARBOR SECTION III, EXCEPT TO THE EXTENT OF THE OWNERS OF THOSE PROPERTIES ARE PROVIDED THE RIGHT, BUT NOT THE OBLIGATION, TO BECOME MEMBERS OF THE RIDGE HARBOR PROPERTY OWNERS' ASSOCIATION PURSUANT TO THE AGREEMENTS RELATING TO THE DEVELOPMENT OF THE RIDGE HARBOR SUBDIVISION RECORDED IN VOLUME 600, PAGE 827 OF THE DEED RECORDED IN BURNET COUNTY, TEXAS.

WITNESSETH

WHEREAS, Declarants are the property owners or property owners associations who represent owners of all the property in Ridge Harbor Section I including the Reserve Tracts A, B, C, D, E and F as more particularly shown on Plat recorded in the Plat Records of Burnet County, Texas, in Cabinet 1, Slide 190C through 191D;

WHEREAS, Ridge Harbor Holdings, Ltd. is the owner of Ridge Harbor Section II Lots 115, 116, 117, 118, 119, 120, 121, 151, 152, and 175 which lots are shown on plat recorded in the Plat Records of Burnet County, Texas, Cabinet 1, Slide 192A through 192C and which lots are hereinafter referred to as the "Ridge Harbor Holdings Section II Lots"; and

WHEREAS, Ridge Harbor Holdings, Ltd. owns the unplatted property adjacent to Ridge Harbor Section I more particularly described in Exhibits "A" and "B" and Robert L.W. Jordan owns the unplatted property more particularly described in Exhibit "C" attached hereto and incorporated herein by this reference, the properties described at Exhibits "A" through "C" are hereinafter referred to as the "Section I Acreage"; and

WHEREAS, Ridge Harbor Holdings, Ltd. owns Reserve Tract F in Ridge Harbor Section I and the unplatted property more particularly described in Exhibit "D" attached hereto and incorporated herein by this reference, both properties being hereinafter referred to as the "Sewage and Water Plant Acreage"; and

WHEREAS, Ridge Harbor Holdings, Ltd. is the owner of the unplatted property more particularly described in Exhibit "E" attached hereto and incorporated herein by this reference which property is hereinafter referred to as the "County Road Acreage"; and

WHEREAS, Charles W. Whidden and Anne M. Whidden are the owners of Ridge Harbor Section II Lot Numbers 118 and 119, which lots are referred to herein as the "Whidden Lots".

WHEREAS, by Agreement dated April 20, 1994, the owners of Ridge Harbor Holdings Section II Lots, the Unplatted Section I Acreage, the Sewage and Water Plant Acreage, the County Road Acreage and the Whidden Lots have agreed to subject their properties to this Declaration provided that the Section I Lot owners, Courtside Lot owners, Harbor Cove Lot

owners, and Harbor Point Lot owners, agree to join in the execution of the Declaration not later than July 20, 1994 which date has been extended to September 30, 1994, and

WHEREAS, Declarants desire to hold, sell and convey the Property subject to the following covenants, restrictions, reservations and easements, which are for the purpose of establishing a uniform plan for the development, improvement and sale of the Property, and to insure the preservation of a uniform plan for the benefit of both present and future owners of the Property;

NOW, THEREFORE, Declarants hereby adopt the following amended and restated conditions, covenants and restrictions which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Subdivision and which shall be applicable as provided herein to the Lots in the Subdivision and shall run with the land and shall bind all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof.

## **ARTICLE I DEFINITIONS**

**1.01 “ASSOCIATION”** shall mean and refer to Ridge Harbor Property Owner’s Association, Inc. which is a Texas corporation incorporated as an association composed of all the owners of the Section I Lots, Ridge Harbor Holdings Section II Lots, Harbor Cove Lots, Harbor Point Lots, Courtside Lots, Section I Acreage, Sewage and Water Plant Acreage, the County Road Acreage and the Whidden Lots, their successors and assigns.

**1.02 “ANNUAL ASSESSMENT”** shall mean the regular annual assessments, which each Lot Owner is required to pay pursuant to Article IV hereof. The Annual Assessment is determined by dividing the Annual Budget by the number of Lots subject to the assessment.

**1.03 “ANNUAL BUDGET”** shall mean the amount of funds determined by the Board of Directors to be necessary to maintain the Common Area and Common Facilities and pay the expenses of the Association determined in accordance with Article IV hereof.

**1.04 “BOARD OF DIRECTORS”** or **“BOARD”** shall mean and refer to the duly elected Board of Directors of the Association.

**1.05 “COMMON AREA”** shall mean and refer to all those areas of land within the Subdivision including but not limited to, Ridge Harbor Section I Reserve Tract “A”, including the swimming pool located thereon, the portions of Ridge Harbor Section I Reserve Tract “E” which are not Courtside Lots, including the tennis courts located thereon, but not the Lots or the Reserve Tract “F” or other property which is dedicated to the exclusive use of sewer and water treatment facilities owned or occupied by Ridge Harbor Utility Company, together with such other property as the Association may, at any time, or from time to time, acquire by purchase or otherwise, subject, however, to the easements, limitations, restrictions, dedications, and reservations applicable thereto by virtue hereof and/or by virtue of the

Subdivision Plat and/or by virtue of prior grants or dedications by Declarants or Declarant's predecessors in title. References herein to the Common Areas in the Subdivision shall mean and refer to Common Areas as defined respectively in this Declaration and all supplemental declarations.

**1.06 "COMMON AREA EXPENSES"** shall mean all expenses necessary to maintain, replace, repair and expand in Common Area, the Common Facilities as well as to operate the Association including, but not limited to, casualty and liability insurance, directors and officers liability insurance. Additionally, Common Areas Expenses shall include (a) the cost of repair and maintenance of the publicly dedicated roads are accepted for maintenance by Burnet County, (b) mowing of the Common Areas (c) landscape maintenance (but not landscape replacement, landscape watering or sprinkler system repairs) for the Courtside Lots, Harbor Cove Lots and Harbor Point Lots, (d) maintenance of the marina parking facilities and boat ramp facilities to the extent the owners of such facilities desire the Association to assume responsibilities for maintenance of such facilities and the Board of Directors agrees to assume such maintenance responsibility, (e) as well as such other expenses and capital enhancements as may be determined by the Board to promote the safety, health, recreation and welfare of the Members and maintain the subdivision in an attractive manner.

**1.07 "COMMON FACILITIES"** shall mean and refer to all existing and subsequently provided improvements upon or within the Common Areas including the swimming pool and tennis courts, except as may be expressly excluded herein. By way of illustration, Common Facilities may include, but are not necessarily limited to, the following: structure for recreation, storage or protection of equipment; fountains; statuary; sidewalks; common driveways; landscaping; swimming pools; tennis courts; and other similar and appurtenant improvements.

**1.08 "CONVEYANCE" or "CONVEYED"** shall mean and refer to conveyance of a fee simple title to a Lot.

**1.09 "COUNTY ROAD ACREAGE"** shall mean the property described at Exhibit "E" attached hereto and incorporated herein by this reference. The general vicinity of the County Road Acreage is shown on the map attached hereto as Exhibit "A" and incorporated herein by this reference.

**1.10 "COURTSIDE LOTS"** shall mean the thirty-seven Lots, more or less, located on Reserve Tract E, as shown on the Replat of Reserve Tract E of the Subdivision Plat, Ridge Harbor Section I. The general vicinity of the Courtside Lots is shown on the map attached hereto as Exhibit "A" and incorporated herein by this reference.

**1.11 "DECLARATION"** shall mean and refer collectively to this Declaration and all supplemental declarations relating to the Subdivision or any additions thereto.

**1.12 "DECLARANTS"** shall mean all the owners of Lots as represented by the persons or entities executing this Declaration.

- 1.13 “DEVELOPER”** shall mean Ridge Harbor Holding Ltd., Robert L.W. Jordan, Charles W. Whidden and Anne M. Whidden or their assigns and successors in interest provided that such assigns or successors in interests either own more than five Lots or more than five acres within the Subdivision and are in the business of selling property to end users and are actively marketing such property in the Subdivision. Once a Developer constructs a residence or other building on a lot, either for his own account or to sell, that lot shall be deemed a lot, which is not owned by a Developer.
- 1.14 “EASEMENT”** shall mean and refer to the various utilities or other easements of records, those shown on the Subdivision Plat and such other easements as created or referred to in this Declaration.
- 1.15 “HARBOR COVE LOTS”** shall mean the six lots and other property located in Reserve Tract D, Ridge Harbor Subdivision Section I. The general vicinity of the Harbor Cove Lots is shown on the map attached hereto as Exhibit “A-1” and incorporated herein by this reference.
- 1.16 “HARBOR POINT LOTS”** shall mean the ten lots and other property located in Reserve Tract “C”, Ridge Harbor Section I. The general vicinity of the Harbor Point Lots is shown on the map attached hereto as Exhibit “A-1” and incorporated herein by this reference.
- 1.17 “LOT”** shall mean and refer both to each lot shown upon the Subdivision. Plat as amended from time to time, including the Harbor Point Lots, Courtside Lots, Harbor Cove Lots, the Whidden Lots, Section I Lots, the Ridge Harbor Holdings Section II Lots, as well as each separately owned parcel of land or dwelling unit located in the Country Road Acreage, the Section I Acreage and the Sewer and Water Plant Acreage which is not owned or leased by Ridge Harbor Utility Company and occupied for the purpose of providing present or future sewer and water services to the Ridge Harbor Utility Company service area. In the event any property within the Subdivision is developed as a multifamily development, each separate residential unit shall be deemed one Lot.
- 1.18 “MEMBER” or “MEMBERSHIP”** shall mean the owners of Lots; and the owners of lots in Ridge Harbor Section II and Ridge Harbor Section III if those owners elect to become Members pursuant to that one certain Agreement Relating to Development of the Ridge Harbor Subdivision dated April 20, 1994 by and between Ridge Harbor Holdings, Ltd. and Ridge Harbor Joint Venture recorded in Volume 600, Page 827, Deed and Plat Records of Burnet County, Texas; and owners of other properties who become part of the Association upon approval by a Vote of the Members.
- 1.19 “OWNER”** shall mean and refer to the record owner whether one or more persons or entities, of a fee simple title to any of the Lots, but excluding those having such interest merely as security for the performance of an obligation.
- 1.20 “PROPERTY” or the “SUBDIVISION”** shall mean all the property in Ridge Harbor Section I including all the Reserve Tracts as more particularly shown on Plat recorded in the

