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MASTER COVENANT

*A Residential Master Planned Community
Hays County, Texas*

NOTE: NO PORTION OF THE PROPERTY DESCRIBED ON EXHIBIT "A" IS SUBJECT TO THE TERMS OF THIS MASTER COVENANT UNLESS A NOTICE OF ANNEXATION DESCRIBING SUCH PORTION OF THE PROPERTY IS RECORDED IN THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, IN ACCORDANCE WITH SECTION 9.05 BELOW.

Declarant: LA CIMA SAN MARCOS, LLC, a Texas limited liability company



MASTER COVENANT

TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS	2
ARTICLE 2 GENERAL RESTRICTIONS.....	9
2.01. General.....	9
2.02. Incorporation of Development Area Declarations.....	11
2.03. Conceptual Plans.....	11
2.04. Provision of Benefits and Services to Service Areas	12
2.05. Designation of Special Common Areas	12
ARTICLE 3 LA CIMA MASTER COMMUNITY, INC.....	13
3.01. Organization.....	13
3.02. Neighborhoods.....	13
3.03. Membership.....	13
3.04. Governance	15
3.05. Voting Allocation.....	16
3.06. Representative System of Voting.....	17
3.07. Voting Groups	19
3.08. Powers.....	19
3.09. Common Area and Special Common Area	23
3.10. Indemnification	23
3.11. Insurance.....	23
3.12. Bulk Rate Contracts.....	24
3.13. Community Services and Systems	24
3.14. Protection of Declarant's Interests	25
3.15. Administration of Common Area, Special Common Area, or Service Area	25
ARTICLE 4 INSURANCE.....	26
4.01. Insurance.....	26
4.02. Restoration Requirements.....	26
4.03. Restoration - Mechanic's and Materialmen's Lien	27
ARTICLE 5 COVENANT FOR ASSESSMENTS.....	27
5.01. Assessments.....	27

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
5.02. Maintenance Fund	28
5.03. Regular Assessments.....	28
5.04. Special Assessments.....	28
5.05. Special Common Area Assessments	28
5.06. Service Area Assessments.....	29
5.07. Individual Assessments	29
5.08. Working Capital Assessment.....	29
5.09. Amount of Assessment	30
5.10. Late Charges.....	31
5.11. Owner's Personal Obligation for Payment of Assessments.....	31
5.12. Assessment Lien and Foreclosure	31
5.13. Exempt Property	33
5.14. Fines and Damages Assessment	33
ARTICLE 6 LA CIMA REVIEWER.....	34
6.01. Architectural Control By Declarant	34
6.02. Architectural Control by Association	34
6.03. Prohibition of Construction, Alteration and Improvement	35
6.04. Architectural Approval.....	35
ARTICLE 7 MORTGAGE PROVISIONS.....	37
7.01. Notice of Action	37
7.02. Examination of Books.....	38
7.03. Taxes, Assessments and Charges	38
ARTICLE 8 EASEMENTS AND DISCLOSURES	38
8.01. Reserved Easements	38
8.02. Common Area or Special Common Area Right of Ingress and Egress	38
8.03. Bulk Rate Services; Community Services and Systems Easement	39
8.04. Roadway and Utility Easements.....	39
8.05. Subdivision Entry and Fencing Easement	39
8.06. Landscape, Monumentation and Signage Easement.....	39
8.07. Easement for Maintenance of Drainage Facilities	39
8.08. Shared Amenities and Reciprocal Easements.....	40
8.09. Easement for Special Events	40
8.10. Drainage, Detention and Water Quality Facilities Easement	40
8.11. View Impairment.....	41
8.12. Safety and Security.....	41
8.13. Public Use Improvements	42
8.14. Development Agreement.....	42
8.15. Stormwater Runoff	42
8.16. Karst Feature Disclosure	42
ARTICLE 9 DEVELOPMENT RIGHTS	42

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
9.01. Development.....	42
9.02. Special Declarant Rights.....	43
9.03. Addition of Land.....	43
9.04. Withdrawal of Land.....	43
9.05. Notice of Annexation	44
9.06. Notice of Plat Recordation	45
9.07. Designation of Neighborhood.....	45
9.08. Assignment of Declarant's Rights	45
ARTICLE 10 GENERAL PROVISIONS.....	45
10.01. Term	45
10.02. Eminent Domain	46
10.03. Amendment	46
10.04. Enforcement.....	46
10.05. No Warranty of Enforceability	47
10.06. Higher Authority.....	47
10.07. Severability.....	47
10.08. Conflicts.....	47
10.09. Gender	47
10.10. Acceptance by Grantees	47
10.11. Damage and Destruction	47
10.12. No Partition.....	48
10.13. Notices	49



MASTER COVENANT

This La Cima Master Covenant (the "Master Covenant") is made by LA CIMA SAN MARCOS, LLC, a Texas limited liability company (the "Declarant"), and is as follows:

RECITALS:

A. Lazy Oaks Ranch L.P., a Texas limited partnership ("Seller"), LCSM Ph. 1-1, LLC, a Texas limited liability company ("LCSM 1") and LCSM Ph. 1-2, LLC, a Texas limited liability company ("LCSM 2") own certain real property located in Hays County, Texas, as more particularly described on Exhibit "A", attached hereto (the "Property"). Declarant has the option to acquire portions of the Property from Seller.

B. Declarant, LCSM 1, LCSM 2 and Seller desire to create a uniform plan for the development, improvement, and sale of the Property with Declarant to act as the "Declarant" for all purposes under this Master Covenant.

C. Portions of the Property may be made subject to this Master Covenant upon the Recording of one or more Notices of Annexation pursuant to *Section 9.05* below, and once such Notices of Annexation have been Recorded, the portions of the Property described therein will constitute the Development (as defined below) and will be governed by and fully subject to this Master Covenant, and the Development in turn will be comprised of separate Development Areas (as defined below) which will be governed by and subject to separate Development Area Declarations (as defined below) in addition to this Master Covenant.

No portion of the Property is subject to the terms and provisions of this Master Covenant until a Notice of Annexation is Recorded. A Notice of Annexation may only be Recorded by Declarant.

PROPERTY VERSUS DEVELOPMENT VERSUS DEVELOPMENT AREA

"Property"	Described on <u>Exhibit "A"</u> . This is the land that <u>may be made</u> subject to this Master Covenant, from time to time, by the Recording of one or more Notices of Annexation. Declarant has no obligation to annex all or any portion of the Property to this Master Covenant.
"Development"	This is the portion of the Property <u>that has been made</u> subject to this Master Covenant through the Recording of a Notice of Annexation.
"Development Area"	This is a portion of the Development. Each Development Area may be made subject to a Development Area Declaration.

D. This Master Covenant serves notice that upon the further Recording of one or more

Notices of Annexation, portions of the Property identified in such notice or notices will be subject to the terms and provisions of this Master Covenant.

NOW, THEREFORE, it is hereby declared that: (i) those portions of the Property as and when made subject to this Master Covenant by the Recording of a Notice of Annexation will be held, sold, conveyed, and occupied subject to the following covenants, conditions and restrictions which will run with such portions of the Property and will be binding upon all parties having right, title, or interest in or to such portions of the Property or any part thereof, their heirs, successors, and assigns and will inure to the benefit of each Owner thereof; (ii) all dedications, limitations, restrictions and reservations shown on a Plat (as defined below) and all grants and dedications of easements, rights-of-way, restrictions and related rights made prior to any portion of the Property becoming subject to this Master Covenant are hereby incorporated into this Master Covenant for all purposes as if fully set forth herein and shall be construed as adopted in each and every contract, deed or conveyance; (iii) that each contract or deed conveying those portions of the Property which are made subject to this Master Covenant will conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not the same are set out in full or by reference in said contract or deed.

This Master Covenant uses notes (text set apart in boxes) to illustrate concepts and assist the reader. If there is a conflict between any note and the text of this Master Covenant, the text of this Master Covenant will control.