Plat records of Burnet County, Texas, in Cabinet 1, Slide 190C through 191D the Common Area, the Courtside Lots, the County Road Acreage, the Harbor Cove Lots, the Harbor Point Lots, the Ridge Harbor Holdings Section II Lots, the Whidden Lots and the Section I Acreage, the Section I Lots, the Sewage and Water Plant Acreage and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

- 1.21 “QUORUM”** shall mean and be determined as follows: Written notice of any meeting called for the purpose of taking any action authorized under this Declaration shall be sent to all Lot Owners not less than thirty (30) days nor more than ninety (90) days in advance of the meeting. At the first such meeting called, the presence of Lot Owners or holders of proxies entitled to vote amounting to fifty percent of all the votes of each Lot Owner shall constitute a quorum. If the required quorum is not present, the meeting may be adjourned and reconvened subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. If the required quorum is not present at the second meeting, the meeting may be adjourned again and reconvened subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. A meeting may not be adjourned for a period of longer than sixty (60) days following the preceding meeting.
- 1.22 “REPLACEMENT RESERVE”** shall have the meaning given that term in Section 4.07 hereof.
- 1.23 “RIDGE HARBOR HOLDINGS SECTION II LOTS”** shall mean Ridge Harbor Section II Lots 115, 116, 117, 120, 121, 151, 152, and 175. The general vicinity of the Ridge Harbor Holdings Section II Lots is shown on the map attached hereto as Exhibit “A-1” and incorporated herein by this reference.
- 1.24 “RIDGE HARBOR SECTION I”** shall mean the property more particularly shown on Plat recorded in the Plat Records of Burnet County, Texas, in Cabinet 1, Slide 190C through 191D including, but not limited to, all the Reserve Tracts shown thereon. The general vicinity of the Ridge Harbor Section I is shown on the map attached hereto as Exhibit “A-1” and incorporated herein by this reference.
- 1.25 “RIDGE HARBOR SECTION II”** shall mean the property more particularly shown on Plat recorded in the Plat Records of Burnet County, Texas, in Cabinet 1, Slide 192ABC. The general vicinity of the Ridge Harbor Section II is shown on the map attached hereto as Exhibit “A-1” and incorporated herein by this reference.
- 1.26 “RIDGE HARBOR SECTION III”** shall mean the property more particularly shown on Plat recorded in the Plat Records of Burnet County, Texas, in Cabinet 1, Slide 192D, 193A and 193B. The general vicinity of the Ridge Harbor Section III is shown on the map attached hereto as Exhibit “A-1” and incorporated herein by this reference.
- 1.27 “RIDGE HARBOR UTILITY COMPANY”** shall mean Ridge Harbor Utility Company, a Texas corporation its successor or assigns.

- 1.28 “SECTION I ACREAGE”** shall mean the property described at Exhibits “A” through “C”. The general vicinity of the Section I Acreage is shown on the map attached hereto as Exhibit “A-1” and incorporated by this reference.
- 1.29 “SECTION I LOTS”** shall mean the Lots shown on the Plat for Ridge Harbor Section I recorded in the Plat Records for Burnet County, Texas, in Cabinet 1, Slide 190C through 191D. The general vicinity of the Section I Lots is shown on the map attached hereto as Exhibit “A-1” and incorporated herein by this reference.
- 1.30 “SEWAGE & WATER PLANT ACREAGE”** shall mean the property described at Exhibit “D” attached hereto and incorporated herein by this reference, Section I Reserve Tract F and any other property subsequently occupied for purpose of operating sewage and water treatment facilities for the Subdivision.
- 1.31 “SPECIAL ASSESSMENT”** shall have the meaning given that term in Section 4.04 hereof.
- 1.32 “STRUCTURE”** shall mean any fence, wall, building, or other improvement constructed on a Lot or any exterior changes or additions thereto.
- 1.33 “SUBDIVISION PLAT”** shall mean the Plat for the Section I which includes, but is not limited to, the plat for the Courtside Lots, the plat for Harbor Cove Lots, the plat for Harbor Point Lots, the plat for Ridge Harbor Section II to the extent it relates to the Ridge Harbor Holdings Section II Lots and the Whidden Lots and any other plat applicable to the Property or properties subsequently made subject to this Declaration, now or hereafter existing, including the Plat for Ridge Harbor Sections II and III if the owners of such properties elect to become part of the Association pursuant to that one certain Agreement Relating to the Development of the Ridge Harbor Subdivision executed on April 20, 1994 by and between Ridge Harbor Joint Venture and Ridge Harbor Holdings, Ltd. recorded in the real property records of Burnet County, Texas, Volume 600, Page 827.
- 1.34 “SUPPLEMENTAL DECLARATION”** shall mean and refer to any supplemental declaration of covenants and restrictions bringing additional property within the scheme of the Declaration under the authority provided in the Declaration. References herein (whether specific or general) to provisions set forth in “Supplemental Declarations” shall be deemed to related to the respective properties covered by such Supplemental Declarations.
- 1.35 “VOTE OF MEMBERS”** shall mean a majority vote of Members obtained at a meeting of Members in person, or by written proxy, called in accordance with the Bylaws of the Association at which a Quorum is present as determined in accordance with Section 1.21 hereof.
- 1.36 “WHIDDEN LOTS”** shall mean Ridge Harbor Section II, Lot Numbers 118 and 119.

**ARTICLE II**  
**PROPERTY RIGHTS OF MEMBERS**

**2.01 OWNER’S EASEMENT OF ENJOYMENT.** Every Member shall have a right and easement of enjoyment as well as an easement of ingress and egress in, to and over the Common Area and Common Facilities, which shall be appurtenant to and shall pass with the title to every Lot subject to Membership in the Association or subsequently included in the Subdivision, subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any of the Common Facilities;
- (b) the right of the Association to suspend the voting rights and right to use the Common Facilities for any period during which and assessment owed by such Member remains unpaid; and for a period not to exceed ninety days for any infraction of the Association’s published rules and regulations;
- (c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by a Vote of Members;
- (d) the right of the Association to limit the number of guests of Members;
- (e) the right of the Association, in accordance with its Articles of Incorporation or By-Laws, to borrow money for the purpose of improving the Common Area and Common Facilities and in aid thereof to mortgage said property. The rights of any such mortgage in said properties shall be subordinate to the rights of the Members hereunder.

**2.02 DELEGATION OF USE.** Any Member may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and Common Facilities to the members of his family, guests, his tenants, or contract purchaser, provided such persons either reside on the property owned by the Member or are accompanied by the Member.

**2.03 PARKING RIGHTS.** In the event a dwelling is on a Lot which is not designed for onsite parking of automobiles and parking is provided in the Common Area, then ownership of each Lot shall entitle the Owner or Owners thereof to the use of not more than two automobile parking spaces, which shall be as near and convenient to said Lot as reasonably possible, together with the right of ingress and egress in and upon said parking area. The use of all other parking areas situated in the Common Area shall be subject to the exclusive control and management of the Board of Directors, including the assignment of areas where travel trailers, recreational vehicles, boats, boat trailers, etc., may or may not be parked or stored.

### **ARTICLE III MEMBERSHIP & VOTING RIGHTS**

**3.01 MEMBERSHIP.** Every owner of a Lot is a Member of the Association and each Member's lot is subject to Annual Assessments and Special Assessments. Membership shall be appurtenant to and may not be separated from ownership of a Lot. A Member may not withdraw from the Association.

**3.02 VOTING.** Each Member shall be entitled to one vote for each Lot. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for each Lot shall be exercised as the Lot owners may among themselves determine, but in no event shall more than one vote be cast with respect to any one Lot.

### **ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS**

**4.01 CREATION OF THE LIEN & PERSONAL OBLIGATION OF ASSESSMENTS.** Each Member hereby covenants, and with every other Member by any acceptance of a deed to a Lot, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) Annual Assessments, (2) Special Assessments, and (3) all legal fees and other costs incurred to collect delinquent assessments, such assessments to be established and collected as hereinafter provided. The Annual and Special Assessments, together with interest, costs, and reasonable attorney's fees shall be a charge on each Lot and shall be a continuing lien upon each Lot as such is made. Each assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Member at the time when the assessment fell due. The personal obligation for delinquent assessments shall pass to his successors in title and constitute a continuing lien on the Lot subject to membership until paid except as provided in Section 4.09 and 10.02 hereof.

**4.02 PURPOSE OF ANNUAL ASSESSMENTS.** The assessments levied by the Association shall be used exclusively to pay Common Area Expenses and to promote the recreation, health, safety and welfare of the Members, including, but not limited to, garbage pickup (if provided) and maintenance of the Common Area and Common Facilities. The Annual Assessment applicable to each Lot shall be determined by dividing the Annual Budget by the number of Lots subject to assessment. The Annual Budget shall be the amount fixed by the Board of Directors necessary to pay the Common Area Expenses and keep the Replacement Reserve.

**4.03 MAXIMUM ANNUAL ASSESSMENT.** The maximum annual assessment shall be \$300.00 for each Lot subject to assessment for 1995 subject to adjustment as follows:

- (a) The maximum Annual Assessment may be increased for each year after 1995 by the Board of Directors, but not by more than ten percent (such percentage increase may be cumulative from year to year) above the maximum assessment for the previous year without a Vote of Members.

- (b) The maximum Annual Assessment may be increased above ten percent by a Vote of Members.
- (c) The Board of Directors may fix the Annual Assessment at an amount not in excess of the maximum and not in excess of the amount reasonably required to pay for the Common Area Expenses and fund the Replacement Reserve.