ARTICLE 1 **DEFINITIONS**

Unless the context otherwise specifies or requires, the following words and phrases when used in this Master Covenant will have the meanings hereinafter specified:

"Applicable Law" means all statutes, public laws, ordinances, policies, rules, regulations and orders of all federal, state, county and municipal governments or their agencies having jurisdiction and control over the Development, specifically including the Development Agreement (defined below), and any other applicable building codes, zoning restrictions, permits and ordinances adopted by the City (defined below), which are in effect at the time a provision of the Documents is applied, and pertaining to the subject matter of the Document provision, including but not limited to the Hays County Regional Habitat Conservation Plan & Endangered Species Act. Statutes, ordinances and regulations specifically referenced in the Documents are "Applicable Law" on the effective date of the Document, and are not intended to apply to the Development if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

"Assessment" or **"Assessments"** means assessments imposed by the Association under this Master Covenant.

"Assessment Unit" has the meaning set forth in *Section 5.09*.

"Association" means La Cima Master Community, Inc., a Texas nonprofit corporation, which will be created by Declarant to exercise the authority and assume the powers specified in *Article 3* and elsewhere in this Master Covenant. The failure of the Association to maintain its corporate charter from

time to time does not affect the existence or legitimacy of the Association, which derives its authority from this Master Covenant, the Certificate, the Bylaws, and Applicable Law.

"Board" means the Board of Directors of the Association.

"Bulk Rate Contract" or **"Bulk Rate Contracts"** means one or more contracts which are entered into by the Association for the provision of services of any kind or nature to the Lots and/or Condominium Units. The services provided under Bulk Rate Contracts may include, without limitation, security services, trash pick-up services, propane service, natural gas service, landscape services and any other services of any kind or nature which are considered by the Board to be beneficial to the Development and/or the Association. Each Bulk Rate Contract must be approved in advance and in writing by Declarant until expiration or termination of the Development Period.

"Bylaws" mean the Bylaws of the Association as adopted and as amended from time to time.

"Certificate" means the Certificate of Formation of the Association, filed in the Office of the Secretary of State of Texas, as the same may be amended from time to time.

"City" means the City of San Marcos, Texas, a Texas home rule municipality.

"Commercial Lot" means a Lot, if any, within the Development, other than Common Area or Special Common Area, which is designated by Declarant for business or commercial use. The term "business or commercial use" shall include, but shall not be limited to, all office, retail, wholesale, manufacturing, and service activities, and may also be deemed to include multi-family, duplex and apartment housing of various densities. A Commercial Lot, for the purpose of this Master Covenant, may also include a Lot upon which a commercial or residential condominium regime will be impressed.

"Common Area" means any property or facilities that the Association owns or in which it otherwise holds rights or obligations, including, but not limited to, any property or facilities held by Declarant for the benefit of the Association or its Members. Declarant reserves the right, from time to time and at any time, to designate by written and Recorded instrument portions of the Property being held by Declarant for the benefit of the Association. Upon the Recording of such designation, the portion of the Property identified in the Recorded written instrument will be considered Common Area for the purpose of this Master Covenant. Common Area also includes any property that the Association holds under a lease, license, or any easement in favor of the Association, including certain property conveyed to the Association or in which the Association is granted certain easements or other property interests by either the City or a District. Some Common Area will be solely for the common use and enjoyment of the Owners, while other portions of the Common Area may be for the use and enjoyment of the Owners and members of the public.

"Condominium Unit" means an individual unit, including any common element assigned thereto, within a condominium regime, if any, established within the Development. A Condominium Unit may be designated in any Development Area Declaration for residential, commercial or live/work purposes.

"Declarant" means LA CIMA SAN MARCOS, LLC, a Texas limited liability company. Notwithstanding any provision in this Master Covenant to the contrary, Declarant may, by Recorded written instrument, assign, in whole or in part, exclusively or non-exclusively, any of its privileges,

exemptions, rights, reservations and duties under this Master Covenant to any person. Declarant may also, by Recorded written instrument, permit any other person to participate in whole, in part, exclusively or non-exclusively, in any of Declarant's privileges, exemptions, rights and duties under this Master Covenant.

Declarant enjoys special privileges to facilitate the development, construction, and marketing of the Property and the Development, or to direct the size, shape and composition of the Property and the Development. These special rights are described in this Master Covenant. Many of these rights do not terminate until either Declarant: (i) has sold all Lots or Condominium Units which may be created out of the Property; or (ii) voluntarily terminates these rights by a Recorded written instrument. Declarant may also assign, in whole or in part, all or any of Declarant's rights established under the terms and provisions of this Master Covenant to one or more third-parties.

"Design Guidelines" means the standards for design and construction of Improvements, landscaping and exterior items proposed to be placed on any Lot or Condominium Unit, and adopted pursuant to *Section 6.04(b)*, as the same may be amended from time to time, including, but not limited to any supplemental guidelines which may be adopted from time to time for portions of the Development. The Design Guidelines may consist of multiple written design guidelines applying to specific portions of the Development. The La Cima Reviewer may adopt, and amend from time to time, the Design Guidelines applicable to the Development or any Development Area, or any portion thereof. The Design Guidelines may be Recorded as a separate written instrument or may be incorporated into a Development Area Declaration by exhibit or otherwise. Notwithstanding anything in this Master Covenant to the contrary, Declarant will have no obligation to establish Design Guidelines for the Development or any portion thereof.

"Development" refers to all or any portion of the Property made subject to this Master Covenant by the Recording of a Notice of Annexation.

"Development Agreement" means that certain Amended and Restated Development Agreement for La Cima, recorded under Document No. 2014-14032062 of the Official Public Records of Hays County, Texas, and all subsequent modifications and amendments thereto.

"Development Area" means any part of the Development (less than the whole), which Development Area may be subject to a Development Area Declaration in addition to being subject to this Master Covenant.

"Development Area Declaration" means, with respect to any Development Area, the separate Recorded instrument, as may be amended from time to time, setting forth additional covenants, conditions, restrictions, limitations and/or easements, applicable only to the portion of the Development identified therein or as otherwise set forth in one or more Notices of Annexation Recorded pursuant to *Section 9.05* below.

"Development Period" means the period of time beginning on the date when this Master Covenant has been Recorded, and ending seventy-five (75) years thereafter, unless earlier terminated by a Recorded written instrument executed by Declarant. Declarant may terminate the Development Period by a Recorded written instrument executed by Declarant. The Development Period is the period of time in which Declarant reserves the right to facilitate the development, construction, or marketing of the Property and the Development, or the right to direct the size, shape and composition of the

Property and the Development. The Development Period is for a term of years and does not require that Declarant own any portion of the Property or the Development.

"District" means (a) a public improvement district created pursuant to Chapter 372, Subchapter B of the Texas Local Government Code; (b) a municipal utility district created pursuant to Article XVI, Section 59 of the Constitution of Texas and Chapters 49 and 54, Texas Water Code; (c) a municipal management district created pursuant to Chapter 375 of the Texas Local Government Code; or (d) any other similarly constituted governmental or quasi-governmental entity created for the purpose of providing benefits or services to the Development.

"Documents" means, singularly or collectively, as the case may be, this Master Covenant, the Certificate, Bylaws, the Policy Manual, the Design Guidelines (if adopted), any applicable Development Area Declaration, any applicable Notice of Annexation, as each may be amended from time to time, and any Rules promulgated by the Association pursuant to this Master Covenant or any Development Area Declaration, as adopted and amended from time to time. An appendix, exhibit, schedule, or certification accompanying a Document is part of a Document. See Table 1 for a summary of the Documents.

"Homebuilder" refers to any Owner (other than Declarant) who is in the business of constructing single-family residences and acquires all or a portion of the Property to construct single-family residences for resale to third parties.