**4.04 SPECIAL ASSESSMENT.** In addition to the Annual Assessment, the Association 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 construction, reconstruction, repair or replacement of the Common Facilities and maintenance of the Common Area, including the fixtures and personal property related thereto, and the publicly dedicated roads provided that any such assessment is approved by the Vote of Members.

**4.05 UNIFORM RATE OF ASSESSMENT.** Both Annual and Special Assessments must be fixed at a uniform rate for all Lots subject to assessment and may be collected on a monthly basis or on an annual basis in the discretion of the Board of Directors. Notwithstanding the foregoing, Lots subject to assessment acquired pursuant to a written contract entered into prior to May 1, 1994 shall be assessed at one hundred percent of the Annual Assessment for each lot or other property subject to assessment with a completed dwelling, seventy five percent of the Annual Assessment, prorated from the time of commencement of construction for dwellings under construction and fifty percent for Lots without dwellings. All Lots acquired by an Owner pursuant to a written contract entered into after May 1, 1994 shall be subject to assessment at a uniform rate and no discount will be permitted for Lots without dwelling or partially completed dwellings except that the Section I Acreage and the County Road Acreage will not be subject to assessment until such time as a dwelling is constructed on a Developer's Lot. The Sewer and Water Plant Acreage shall not be subject to assessment unless such property is devoted to a use other than for the operation, or future operations, of the Sewer and Water Plant facilities.

**4.06 DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS.** The Board of Directors shall fix the amount of the Annual Assessment against each Lot at least thirty days in advance of each Annual Assessment period. Written notice of the annual assessment shall be sent to every Member. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

**4.07 REPLACEMENT RESERVE.** There is hereby established a reserve out of the Annual Assessments for a fund for replacement of Common Area facilities and other repairs and improvements to the Common Area, including repair and improvements of the publicly dedicated roads and construction of new recreational facilities. The fund shall be segregated and funded annually. Such fund shall be in such amount, as the Board deems adequate for such replacements but shall not be increased in any one assessment year by more than ten percent of the Annual Budget of the Association for the current calendar year. The initial amount for the Replacement Reserve shall be ten percent of the 1995 Annual Budget.

**4.08 EFFECT OF NONPAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION.** Any assessment, including the cost of collection thereof, if not paid within thirty days after the due date shall bear interest from the due date at rate of Eighteen Percent per annum or the highest rate permitted by law, whichever is less. The Association may bring any action at law or equity to enforce the payment of Assessments to include foreclosure of its lien for Assessments. Each Member, by his acceptance of a deed to a Lot subject to Membership, hereby expressly vests in the Association, or its agents, the rights and power to bring all actions against such Member personally for the collection of such charges and legal fees and other costs of collection as a debt and lien against his Lot, and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property, and each Member hereby expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all Members and shall be enforceable by any Member of the Association if the Association refuses to act to enforce the lien after written notice by the enforcing Member. All legal fees and costs incurred in the collection of an unpaid assessment shall be paid to the Association or the enforcing member as the case may be by the defaulting Member. No Member may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Area, Common Facilities or abandonment of his Lot.

**4.09 SUBORDINATION OF THE LIEN TO MORTGAGEES.** The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any property subject to Membership shall not affect the assessment lien. However, the sale or transfer of any such property pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien for Assessments as to payments, which became due prior to such sale or transfer. No sale or transfer shall release such Member or the property subject to Membership from liability for any Assessments thereafter becoming due or from the lien thereof.

**4.10 EXEMPT PROPERTY.** All properties owned by a Developer within the Section I Acreage, Sewage and Water Plant Acreage and County Road Acreage; and all properties dedicated to, and accepted by, a local public authority; and all properties owned by a charitable or nonprofit organization exempt from taxation by the law of the State of Texas; and all properties owned by the Association, or another property owners' association, or otherwise under common ownership of all members of a particular property owners' association; and all properties which are devoted to the exclusive use of Ridge Harbor Utility Company for present or future water and sewer facilities shall be exempt from the assessments created herein; however, no land or improvements devoted to dwelling use or a commercial use other than the properties used exclusively for the water and sewer treatment facilities owned or leased by Ridge Harbor Utility Company, shall be exempt from said assessments.

**ARTICLE V**  
**ARCHITECTURAL CONTROL COMMITTEE**

**5.01 DESIGNATION OF COMMITTEE.** The Association shall have an Architectural Control Committee, which shall consist of three members who are Members and who shall be natural persons, and who shall be appointed by the Board of Directors of the Association. The Board of Directors shall have the exclusive right and power at any time and from time to time to create and fill vacancies on the Architectural Control Committee. The purpose of the Architectural Control Committee shall be to provide advance written approvals of actions by Members, which require approval of the Architectural Control Committee. The Architectural Control Committee shall have no authority to approve any action prohibited by this Declaration.

**5.02 ADVANCE APPROVAL.** No Structure shall be commenced, erected or maintained upon a Lot until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same and any other reasonably necessary information shall have been submitted to and approved in writing a to harmony of external design and location in relation to the surrounding structure and topography by the Architectural Control Committee. The Architectural Control Committee shall have the power to employ professional consultants to assist it in discharging its duties. The decision of the Architectural Control Committee shall be final, conclusive and binding upon the applicant.

**5.03 BASIS OF APPROVAL.** Approval of plans and specifications submitted to the Architectural Control Committee shall be based, among other things, on adequacy of site dimensions, structural design, conformity and harmony of external design and of location with neighboring structures and sites, relation of finish grades and elevations to neighboring sites, and conformity to both the specific and general intent of this Declaration.

**5.04 FAILURE OF THE COMMITTEE TO ACT.** If the Architectural Control Committee fails to approve or disapprove such plans and specifications or to reject them as being inadequate within thirty days after said plans and specifications have been submitted to it by certified mail, return receipt requested, the plans and specifications submitted shall be deemed approved, and this Article will have been deemed to have been fully complied with, except that under no circumstances shall Structures be deemed approved if constructed in violation of this Declaration. All plans and specifications shall be submitted in writing over the signature of the owner of the subject property or its authorized agent. The Architectural Control Committee shall have the right to require and Owner to remove or alter any Structure, which has not received approval or is built other than per the approved plans and specifications. The requirements of this Section are in addition to any approvals or permits required by any appropriate governmental authority.

**5.05 NO LIABILITY.** Neither Declarants, the Association, Board of Directors, the Association's Officers, the Architectural Control Committee or the members thereof shall be liable for damages, costs or legal fees to anyone submitting plans and specifications to them for approval, or to any Owner affected by this Declaration by reason of mistake in judgment, negligence, gross negligence or nonfeasance arising out of or in connection with the approval or disapproval of failure to approve or disapprove any such plans or specifications.

**5.06 LIMIT ON AUTHORITY.** The Architectural Control Committee shall not have authority to approve plans or specifications, which in any manner violate the Declaration and the Architectural Control Committee, shall not have authority to disapprove plans and specifications which in conformance with this Declaration.

## **ARTICLE VI MAINTENANCE & REPAIRS**

**6.01 BY MEMBERS.** Except as provided in Section 6.02 hereof, each Member is responsible for all exterior maintenance for Structures located on his Lot as well as all landscaping located on his Lot. In the event a Member shall fail to maintain the Structures situated on his Lot or the landscaping in a manner satisfactory to the Board of Directors of the Association; then, after approval by a majority vote of the Board of Directors, the Association shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Structures and landscaping on the Lot. The cost of such maintenance shall be added to and become part of the Assessment for the Lot and a lien to which such Lot is subject.

**6.02 BY THE ASSOCIATION.** The Association, as a Common Area Expense shall perpetually care for, maintain and keep in good repair the Common Area and Common Facilities, including but not limited to, the streets serving Members of the Association which have not been accepted for maintenance by Burnet County or other governmental authority, landscaping, parking areas and improvements and facilities owned by the Association, to pay for the cost of repair and maintenance of private driveways, sidewalks and fences and other improvements which are appurtenant to his Lot. Notwithstanding the foregoing, the Association, as a Common Area Expense, shall maintain in good condition and repair the landscaping for the Harbor Cove Lots, the Harbor Point Lots and the Courtside Lots. However, the Association shall not be responsible for watering, replacing landscaping, maintaining sprinkler systems or other common facilities for the Harbor Cove Lots, Harbor Point Lots or the Courtside Lots.

## **ARTICLE VII USE RESTRICTIONS APPLICABLE TO THE COMMON AREA LOTS**

The Lots and the Common Area shall be occupied and used as follows:

**7.01 RESIDENTIAL USE.** No Lot shall be occupied or used for any purpose other than as a detached private single-family residence for the Lot owner, his family, guests and tenants except as follows:

- (a) Ridge Harbor Holdings Section II Lots, the Whidden Lots, the Harbor Cove Lots and the Harbor Point Lots may be used and occupied as multifamily residences not exceeding a density of six dwelling units per acre.
- (b) The Sewage and Water Plant Acreage which is not required for sewage plant facilities may be used for construction of a storage area for boats, recreational vehicles and other storage (the "Storage Facilities") provided that the plans

for such Storage Facilities shall be subject to the reasonable approval of the Architectural Control Committee and the Storage Facilities shall be set back at least one hundred feet from the public road and shall have landscaping installed so as to reasonably conceal the Storage Facilities from public view. Notwithstanding others provisions to this Declaration to the contrary, the Sewage and Water Plant Facilities and the Storage Facilities may be constructed out of metal, concrete block or other materials customarily used for such facilities and may be enclosed by chain link or other wire fence.

**7.02 HEIGHT RESTRICTIONS.** No building shall be erected, altered or be permitted to remain on any Lot, which is not in compliance with the following building height restrictions:

- (a) Lots 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, and 100 shall not exceed on story in height above the highest point on the lot, or the highest street elevation upon which the lot fronts, whichever is greater.
- (b) All other Lots shall not contain structures which exceed two and one half stories in height above the highest street elevation upon which the lot fronts.