"Improvement" means any and all physical enhancements and alterations to the Development, including, but not limited to, grading, clearing, removal of trees, site work, utilities, landscaping, irrigation, trails, hardscape, exterior lighting, alteration of drainage flow, drainage facilities, detention/retention ponds, water features, fences, walls, signage, and every structure and all appurtenances of every type and kind, whether temporary or permanent in nature, including, but not limited to, homes, buildings, outbuildings, storage sheds, patios, tennis courts, sport courts, recreational facilities, swimming pools, putting greens, garages, driveways, parking areas and/or facilities, storage buildings, sidewalks, fences, gates, screening walls, retaining walls, stairs, patios, decks, walkways, landscaping, mailboxes, awnings and exterior air conditioning equipment or fixtures.

"Individual Assessment" means an Assessment levied against a Lot or Condominium Unit as described in *Section 5.07*.

"La Cima Reviewer" means the party holding the rights to approve Improvements within the Development and shall be Declarant or its designee until expiration or termination of the Development Period. Upon expiration or termination of the Development Period, the rights of the La Cima Reviewer will automatically be transferred to an ACC, the members of which shall be appointed by the Board as set forth in *Section 6.02* below.

"Lot" means any portion of the Development designated by Declarant in a Recorded written instrument or as shown as a subdivided lot on a Plat other than Common Area, Special Common Area, or a Lot on which a condominium regime has been established, and may include both Commercial Lots and Residential Lots.

"Majority" means more than half.

"Manager" has the meaning set forth in *Section 3.08(h)*.

"Master Covenant" means this Master Covenant, as amended from time to time, containing covenants, conditions, restrictions, limitations and/or easements applicable to all or any portion of the Property made subject hereto by one or more Notices of Annexation Recorded pursuant to *Section 9.05* below.

"Maximum Number of Lots" means the maximum number of Lots that may be created and made subject to this Master Covenant. The Maximum Number of Lots is two thousand four hundred (2,400) Lots. Until expiration or termination of the Development Period, Declarant may unilaterally amend the Maximum Number of Lots by Recorded written instrument.

"Member" means each person or entity that holds membership privileges in the Association.

"Mortgage" means any mortgage or deed of trust securing indebtedness and covering any Lot or Condominium Unit.

"Mortgagee" means the holder of any Mortgage.

"Neighborhood" has the meaning set forth in *Section 3.02*.

"Neighborhood Delegate" means the representative elected by the Owners of Lots and Condominium Units in each Neighborhood pursuant to the Representative System of Voting (as further defined herein) which may be established by Declarant to cast the votes of all Lots and Condominium Units in the Neighborhood on all matters requiring a vote of the membership of the Association, except for the following situations in which this Master Covenant specifically requires Members or Owners to cast their vote individually: (i) changes to the term of this Master Covenant as described in *Section 10.01*; and (ii) amendments to this Master Covenant as described in *Section 10.03*. Notwithstanding the foregoing, the Documents may set forth additional circumstances in which the Members or Owners are required to cast their vote individually, and voting by Neighborhood Delegates is prohibited.

"Notice of Annexation" means the Recorded notice executed by the Declarant for the purpose of adding all or any portion of the Property to the terms and provisions of this Master Covenant in accordance with *Section 9.05* below. A Notice of Annexation may include a description of any Special Common Area or Service Area benefitting such portion of the Property added to this Master Covenant and any beneficiaries thereof. A Notice of Annexation may also subject a portion of the Property to a previously Recorded Development Area Declaration. Furthermore, a Notice of Annexation may identify certain Common Areas on a Plat and designate the Association as the entity responsible for the maintenance of such Common Areas of the date of Recordation.

"Notice of Plat Recordation" means the Recorded notice executed by Declarant for the purpose of more clearly identifying specific Lots subject to the terms and provisions of this Master Covenant after portions of the Property are made subject to a Plat and withdrawing those portions of the Property which are included on the Plat but not shown as a Residential Lot from the terms and provisions of this Master Covenant in accordance with *Section 9.06* below.

"Occupant" means any resident, occupant, or tenant of a Lot or Condominium Unit, other than the Owner of such Lot or Condominium Unit.

"Ordinary Public View" means anything which can be seen in the sight line of normal visual range of a person on a public or private street, thoroughfare or sidewalk, Common Area or Special Common Area.