The purpose of the foregoing height restrictions is to achieve views of Lake Travis and surrounding hills for a maximum number of Lots and the Architectural Control Committee shall have the authority to modify these height restrictions in cases where another Owner's view is not interfered with in a material manner and in cases where a variance is required for harmony of design with respect to the roof line of Structures. The Architectural Control Committee shall determine on, a case-by-case basis, the appropriate height of the roof line on a one story Structure and on a two and on half story Structure.

**7.03 MINIMUM LIVING AREA.** The living area of each single-family residential structure shall not be less than the following:

- (a) 1700 Square Feet for any dwelling constructed on Lots 27 through 39 and 46 through 56.
- (b) 1200 Square Feet for all other Lots except the Courtside Lots, which shall contain living area of not less than 900 square feet.
- (c) Multifamily units shall contain at least 900 square feet of living area for each separate unit.

**7.04 TEMPORARY STRUCTURES.** No structures of a temporary character, trailer, basement, tent, shack, barn, servants quarters or other out buildings shall be located on any Lot at any time, either temporarily or permanently. Notwithstanding the foregoing the Architectural Control Committee shall permit the construction of barns and other storage facilities on Lots constituting portions of the County Road Acreage, which are larger than two acres. Additionally, the Architectural Control Committee, in its sole discretion, may permit the construction of pool houses, detached garages, boat houses, children's play houses and other such facilities on large lots in accordance with such rules and regulations as the Architectural Control Committee may

adopt from time to time. During the construction and sales period of the initial dwelling units, the builder may erect such structures including, but without limitation, a business office, portable rest room structures within thirty days after substantial completion of construction on the particular Lot. All construction sites shall have sufficient portable rest room facilities or other adequate rest room facilities as determined by the Architectural Control Committee.

**7.05 MINING OPERATIONS.** No gas or oil drilling, gas or oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon any Lot, nor shall oil wells, tunnels, mineral excavations or shafts be permitted upon any Lot.

**7.06 ANIMALS.** No livestock, animals or fowl shall be raised, kept, maintained or bred on any Lot, except dogs, cats and usual household pets are permitted on a Lot if the same are for personal use and enjoyment and not for commercial or business purposes. Any such household pet shall be properly maintained and kept on a leash at all times while outside the boundaries of the Owner's Lot and shall not be permitted to run loose in the Common Areas and such household pets shall be maintained and kept in such fashion as to not be a nuisance or noxious irritant to other Member, and in this regard the noise of such household pets may be such nuisance. The Architectural Control Committee shall have the sole determination of whether or not such household pets situated on any Lot are a nuisance and its decision shall be conclusive and binding upon all Members. No kennel shall be placed on any Lot without the written approval of the Architectural Control Committee prior to construction of the same, which approval may be denied for any reason in the sole discretion of the Architectural Control Committee. In addition to all remedies provided for the enforcement of this Declaration and all remedies provided at law, the Architectural Control Committee shall additionally be entitled to enforce the provisions of this Section by sending written notice to the violating Member, whose household pet or pets have been determined by the Architectural Control Committee to be a nuisance and such Member shall remove such household pet or pets from his or her Lot within ten days from the receipt of such notice. Notwithstanding the foregoing, horses, goats, cattle, exotic game and other animals as reasonably determined by the Architectural Control Committee may be kept on Lots constituting portions of the County Road Acreage which are larger than two acres and shall be limited to three animals (excluding household pets) per acre of continguously owned property.

**7.07 USE OF COMMON AREAS.** No planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon the Common Areas except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Architectural Control Committee. Except for the right of ingress and egress and the right of easement of enjoyment as defined herein, the Members are hereby prohibited and restricted from using any Common Area, except as may be allowed by the Board of Directors. It is expressly acknowledged and agreed by all parties concerned that this Section is for the mutual benefit of all Members, and is necessary for the protection of all Members. Any cooperative actions necessary or appropriate to the proper maintenance and upkeep of the Common Area, including but not limited to, recreation and parking areas and walks, shall be taken by the Board of Directors or by its duly delegated representative.

**7.08 OUTSIDE ANTENNAS.** Without prior written approval of the Architectural Control Committee, no exterior television or radio antennas or satellite dishes, of any sort larger than four square feet shall be, allowed or maintained upon any Lot. Permitted satellite dishes shall, to the greatest reasonable extent, be kept from public view and shall be enclosed by a fence, wall or shrubbery built from materials as approved by the Architectural Control Committee.

**7.09 NON-DISCRIMINATION.** No action shall at any time be taken by the Association, the Architectural Control Committee or the Board of Directors, which in any manner would discriminate against any Owner in favor of any other Owner.

**7.10 BOAT DOCKS.** No boat docks of any kind or type shall be allowed without the express approval of the Architectural Control Committee.

**7.11 WALL, FENCES & HEDGES.** No fences or walls, which would obstruct the view from the Lots, shall be allowed. Construction of any fences or wall son Lots, including, but not limited to, the reconstruction of fences or walls, must have specific approval of the Architectural Control Committee. Materials used for the construction of fences and walls must be approved by the Architectural Control Committee. Wire fences and chain link fences are not permitted except that agricultural wire fences on Lots constituting portions of the County Road Acreage which are larger than two acres are permitted provided that such fences are attractively constructed using straight posts which, if wood, must be at least 3 ½ inches in diameter at the top.

**7.12 ROOFING MATERIAL.** The roof of any building located on Lots shall be constructed or covered with roofing materials approved by the Architectural Control Committee. Standing Ridge Metal Roofs, compositions shingle roofs and tile roofs are specifically permitted. The color of roofing materials used on Lots shall be subject to the approval of the Architectural Control Committee.

**7.13 GREEN BELTS & COMMON AREAS.** The Common Areas shall be used for park, recreational, social and other purposes directly related to the uses authorized under this Declaration and Supplementary Declarations, the Common Areas, except for the roadways, shall be restricted to pedestrian and non-motorized vehicles use and shall be open for the use to all Members during reasonable hours, as established by the Board of Directors.

**7.14 EXTERIOR WALLS.** The color of Exterior walls of buildings shall be subject to approval by the Architectural Control Committee. Exterior wall areas of buildings constructed on a Lot shall be constructed with stone, 100% natural wood, brick or stucco. Other materials as approved on a case-by-case basis by the Architectural Control Committee may be used. Notwithstanding the foregoing, metal barns are permitted on the Lots constituting portions of the County Road Acreage which are larger than two acres provided such barns are set back at least 50 feet from the front and side property lines.

**7.15 CARPORTS & GARAGES.** No carport shall be constructed upon any Lot without the written consent of the Architectural Control Committee. Except for the Courtside Lots and the Lots where multifamily dwellings are permitted, every dwelling unit constructed on a Lot shall have an attached two car garage measuring at least eighteen feet by twenty feet with a garage

door continually installed. Garages cannot be converted to living space unless the same time a new attached garage is built.

**7.16 STORAGE IN COMMON AREA.** Nothing shall be stored in the Common Area without the prior written consent of the Board of Directors.

**7.17 INSURANCE.** Nothing shall be done or kept in the Common Area or Common Facilities, which will increase the rate of insurance on the Common Area, or Common Facilities, without the prior written consent of the Board of Directors. No Owner shall permit anything to be done or kept in the Common Area or Common Facilities which will result in the cancellation of insurance on any part of the Common Area or Common Facilities, or which would be in violation of any law. No waste will be committed in the Common Area or Common Facilities.

**7.18 NUISANCES & VEHICLES.** No dangerous, noxious or offensive activity, including but not limited to hunting, storage of excessive personal property, storage of junk, the making of excessive noise, or use or storage of gasoline, shall be permitted upon the Property, nor shall anything be done thereon which may be or may become an annoyance or nuisance to another Lot Owner. No boat, trailer, mobile home, travel trailer, trucks which are not primarily for personal use, or other recreational or commercial vehicle shall be stored on any Lot (except within a garage or otherwise reasonably concealed from public view) or within the Common Area or streets at any time. Recreational vehicles, boat trailers and other trailers for personal use may be parked in a Lot Owner's driveway for temporary periods of time not exceeding forty-eight hours in any one calendar month. Automobiles and trucks shall be parked in the driveway or garage located on each Lot and shall not be parked in the street or the yard of any Lot. Declarants hereby agree to provide an area for boat; motor home and/or trailer parking and a reasonable charge may be made for it. No repair work, dismantling or assembling of motor vehicles or any other machinery or equipment shall be permitted in any street, driveway or yard adjacent to a street, or in the Common Area. The Association after notice to the Lot Owner, shall have the authority to tow away, at the expense of the violating Lot Owner, the boat, trailer, mobile travel trailer or other vehicle parked or stored in violation of this provision.

**7.19 SIGNS.** Except for directional, crime watch and other similar signs installed by the Association, and otherwise permitted in this Section, no sign of any kind shall be displayed to public view on any Lot or building without prior written permission from the Architectural Control Committee. During the construction period of a residence, the builder and his subcontractors may use a single sign not exceeding six square feet to advertise the merits of the property under construction or to promote their trade. A Developer may install one sign not exceeding twenty-four square feet for each Developer to advertise the sale of Lots, the merits of the Subdivision and sale or rental of dwelling units. No lighted signs shall be permitted except for signs erected by the Association.

**7.20 GARBAGE & REFUSE DISPOSAL.** No portion of the Property shall be used or maintained as dumping ground for rubbish or junk accumulation. Trash, garbage or other waste shall be kept screened by adequate planting or fencing so as to conceal them from public view. There is reserved in favor of the Association the determination of the method of garbage

disposal, or left to the responsibility of each Member. No incinerators shall be allowed and other equipment for the storage or disposal of garbage shall be kept in clean and sanitary condition.

**7.21 WATER SUPPLY & SEWAGE TREATMENT.** No private sewage treatment system or water supply facility shall be permitted on any Lot other than water supply and sewage treatment facilities operated by Ridge Harbor Utility Company. Notwithstanding the foregoing, private sewage treatment facilities are permitted on the County Road Acreage.