"Owner" means the person(s), entity or entities, including Declarant, holding all or a portion of the fee simple interest in any Lot or Condominium Unit and in no event shall mean any Occupant. A Mortgagee who acquires title to a Lot or Condominium Unit through a deed in lieu of foreclosure or through foreclosure is an Owner. A person or entity having an ownership interest in a Lot or Condominium Unit merely as security for the performance of an obligation is not an Owner. Every Owner is a Member of the Association.

"Plat" means a Recorded subdivision plat of any portion of the Development, and any amendments thereto.

"Policy Manual" means the policy manual, which may be initially adopted and Recorded by Declarant as part of the initial project documentation for the Development. The Policy Manual may include the Bylaws, Rules and other policies governing the Association. The Policy Manual may be amended or modified, from time to time, by a Majority of the Board. Until the expiration or termination of the Development Period, any amendment or modification to the Policy Manual must be approved in advance and in writing by Declarant.

"Property" means all of that certain real property described on **Exhibit "A"**, attached hereto, that may be made subject to this Master Covenant, from time to time, by the Recording of one or more Notices of Annexation pursuant to *Section 9.05* below, subject to such additions thereto and deletions therefrom as may be made pursuant to *Section 9.03* and *Section 9.04* of this Master Covenant.

"Record, Recording, Recordation and Recorded" means recorded in the Official Public Records of Hays County, Texas.

"Regular Assessments" means those Assessments levied against the Lots and/or Condominium Units as described in *Section 5.03* for the purpose of funding the estimated net expenses of the Association as reflected on the annual budget.

"Representative System of Voting" means the method of voting which may be established by Declarant pursuant to *Section 3.06* below. Declarant shall have no obligation to implement the Representative System of Voting.

"Residential Developer" refers to any Owner who acquires undeveloped land, one or more Lots, or any other portion of the Property for the purposes of development and/or resale to a Homebuilder.

"Residential Lot" means a Lot which is designated solely for single-family residential use.

"Rules" mean any instrument, however denominated, which may be initially adopted by Declarant as part of the Policy Manual, or subsequently adopted by the Board, for the regulation and management of the Development, including any amendments to those instruments. During the Development Period, any amendment to the Rules must be approved in advance and in writing by Declarant, unless such approval is otherwise waived by Declarant in its sole discretion.

"Service Area" means a group of Lots and/or Condominium Units designated as a separate Service Area pursuant to this Master Covenant for purpose of receiving benefits or services from the Association which are not provided to all Lots and Condominium Units. A Service Area may be comprised of more than one type of use or structure and may include noncontiguous Lots. A Lot or Condominium Unit may be assigned to more than one Service Area. Service Area boundaries may be established and modified as provided in *Section 2.04*.

"Service Area Assessments" means those Assessments levied against the Lots and/or Condominium Units in a particular Service Area to fund Service Area Expenses, as described in *Section 5.06*.

"Service Area Expenses" means the estimated or actual expenses which the Association incurs or expects to incur for the benefit of Owners within a particular Service Area, which may include reserves for operations, capital repairs, and replacements.

"Special Assessments" means those Assessments levied against the Lots and/or Condominium Units as described in *Section 5.04* for the purpose of enabling the Board to carry out the functions of the Association under the Documents, as may be determined from time to time by the Board in its sole discretion.

"Special Common Area" means any interest in real property or improvements which benefits certain Lot(s), Condominium Unit(s), or one or more portion(s) of, but less than all of, the Development, which is designated by Declarant in a Notice of Annexation, Development Area Declaration, or any written instrument Recorded by Declarant (which designation will be made in the sole and absolute discretion of Declarant) as Special Common Area for the exclusive use and/or the obligation to pay Special Common Area Assessments by the Owners of such Lot(s), Condominium Unit(s), or portion(s) of the Development attributable thereto, and which have been or will be conveyed to the Association, or as to which the Association will be granted rights or obligations, or otherwise held by the Declarant for the benefit of the Association, as set forth in *Section 2.05*. Special Common Area may include any property that the Association holds under a lease, license, or any easement in favor of the Association, including certain property conveyed to the Association or in which the Association is granted certain easements or other property interests by either the City or a District. Some Special Common Area will be solely for the common use and enjoyment of the Owners to which the Special Common Area has been designated, while other portions of Special Common Area may be for the use and enjoyment of members of the general public.