**7.22 OWNER'S MAINTENANCE.** The Owner shall neatly maintain and keep in good repair and condition all improvements located on his Lot, including but not limited to, landscaping, painted surfaces, air-conditioning compressor condenser, including pipes and electrical lines connecting same to the improvements, grinder pumps, tanks, and lines connecting the improvements to the sanitary sewer collection system, electric power service conductors from the exterior of buildings to the point of connecting to the electric utility company's junction box or transformer, electric circuit breakers, any portion of telephone service lines located on an Owner's Lot but not maintained by the telephone companies, and water service lines to and throughout an Owner's Lot. An Owner shall not do any work that will impair the structural soundness or integrity of improvements on another Owner's property or impair any easement or hereditament, nor do any act nor allow any condition to exist, which will adversely affect the other Owners.

**7.23 LANDSCAPE MAINTENANCE.** All landscaping of every kind and character including shrubs, trees, grass and other plantings, shall be neatly trimmed, properly cultivated and maintained continuously by the Owner thereof in a neat and orderly condition and in a manner to enhance its appearance.

**7.24 STREET SETBACK LINE.** Except for the Courtside Lots, the Harbor Cove Lots, the Harbor Point Lots and other Lots subject to the jurisdiction of another property owner's association, no Structure other than sidewalks and driveways shall be located nearer to the front property line adjoining any street, or nearer to the side property line adjoining any street, closer than twenty-five feet.

**7.25 SIDE SETBACK LINE.** Except for the Courtside Lots, the Harbor Cove Lots, the Harbor Point Lots and other Lots subject to the jurisdiction of another property owner's association, no Structure other than sidewalks, driveways, walls and fences shall be located nearer to the side property lines adjoining any other Lots closer than five feet, except in cases where two or more contiguous Lots are continuously owned by the same person.

**7.26 EXISTING IMPROVEMENTS.** All improvements constructed on the Lots, which are not in conformance with these restrictions, and which were constructed prior to January 1, 1994, shall be deemed to be in conformance with these Restrictions for all purposes. Notwithstanding the foregoing, improvements, which do not conform to this Declaration, may not be reconstructed without complying with this Declaration if such improvements are destroyed by casualty or have exceeded their useful life.

**7.27 DRIVEWAYS.** Except in cases where common parking facilities are provided by another property owners' association which provides common parking facilities, each Lot containing a dwelling unit shall have a driveway constructed of concrete or other materials of similar quality approved by the Architectural Control Committee. Notwithstanding the foregoing, Lots constituting portions of the County Road Acreage, which are larger than two acres, may have gravel driveways.

**7.28 CONSTRUCTION TIME.** Any construction commenced on any Lot must be completed within one year from the date of commencement of construction. No building materials of any kind or character shall be placed or stored upon a Lot until the Member is ready to commence construction. Construction sites shall be kept neat and orderly, and construction debris shall not be allowed to accumulate on any Lot.

**7.29 FIREARMS & HUNTING.** No firearm may be discharged on any Lot or in the Subdivision. No hunting of any nature is permitted in the Subdivision.

**7.30 GARAGE DOORS.** Each Owner shall keep the garage door of his residence completely closed at all times except when the garage is being used for day to day activities such as moving vehicles or working in the garage when the garage door must be open.

**7.31 VARIANCES.** The Board of Directors upon recommendation of the Architectural Control Committee shall be permitted, in their sole discretion, to authorize variances from the provisions of the Declaration in unusual circumstances where the application of this Declaration to a particular Lot creates an economic hardship or other inconvenience. In the event a variance is denied by the Board of Directors, the affected Owner may request in writing that a meeting of Members be called to reconsider the decision of the Board of Directors. Such meeting will be held within forty-five days of the written request by such Owner. All decisions by the Architectural Control Committee may be appealed to the Board of Directors and then to the Members in the same manner as requests for variances.

**7.32 REMEDIES.** In addition to any other remedy provided for in this Declaration, the Association may assess a charge of \$50.00 per day against any Owner and/or his Lot in the event that any of the provisions of this Declaration are violated and such violations are not cured within ten days after written notice to the Lot Owner. After a Lot Owner receives written notice of a violation of this Declaration, the violating Lot Owner shall not be entitled to any further notice of the same violation in any one calendar year. The violation charge may be increased by the Board of Directors in accordance with increases in the National Consumer Price Index using 1995 as a base year. Failure to pay such assessment by the violating Owner within ten days from the receipt of the assessment, will result in lien against the Lot with the same force and effect as the lien for Annual or Special Assessments. Additionally, failure of a violating Member to remedy a violation of this Declaration after notice from the Board of Directors shall cause such Member's voting rights in the Association and his right to use the Common Areas to be suspended until such Member is in compliance with this Declaration. Furthermore, the Association shall have the right to enter upon the Lot Owner's property and remove the violating condition, or cure the violation, at the expense of the Lot Owner, and the violating Lot Owner

shall pay on demand all costs and expenses, including reasonable attorneys fees, incurred by the Association in removing such violating condition from such Lot.

## **ARTICLE VIII INSURANCE**

**8.01 “CASUALTY INSURANCE”** The Association shall maintain blanket property insurance to insure the Common Facilities, and the Association against risks of loss or damage by fire and other hazards as are covered under standard extended coverage provisions, and said insurance shall include coverage against vandalism.

**8.02 “LIABILITY INSURANCE”** The Association shall maintain comprehensive public liability insurance in such limits as the Board of Directors shall deem desirable, insuring the Association, its Board of Directors, agents and employees, and each Member, from and against liability in connection with the Common Areas and Common Facilities.

**8.03 “OFFICES & DIRECTORS LIABILITY INSURANCE”** If determined to be necessary by the Board of Directors, in their sole discretion, Directors and officers liability insurance for the Board of Directors and the officers of the Association in such amount as may be determined by the Board of Directors.

**8.04 “MEMBERS RESPONSIBILITY FOR INSURANCE”** Each Member shall be responsible at his own expense and cost for his own personal insurance on his Lot, contents of his own residence, and his additions and improvements thereto, including decorations, furnishings and personal property therein, and his personal property stored elsewhere on the Common Areas; and for his personal liability not covered by liability insurance for all Members obtained as part of the Common Area Expense.

**8.05 “INSURANCE AS COMMON AREA EXPENSE”** All costs, charges and premiums for all insurance that the Board of Directors authorize as provided herein shall be a Common Area Expense.

## **ARTICLE IX EASEMENTS**

**9.01 “CONSTRUCTION”** Each Lot, and the Common Area, shall be subject to an easement for encroachment created by construction, reasonable settling and reasonable overhangs. A valid easement for said encroachments and for the maintenance of same, so long as it stands, shall and does exist. In the event a Structure is partially or totally destroyed, and then rebuilt, the Owner so affected agrees that minor encroachments of parts of the adjacent Lots or Common Areas due to construction shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist.

**9.02 “UTILITY, EMERGENCY & ASSOCIATION”** There is hereby create a blanket easement upon, across, over and under all streets and all Lots for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, telephones and electricity, and a master television antenna or cable system. By virtue of this easement, is shall be expressly permissible for the providing utility company to erect and maintain the necessary lines and other necessary equipment on the Lots and Common Areas and to affix and maintain electrical, telephone wires, circuits and conduits, cable television, water and sewer lines across the Lots and Common Areas. An easement is further granted to all police, fire protection, ambulance, garbage and trash collector pick-up vehicles and all similar persons to enter upon the Common Area and Lots in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and to any management company selected by the Association to enter in and to cross over the Common Area and any lot to perform the duties of maintenance and repair of the dwelling units or Common Area provided for herein. Notwithstanding anything to the contrary contained in this Section, no sewers, electrical lines, water line, or other utilities may be installed or relocated on any Lot except as approved by the Association’s Board of Directors. Should any utility furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Board of Directors shall have the irrevocable right to grant such easement, as agent for each Lot Owner, without conflicting with the terms hereof. The easements provided for in this Section shall in no way affect any other recorded easement on the Property.

**9.03 “UNDERGROUND UTILITY SERVICES”** All utility services for the Subdivision shall be constructed underground except that Lots which are situated on the perimeter of the Subdivision may be served by above ground electrical and telephone service provided at the rear of dwelling units constructed on perimeter Lots. No overhead telephone lines or electrical lines shall be permitted along the interior streets of the Subdivision. Additionally, utility services shall comply with the following additional requirements:

- (a) An underground electric distribution system may be installed on the Property. Each Owner shall, at his or its own cost, furnish, install, own and maintain (all in accordance with the requirements of local governing authorities and the National Electrical Code) the underground service cable and appurtenances from the point of electric company’s metering at the structure to the point of attachment as such company’s installed transformers or energized secondary junction boxes, such point of attachment to be made available by the electric company at a point designated by such company near the property line of each Lot. The electric company furnishing service shall make the necessary connections at said point of attachment and at the meter. In addition, each Owner, shall, at his or its own cost, furnish, install, own and maintain a meter loop (in accordance with the then current standards and specifications of the electric company furnishing service) for the location and installation of the meter of such electric company for each Lot. For so long as underground service is maintained, the electric service to each Lot shall be underground, uniform in character and exclusively of the type known as single phase, 240/120 volt, three wire, 60 cycle, alternating current.

- (b) Water service shall be provided to each Lot by way of water distribution system owned by Ridge Harbor Utility Company, its successors or assigns, and connected to a master distribution and water supply system owned by Ridge Harbor Utility Company. The water distribution system up to a point of connection of each Lot shall be the property of Ridge Harbor Utility Company and shall be operated and maintained by Ridge Harbor Utility Company.
- (c) Sanitary sewer service shall be provided to each Lot by means of a sanitary sewer collection system owned by Ridge Harbor Utility Company, its successors or assigns, which sanitary sewer collection system shall be connected to a master collection system and sewage treatment plant owned by Ridge Harbor Utility Company. The sanitary sewer collection system up to the point of connection for each Lot shall be the property of Ridge Harbor Utility Company and shall be operated and maintained by Ridge Harbor Utility Company.
- (d) Use of Easements. Easements for underground utility services may be crossed by driveways and walkways provided the Lot Owner makes prior arrangements with the utility furnishing service. No utility company using the easements shall be liable for any damage done by either their agents, employees or servants, to shrubbery, trees, flowers, or other improvements of the Owner located on the land covered by said easements.
- (e) Rates charged by Ridge Harbor Utility Company and other utility providers shall be established by the government body regulating such utility service and each individual Lot Owner shall be responsible for arranging for connection to utility services at the prevailing rates for such connections and services.

## **ARTICLE X RIGHTS & PRIVILEGES GRANTED TO MORTGAGES**

Notwithstanding anything contained herein to the contrary and in order to provide an inducement to mortgage-lenders to finance individual dwelling units and Lots subject to the terms hereof, the Association, Owners, Lots, Common Area and Common Facilities shall be subject to the following:

**10.01 “NOTICE OF DEFAULT”** The holder of a first mortgage upon any Lot, at its request, shall be entitled to written notification of any default by any Owner of such Lot in the performance of such Owner’s obligations under the terms hereof, the Articles of Incorporation of the Association, or the Association’s By-Laws, which default is not cured within thirty days following notice thereof.

**10.02 “ASSESSMENTS”** Any first mortgage coming into possession of any Lot pursuant to remedies provided in any deed of trust, foreclosure of such deed of trust, or deed (or assignment) in lieu of foreclosure shall take the Lot free of any claims for unpaid assessments or charges against said Lot, which shall have accrued prior to the time such mortgages comes into possession of the Lot.

**10.03 “APPROVAL OF CERTAIN ACTIONS”** Unless at least seventy-five percent of the holders of first mortgages (based upon one vote for each first mortgage) of Lots have given their prior written approval, the Association shall not be entitled to:

- (a) by act or omission seek to abandon, partition, subdivide, encumber sell or transfer real estate or improvements thereon which are owned, directly or indirectly, by the Association, for the benefit of the Owners of Lots. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Lots shall not be deemed a transfer within the meaning of this clause;
- (b) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;
- (c) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of improvements to the Lots, the exterior maintenance of dwelling units, the maintenance of party walls or common fences and driveways, or the upkeep of lawns and plantings on the Lots;
- (d) fail to maintain fire and extended coverage on insurable Common Area Facilities on a current replacement cost basis in an amount not less than eighty percent of the insurable value (based on current replacement cost);
- (e) use hazard insurance proceeds for losses to Common Area Facilities for other than the repair, replacement or reconstruction of the Common Area Facilities.

**10.04 “EXAMINATION OF BOOKS & RECORDS”** Mortgagees shall have the right to examine the books and records of the Association or any entity, which owns the Common Areas or Common Facilities.

**10.05 “COMMON AREA TAXES & INSURANCE”** Mortgagees of Lots and Lot Owners may, jointly or singularly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area or Common Facilities and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such property and such persons making such payments shall be owed immediate reimbursement therefore from the Association.

**10.06 “PRIORITY”** No Owner or any other party shall have priority over the rights of first mortgages of Lots or dwelling units pursuant to their mortgages in the case of distribution to the Owners of insurance proceeds or condemnation proceeds or for losses to or a taking of the Common Area or Common Facilities.

## **ARTICLE XI GENERAL PROVISIONS**

**11.01 “ENFORCEMENT”** The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or any Owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter. If it becomes necessary for any Owner or the Association to file a Court action to enforce this Declaration, the defaulting Lot Owner shall be liable for all reasonable attorney’s fees and costs incurred by the enforcing Owner or the Association to obtain compliance by the defaulting Owner. The defaulting Owner shall be liable for all damages suffered by the enforcing Owner or the Association which shall be in an amount established by the Court, but in no event shall be less than \$5,000.00 subject to adjustment by the Board of Directors in accordance with increases in the National Consumer Price Index using 1995 as a base year.

**11.02 “SEVERABILITY”** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions, which shall remain in full force and effect.

**11.03 “TERM & AMENDMENT”** This Declaration shall run with, and bind the land, for a term of twenty years from the date this Declaration is recorded, after which time this Declaration shall be automatically extended for successive periods of ten years, unless the Lot Owners, by affirmative Vote of the Members, elect to terminate this Declaration. This Declaration may be amended by a Vote of the Members. An amendment shall be evidenced by an instrument signed by the Board of Directors. Any amendment must be recorded in the Deed Records of Burnet County, Texas and shall not be effective until twenty days after recording.

**11.04 “AMENDMENT TO DECLARANTS”** The Board of Directors shall have and reserve the right at any time and from time to time, without the joinder or consent of any other party, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by the Declaration, and shall not impair or affect the vested property or other rights of any Owner or his mortgagee.

**11.05 “ANNEXATION”** Other lands may hereafter be annexed into the jurisdiction of the Association in the manner herein described. If annexed, the owners of lots in each future section so annexed as well as all owners subject to the jurisdiction of the Association shall be entitled to the use and benefit of all common properties that may become subject to the jurisdiction of the Association as a result of such annexation, and the facilities thereon, and shall be entitled to the use and benefit of the maintenance fund, hereinabove set forth. Future annexed sections must be impressed with and subject to recorded restrictions similar to those provided in this Declaration or the owners of the annexed section must agree to the subject to this Declaration. If an annexed section has in place an active Architectural Control Committee, such annexed section shall not be subject to the jurisdiction of the Architectural Control Committee established by this

Declaration. Such additional stages of development may be annexed by action of the Board of Directors of the Association by majority vote. Upon a merger or consolidation of the Association with another association, the Association's properties, rights, and obligations may be transferred to another surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights, and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants and restrictions established by this Declaration, together with the covenants and restrictions applicable to the properties of the other association as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration.

**11.06 "JURISDICTION OF THE ASSOCIATION"** The Association shall not have the authority to regulate any Lots which are subject to control by another property owner's association provided such other association is governed by a recorded declaration containing a scheme of development consistent with the material terms of this Declaration and provided further that such other association enforces the terms of its applicable declaration. Specifically, the Architectural Control Committee shall not have authority over lots whose Members are subject to the control of another Association's Architectural Control Committee.

**11.07 "AUTHORITY"** The undersigned agents for Harbor Point Property Owner's Association, Inc., Harbor Cove Property Owner's Association, Inc., Courtside Property Owner's Association and Ridge Harbor Property Owner's Association represent that members of those associations have approved, ratified and adopted this Declaration.

**11.08 "NOTICES"** Any notice required to be sent to Lot Owner pursuant to the terms of this Declaration shall be deemed received when actually received, or five days after the deposit of such notice in the United States mail, postage prepaid and addressed to the last known address of such Owner appearing on the books of the Association, whether or not such notice is actually received. It shall be the duty of each Lot Owner to keep the Association apprised of its current address. If for any reason, a Lot Owner cannot locate a proper address for the Association, the Lot Owner may send his change of address notice to the present registered agent of the Association whose name is on file in the Office of the Secretary of State for the State of Texas. The registered agent of the Association as of the date of this Declaration is Michael G. Panzarella, Panzarella & Dunn, PLLC, 3830 McCullough, San Antonio, Texas 78212. Any change of address notice shall be sent by certified mail, return receipt requested, postage prepaid and shall be deemed delivered three business days after deposit in the United States mail unless such notice is returned by the Post Office as undeliverable.

**11.09 "EXTENSION OF DEADLINE PROVIDED BY THE DEVELOPMENT AGREEMENT"** Section 1.01 of the Agreements Relating to Development of the Ridge Harbor Subdivision recorded in the Real Property Records of Burnet County, Texas (the "Development Agreement") provides that the Development Agreement is void if this Declaration is not executed by the undersigned parties prior to July 20, 1994. The undersigned, which are parties to the Development Agreement, hereby agree that the time period specified in Section 1.01 of the Development Agreement is extended to December 31, 1994. Additionally, the undersigned hereby ratify the Declaration of Covenants, Restrictions and Easements for certain portions of

the Ridge Harbor Subdivision recorded in Volume 600, Page 725 of the Real Property Records of Burnet County, Texas (the "Restrictive Covenant Agreement") as it related to the Forty-Six Acres as defined therein. However, to the extent that Restrictive Covenant Agreement related to properties other than the Forty-Six Acres, this Declaration supersedes and replaces the Restrictive Covenant Agreement as to those properties.

IN WITNESS THEREOF, the undersigned, being the Declarants herein, have executed this Declaration effective on the 11<sup>th</sup> day of June, 1994.

**AUSTIN SERVEYORS  
EXHIBIT "A"  
TRACT TWO**

**FIELD NOTES FOR 12.646 ACRES**

All that certain tract or parcel of land situated in Burnet County, Texas and being a part of the Fedele Seeholzer Survey No. 18, A-791, and being also a part of a 70.030 acre tract of land designated as Tract I, Parcel "A" described in a deed to Ridge Harbor Joint Venture recorded in Volume 553, Page 433 of the Deed Records of Burnet County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at an iron pin set in the West line of the above-mentioned Tract I, Parcel "A" for the Southeast corner of this tract and being North 1931.36 feet from an iron pin founding concrete at the base of a metal fence post in the South corner of the said Tract I.

THENCE North 472.76 feet with the West line of the said Tract I, Parcel "A" to an iron pin found in concrete at the base of a metal fence post at an ell corner of the said Tract I.

THENCE S 89°59'34" E 122.35 feet to an iron pin found in concrete at the base of a metal fence post at an ell corner of the said Tract I.

THENCE N 00°00'07" E 365.04 feet with the West line of the said Tract I to an iron pin set for the Northeast corner of this tract.

THENCE S 89°59'53" E 771.26 feet to an iron pin set for the Northeast corner of this tract in the West right of way line of Ridge Harbor Drive, a 60.00 foot wide roadway dedicated per plat of Ridge Harbor Subdivision Section I recorded in Cabinet 1, Slide 190C, et seq., of the plat records of Burnet County, Texas.