"Special Common Area Assessments" means assessments levied against the Lots and/or Condominium Units as described in *Section 5.05*.

"Special Common Area Expenses" means the estimated and actual expenses which the Association incurs or expects to incur to operate, maintain, repair and replace a Special Common Area, which may include a reasonable reserve for capital repairs and replacements.

"Voting Group" has the meaning set forth in *Section 3.08* below.

"Working Capital Assessments" means those one-time Assessments payable to the Association upon transfer of title of a Lot or Condominium Unit as described in *Section 5.08* for the purpose of

establishing working capital, which may include the use of such amounts by the Association to discharge operating expenses.

TABLE 1: DOCUMENTS	
Master Covenant (Recorded)	Creates obligations that are binding upon the Association and all present and future Owners of all or any portion of the Property made subject to this Master Covenant by the Recording of a Notice of Annexation.
Development Area Declaration (Recorded)	Includes additional covenants, conditions and restrictions governing portions of the Development.
Notice of Annexation (Recorded)	Describes the portion of the Property being made subject to the terms and provisions of this Master Covenant and any applicable Development Area Declaration.
Certificate of Formation (Filed with Secretary of State and Recorded)	Establishes the Association as a nonprofit corporation under Texas law.
Bylaws (Recorded)	Governs the Association's internal affairs, such as elections, meetings, etc.
Policy Manual (Recorded)	Establishes the Rules and policies governing the Association and the Development.
Design Guidelines (Recorded)	Governs the design and architectural standards for the construction of Improvements and modifications thereto.
Rules (if adopted, Recorded)	Rules regarding the use of property, activities, and conduct within the Development. The Rules may be included within the Policy Manual.
Board Resolutions (adopted by the Board of the Association)	Documented decision-making by the Board to establish rules, policies, and procedures for the Association.
Notice of Plat Recordation (Recorded)	Identifies specific Lots on a Plat and withdraws all Property other than Lots from the terms and provisions of this Master Covenant.

ARTICLE 2 GENERAL RESTRICTIONS

2.01. General.

(a) Conditions and Restrictions. All Lots and Condominium Units within the Development to which a Notice of Annexation has been Recorded in accordance with *Section 9.05*, will be owned, held, encumbered, leased, used, occupied and enjoyed subject to the Documents. **NO PORTION OF THE PROPERTY WILL BE SUBJECT TO THE TERMS AND PROVISIONS OF THIS MASTER COVENANT UNTIL A NOTICE OF ANNEXATION HAS BEEN RECORDED.**

(b) Compliance with Applicable Law and the Documents. Compliance with the Documents is mandatory. However, compliance with the Documents is not a substitute for compliance with Applicable Law. Please be advised that the Documents do not purport to list or describe each requirement, rule, or restriction which may be applicable to a Lot or a

Condominium Unit located within the Development. Each Owner is advised to review all encumbrances affecting the use and improvement of their Lot or Condominium Unit. Furthermore, an approval by the La Cima Reviewer should not be construed by the Owner that any improvement complies with the terms and provisions of all encumbrances which may affect the Owner's Lot or Condominium Unit. The Association, each Owner, Occupant or other user of any portion of the Development must comply with the Documents and Applicable Law, specifically including the Development Agreement, as supplemented, modified or amended from time to time. **IN CERTAIN INSTANCES THE DEVELOPMENT AGREEMENT, AS THE SAME MAY BE AMENDED FROM TIME TO TIME, MAY BE MORE OR LESS RESTRICTIVE THAN THE PROVISIONS OF THE DOCUMENTS OR OTHER CITY ORDINANCES. IN THE EVENT OF A CONFLICT BETWEEN THE DEVELOPMENT AGREEMENT AND THE DOCUMENTS OR OTHER CITY ORDINANCES, THE MOST RESTRICTIVE REQUIREMENT WILL APPLY, EXCEPT IN CIRCUMSTANCES WHERE COMPLIANCE WITH A MORE RESTRICTIVE PROVISION OF THE DOCUMENTS WOULD RESULT IN A VIOLATION OF THE DEVELOPMENT AGREEMENT, IN WHICH EVENT THE DEVELOPMENT AGREEMENT SHALL APPLY. COMPLIANCE WITH MANDATORY REQUIREMENTS IN THE DEVELOPMENT AGREEMENT WILL NOT RESULT IN THE VIOLATION OF THE DOCUMENTS OR OTHER CITY ORDINANCES.**