THENCE southerly the following four courses along said West right of way line.

- (1) S 33°00'54" W 303.82 feet to an iron pin found at the beginning of a curve to the left.
- (2) 211.93 feet along the arc of said curve, having a radius of 355.16 feet and a chord bearing and distance of S 15°55'15" W 208.80 feet, to an iron pin found at the end.

**FIRST AMENDMENT TO THE AMENDED AND RESTATED  
DECLARATIONS OF COVENANTS, CONDITIONS AND  
RESTRICTIONS FOR RIDGE HARBOR**

The Amended and Restated Declarations of Covenants, Conditions and Restrictions for Ridge Harbor recorded in Volume 630; Page 669 of the real property records of Burnet County, Texas (the "Declaration") is hereby amended as provided herein. Except as specifically provided herein, all the other terms and conditions of the Declaration remain in full force and effect. The capitalized terms contained herein shall have the meaning ascribed to those terms as provided for in the Declaration. The paragraph number contained herein are same paragraph numbers contained in the Declaration.

**AMENDMENTS TO ARTICLE IV**

The following Section is added to Article IV of the Declaration:

**4.11 "CONSTRUCTION ASSESSMENT"** Each member who constructs a new residence shall submit along with his architectural plans, a fee in the amount of \$650.00 (the "Construction Assessment") to be deposited in the road maintenance fund to offset wear and tear on the Associations roads by construction equipment and construction traffic. The Construction Assessment shall be made at the time a Lot Owner submits an application to the Architectural Control Committee for approval of construction plans. The Architectural Control Committee shall not be required to act on applications submitted to it until the Construction Assessment is paid. The Construction Assessment will be refunded at the request of the Lot Owner if construction is not commenced or if the Architectural Control Committee fails to approve the application submitted to the Architectural Control Committee. The Construction Assessment is a one-time fee and is only applicable to the initial construction on a Lot. The Construction Assessment may be increased in the same manner as is prescribed for Annual Assessments by Section 4.03 of the Declaration. Therefore, the Construction Assessment may be increased cumulatively by not more than ten percent per year by action of the Board of Directors and increases of the Construction Assessment, which are greater than ten percent per year, shall require approval by Vote of the Members. All of the other provisions of the Declaration applicable to Annual Assessments and Special Assessments are likewise applicable to Construction Assessments including, but no limited to, the lien provisions of Section 4.01.

## **AMENDMENTS TO ARTICLE VII**

The following provisions of Article VII of the Declaration relating to use restrictions are amended and restated as follows:

**7.01 “RESIDENTIAL USE”** No Lot shall be occupied or used for any purpose other than as a detached private single-family residence for the Lot owner, his family, guests and tenants except as follows:

- (a) The Ridge Harbor Section II Lot numbers 115, 116, and 117, and the Harbor Cove Lots and the Harbor Point Lots may be used and occupied as multifamily residences not exceeding a density of six dwelling units per acre.
- (b) The Sewage and Water Plant Acreage which is not required for sewage plant facilities may be used for construction of a storage area for boats, recreational vehicles and other storage (the “Storage Facilities”) provided that the plans for such Storage Facilities shall be subject to the reasonable approval of the Architectural Control Committee and the Storage Facilities shall be set back at least one hundred feet from the public road and shall have landscaping installed so as to reasonably conceal the Storage Facilities from public view. Notwithstanding other provisions to this Declaration to the contrary, the Sewage and Water Plant Facilities may be constructed out of metal, concrete block or other materials customarily used for such facilities and may be enclosed by chain link or other wire fence.

**7.02 “HEIGHT RESTRICTIONS”** No building shall be erected, altered or be permitted to remain on any Lot, which is not in compliance with the following building height restrictions:

- (a) Lots 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99 and 100 shall not exceed twenty two feet in height above the highest point of the Lot, or the highest street elevation upon which the lot fronts, whichever is greater.
- (b) All other Lots shall not contain structures which exceed thirty five feet in height above the highest point on the Lot, or the highest street elevation upon which the lot fronts.

The purpose of the foregoing height restrictions is to achieve views of Lake Travis and surrounding hills for a maximum number of Lots and the Architectural Control Committee shall have authority to modify these height restrictions in cases where another Owner’s view is not interfered with in a material manner and in cases where a variance is required for harmony of design with respect to the roof lines of Structures.

**7.03 “MINIMUM LIVING AREA”** The living area of each single family residential structure shall not be less than the following:

- (a) 2000 Square Feet for any dwelling constructed on Lots 27 through 39 and 46 through 56.
- (b) 1500 Square Feet for all other Lots except the Courtside Lots, which shall contain living area of not less than 1200 Square Feet.
- (c) Multifamily units shall contain at least 1200 Square Feet of living area for each separate unit.

**7.14 “EXTERIOR WALLS”** The color of Exterior walls of buildings shall be subject to approval by the Architectural Control Committee. Exterior wall areas of buildings constructed on a Lot shall be constructed with stone, 100% natural wood, brick or stucco. Other materials as approved on a case-by-case basis by the Architectural Control Committee may be used. At least twenty percent of the surface area of the front elevations of all homes shall be constructed with masonry products approved by the Architectural Control Committee. Notwithstanding the foregoing, metal barns are permitted on the Lots constituting portions of the County Road Acreage which are larger than two acres provided such barns are set back at least 50 feet from the front and side property lines.

**7.24 “STREET SETBACK LINE”** Except for the Courtside Lots, the Harbor Cove Lots, the Harbor Point Lots and other Lots subject to the jurisdiction of another property owner’s association, no Structure other than sidewalks, driveways, landscape lighting or similar structures, shall be located nearer to the front property line adjoining any street, or nearer to the side property line adjoining any street, than twenty-five feet. Landscape lighting or similar structures shall not be constructed closer than five feet from the street.

**7.28 “CONSTRUCTION TIME”** Any construction commenced on any Lot must be completed within one year from the date of commencement of construction. Architectural Control Committee approvals for any construction shall be effective for six months. If construction is not commenced within six months after the date of Architectural Committee approval, the property owner must resubmit plans to the Architectural Control Committee for approval. No building materials of any kind or character shall be placed or stored upon a Lot until the Member is ready to commence construction. Construction sites shall be kept neat and orderly, and construction debris shall not be allowed to accumulate on any Lot.

IN WITNESS WHEREOF, this Amendment has been executed effective as of February 15, 1997.

**FOURTH AMENDMENT TO THE AMENDED AND RESTATED  
DECLARATIONS OF COVENANTS, CONDITIONS AND  
RESTRICTIONS FOR RIDGE HARBOR**

The Amended and Restated Declarations of Covenants, Conditions and Restrictions for Ridge Harbor recorded in Volume 630, Page 669 of the real property records for Burnet County, Texas, including the previous amendments thereto (the "Declaration") is hereby amended as provided herein. Except as specifically provided herein, all the other terms and conditions of the Declaration remain in full force and effect. The capitalized terms contained herein shall have the meaning ascribed to those in the Declaration. The paragraph number contained herein are same paragraph numbers contained in the Declaration.

**AMENDMENT TO SECTION 7.03**

The entirety of Section 7.03 of the Declaration is amended and restated as follows:

**7.03 "MINIMUM LIVING AREA"** The living area of each single family residential structure shall not be less than the following:

- (a) For Ridge Harbor Section I Lot Numbers 27-39 and 46-56: 2200 Square Feet for Lots acquired on or after April 1, 2008 and 2000 square feet for Lots acquired prior to April 1, 2008.
- (b) For All Other Single Family Lots Other Than Courtside Lots: 2200 square feet for Lots acquired on or after April 1, 2008, 2000 square feet for Lots acquired between April 1, 2000 and March 31, 2008 and 1500 square feet for Lots acquired prior to April 1, 2000. For Courtside Lots: 1200 Square Feet.
- (c) For Multifamily Lots: 1200 square feet for each separate unit.

**AMENDMENT TO SECTION 7.06**

The entirety of Section 7.06 of the Declaration is amended and restated as follows:

**7.06 "ANIMALS"** No livestock, animals or fowl shall be raised, kept, maintained or bred on any Lot, except dogs, cats and usual household pets are permitted on a Lot if the same are for personal use and enjoyment and not for commercial or business purposes. Any such household pet shall be properly maintained and kept on a leash at all times while outside the boundaries of the Owner's Lot and shall not be permitted to run loose in the Common Areas and such household pets shall be maintained and kept in such fashion as to not be a nuisance or noxious irritant to other Members, and in this regard the noise of such household pets may be such nuisance. The Board of Directors shall have the sole determination of whether or not such household pet or pets situated on any Lot are a nuisance and its decision shall be conclusive and binding upon all Members. No kennel shall be placed on any Lot without the written approval of the Architectural Control Committee prior to construction of the same, which approval may be denied for any reason in the sole discretion of the Architectural Control Committee. In addition to all remedies provided for the enforcement of this Declaration and all remedies provided at law, the Board of Directors shall additionally be entitled to enforce the provisions of this Section by sending written notice to the violating Member, whose household pet or pets have been

determined by the Board of Directors to be a nuisance and such Member shall remove such household pet or pets from his or her Lot within ten days from the receipt of such notice. Notwithstanding the foregoing, horses, goats, cattle, exotic game and other animals as reasonably determined by the Board of Directors may be kept on Lots constituting portions of the County Road Acreage which are larger than two acres and shall be limited to three animals (excluding household pets) per acre of contiguously owned property.

### **APPROVAL OF AMENDMENTS**

The foregoing amendments to the Declaration were approved by the Members at the Annual Meeting of Members held on January 12, 2007 and the form and content of the amendments have been approved by the Board of Directors as indicated by the attached instrument which has been signed by the Board of Directors. In addition to the foregoing, the Board of Directors hereby ratifies and affirms the prior Amendments to the Declaration, which have been previously filed in the Real Property Records for Burnet County, Texas, in accordance with Section 11.04 of the Declaration.

IN WITNESS WHEREOF, this Amendment has been executed on this 22<sup>nd</sup> day of February 2008.

**UNANIMOUS CONSENT OF DIRECTORS OF  
RIDGE HARBOR PROPERTY OWNERS' ASSOCIATION, INC.  
APPROVING 2008 AMENDMENTS TO THE DECLARATION**

The undersigned, being all of the Directors of the RIDGE HARBOR PROPERTY OWNERS' ASSOCIATION, Inc. ("Association"), do hereby consent that the following resolutions shall be adopted with the same force and effect as if adopted at a special meeting of the Board of Directors of the Association.

RESOLVED, that the Directors hereby approve the form and content of the Fourth Amendment To The Amended And Restated Declaration (the "Fourth Amendment") prepared by Attorney Michael G. Panzarella on behalf of the Association. As required by Section 11.03 of the Amended and Restated Declarations of Covenants, Conditions and Restrictions for Ridge Harbor recorded in Volume 630, Page 669 of the real property records for Burnet County, Texas (the "Declaration"), the Fourth Amendment was approved by a majority of Members of the Association with 136 Members voting for the amendment to Section 7.03 of the Declaration and 132 Members voting for the amendment to Section 7.06 of the Declaration out of a total of 257 Members authorized to vote.

FURTHER RESOLVED, that the Directors hereby authorize the President of the Association, Stephen Schneider, to execute the Fourth Amendment and file the Fourth Amendment in the Real Property Records of Burnet County, Texas.

FURTHER RESOLVED, that the Directors hereby direct that the President of the Association, Stephen Schneider, to attach a copy of this Resolution to the Fourth Amendment so as to evidence the Director's approval of the form and content of the Fourth Amendment as required by the authorization provided to the Directors by the Members of the Association at the Annual Meeting of Members which occurred on January 12, 2008.

FURTHER RESOLVED, that the Directors hereby authorize and direct that President of the Association, Stephen Schneider, take all other actions and execute any and all other documents and certificates as may be necessary or advisable or convenient and proper to carry out the intent of the foregoing resolutions and to give full effect to the Fourth Amendment.

FURTHER RESOLVED, that the Board of Directors hereby ratifies and affirms the prior Amendments to the Declaration which have been previously filed in Real Property Records for Burnet County, Texas, in accordance with Section 11.04 of the Declaration.

**FIFTH AMENDMENT TO THE AMENDED AND RESTATED  
DECLARATIONS OF COVENANTS, CONDITIONS AND  
RESTRICTIONS FOR RIDGE HARBOR**

The Amended and Restated Declarations of Covenants, Conditions and Restrictions for Ridge Harbor recorded in Volume 630, Page 669 of the real property records for Burnet County, Texas, including the previous amendments thereto (the "Declaration") is hereby amended as provided herein. Except as specifically provided herein, all the other terms and conditions of the Declaration remain in full force and effect. The capitalized terms contained herein shall have the meaning ascribed to those in the Declaration. The paragraph numbers contained herein are same paragraph numbers contained in the Declaration.

**RESTATEMENT OF SECTION 7.02  
HEIGHT RESTRICTIONS**

The Board of Directors has determined that Section 7.02 of the Declaration, as currently written, may cause some confusion in that many of the Lot numbers referred to in Section 7.02 for Sections I and II were duplicated when subsequent portions of the Ridge Harbor Subdivision were developed and platted, including Section IV and the Point at Ridge Harbor. Specifically, the plat for The Point at Ridge Harbor establishes height restrictions for certain Lots located in the Point at Ridge Harbor (formerly Section III) and the Board of Directors has determined, that it is in the best interests of the Members to restate the height restrictions for the entire Ridge Harbor Subdivision in one section of the Declaration. Accordingly, the entirety of Section 7.02 of the Declaration is amended and restated as follows:

**"7.02 HEIGHT RESTRICTIONS.** No building shall be erected, altered or be permitted to remain on any Lot which is not in compliance with the following building height restrictions:

- (a) No building may exceed twenty-two feet in height above the highest point of the lot, or the highest street elevation upon which the lot fronts, whichever is greater, for the following Lots:
  - (i) Section I Lot Numbers: 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99 and 100 and;
  - (ii) The Point at Ridge Harbor Lot Numbers: 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, and 66. The Point at Ridge Harbor is a replat of a portion of Ridge Harbor Section II and all of Ridge Harbor Section III, a subdivision in Burnet County, Texas, as shown on the plat recorded in Cabinet 2, Slides 64D, 65A, 65B, and 65C of the Plat Records of Burnet County, Texas, for the Point at Ridge Harbor.
- (b) No building may exceed thirty-five feet in height above the highest point of the lot, or the highest street elevation upon which the lot fronts, whichever is greater, for all other Lots

located within Ridge Harbor Subdivision including, but not limited to Ridge Harbor Section I Lots, Ridge Harbor Section II Lots, The Point at Ridge Harbor Lots, Ridge Harbor Section IV Lots, the Courtside Lots, the Harbor Cove Lots, the Harbor Point Lots, the County Road Acreage and the portions of the Forty-Six Acres which have been subjected to the jurisdiction of the Ridge Harbor Property Owners' Association, Inc.

The purpose of the foregoing height restrictions is to achieve views of Lake Travis and surrounding hills for a maximum number of Lots and the Architectural Control Committee shall have the authority to modify these height restrictions in cases where another Owner's view is not interfered with in a material manner and in cases where a variance is required for harmony of design with respect to the roof line of Structures."

The foregoing amendment and restatement of Section 7.02 of the Declaration is made in accordance with Section 11.04 of the Declaration in order to avoid confusion and ambiguity. This amendment and restatement was approved by the Board of Directors as indicated by the attached Unanimous Consent of Directors, which has been signed by all of the Directors.

### **SECTION 7.30A SPEED LIMITS**

New Section 7.30A is added to the Declaration as follows:

**"7.30A SPEED LIMITS:** The speed limit for all vehicles traveling within the Ridge Harbor Subdivision shall be limited to a maximum speed of Twenty-Five miles per hour. The Board of Directors, in its reasonable discretion, may post signs establishing a slower speed limit in certain areas within the subdivision where a speed limit of less than twenty-five miles per hour may be necessary to protect property, or the safety of Members, their family, invitees or guests."

The foregoing Section 7.30A of the Declaration was added to the Declaration with the approval of the Members obtained at the Annual Meeting of Members held January 10, 2009. The form and content of the amendment has been approved by the Board of Directors as indicated by the attached instrument, which has been signed by the Board of Directors. In addition, to the foregoing, the Board of Directors hereby ratifies and affirms the prior Amendments to the Declaration which have been previously filed in the Real Property Records for Burnet County, Texas, in accordance with Section 11.04 of the Declaration.

IN WITNESS WHEREOF, this Amendment has been executed on this 18<sup>th</sup> day of February 2009.

**UNANIMOUS CONSENT OF DIRECTORS OF  
RIDGE HARBOR PROPERTY OWNERS' ASSOCIATION, INC.  
APPROVING 2009 AMENDMENTS TO THE DECLARATION**

The undersigned, being all of the Directors of the RIDGE HARBOR PROPERTY OWNERS' ASSOCIATION, Inc. ("Association"), do hereby consent that the following resolutions shall be adopted with the same force and effect as if adopted at a special meeting of the Board of Directors of the Association.

RESOLVED, that the Directors hereby approve the form and content of the Fifth Amendment To The Amended And Restated Declaration (the "Fifth Amendment") prepared by Attorney Michael G. Panzarella on behalf of the Association.

RESOLVED, that the Amended and Restated Section 7.02 of the relating to height restrictions is hereby adopted by the Directors in accordance with Section 11.04 of the Amended and Restated Declarations of Covenants, Conditions and Restrictions for Ridge Harbor recorded in Volume 630, Page 669 of the real property records for Burnet County, Texas (the "Declaration"). Section 11.04 permits the Directors to adopt amendments to the Declaration without the consent of the Members for the purpose of making corrections and avoiding ambiguity. As stated in the attached Amended and Restated Section 7.02, the Board found it necessary to restate the height restrictions for the entire Ridge Harbor Subdivision so as to avoid confusion and ambiguity by placing all of the height limitations for the Ridge Harbor Subdivision in one document. The Amendment to Section 7.02 is made in accordance with Section 11.04 of the Declaration and the approval of Members is not required for this Amendment since no changes are being made to the height limitations for any specific Lot.

RESOLVED, that the addition of Section 7.30A relating to the establishment of a subdivision speed limit is hereby adopted by the Directors in accordance with Section 11.03 of the Declaration in the form provided in the Fifth Amendment attached hereto. As required by Section 11.03 of the Declaration, Section 7.30A was added to the Declaration with the approval of a majority of Member of the Association with 131 Members voting for the addition of Section 7.30A to the Declaration, and 5 Members voting against the addition of Section 7.30A, out of a total of 261 Members authorized to vote at a duly called meeting of Members conducted January 10, 2009.

FURTHER RESOLVED, that the Directors hereby authorize the President of the Association, Stephen Schneider, to execute the Fifth Amendment and file the Fifth Amendment in the Real Property Records of Burnet County, Texas.

FURTHER RESOLVED, that the Directors hereby direct that the President of the Association, Stephen Schneider, to attach a copy of this Resolution to the Fifth Amendment so as to evidence the Director's approval of the form and content of the Fifth Amendment as required by the authorization provided to the Directors by the Members of the Association at the Annual Meeting of Members which occurred on January 10, 2009.

FURTHER RESOLVED, that the Directors hereby authorize and direct that President of the Association, Stephen Schneider, take all other actions and execute any and all other documents and certificates as may be necessary or advisable or convenient and proper to carry out the intent of the foregoing resolutions and to give full effect to the Fifth Amendment.

FURTHER RESOLVED, that the Board of Directors hereby ratifies and affirms the prior Amendments to the Declaration which have been previously filed in Real Property Records for Burnet County, Texas, in accordance with Section 11.04 of the Declaration.