(c) Approval of Regulatory Submission Items. Each Owner is further advised that prior to submitting any application, zoning change, variance or special use permit, plat, drainage plans, building or site plan, expressly including any amendments to the preliminary plan and any development plan required to be submitted by an Owner pursuant to any zoning ordinance applicable to the Property or the Development (the "**Regulatory Submission Items**"), to a regulatory authority for approval or issuance of a permit, as applicable, the Owner must first obtain approval from Declarant during the Development Period and the Board thereafter of the Regulatory Submission Items (the "**Preliminary Regulatory Approval**"), unless obtaining such approval is waived in writing, in the sole and absolute discretion of Declarant or the Board, as applicable. In the event of a conflict between the Regulatory Submission Items approved pursuant to the Preliminary Regulatory Approval and the Regulatory Submission Items approved by the regulatory authority, the Owner will be required to resubmit the Regulatory Submission Items to obtain a final Preliminary Regulatory Approval. If granted, the Preliminary Regulatory Approval shall be conditional **ONLY** and any Improvements to be constructed in accordance with the Regulatory Submission Items must be submitted by the Owner to the La Cima Reviewer for approval in accordance with *Section 6.03(c)*, below. Each Owner acknowledges that no regulatory authority has the authority to modify the terms and provisions of the Documents applicable to all or any portion of the Development.

(d) Approval of Project Names. Each Owner is advised that the name used to identify any Development Area or any portion thereof for marketing or identification purposes must be approved in advance and in writing by Declarant during the Development Period.

(e) Development Amenities. A Development Area may include Common Area, open space, water quality facilities, parkland, trails, landscape areas, roadways, driveways or easements which benefit the Development in addition to the Development Area, as reasonably determined by Declarant during the Development Period, and the Board after termination or expiration of the Development Period (the "**Development Amenities**"). Declarant, during the Development Period, and the Board after termination or expiration of the Development Period,

may require all or a portion of such Development Amenities be conveyed, transferred, or dedicated (by deed, easement, or license) to: (a) the Association; or (b) another entity designated by Declarant or a Majority of the Board, as applicable, including but not limited to any then-existing District. Alternatively, Declarant, during the Development Period, and a Majority of the Board after termination or expiration of the Development Period, may require that all or a portion of such Development Amenities be owned and maintained by the Owner of all or a portion of a particular Development Area, subject to an easement in favor of other Owner(s) and Occupants, as designated by Declarant or a Majority of the Board, as applicable (e.g., ingress and egress over and across the driveways constructed within the Development Area).

The Development Amenities may not be conveyed or otherwise transferred unless the conveyance or transfer is approved in advance and in writing by Declarant during the Development Period, or a Majority of the Board after expiration or termination of the Development Period.

2.02. Incorporation of Development Area Declarations. Upon Recordation of a Development Area Declaration such Development Area Declaration will, automatically and without the necessity of further act, be incorporated into, and be deemed to constitute a part of this Master Covenant, to the extent not in conflict with this Master Covenant, but will apply only to portions of the Property made subject to the Development Area upon the Recordation of one or more Notices of Annexation. To the extent of any conflict between the terms and provisions of a Development Area Declaration and this Master Covenant, the terms and provisions of this Master Covenant will control.

2.03. Conceptual Plans. All master plans, site plans, brochures, illustrations, information and marketing materials related to the Property or the Development (collectively, the "**Conceptual Plans**") are conceptual in nature and are intended to be used for illustrative purposes only. The land uses and Improvements reflected on the Conceptual Plans are subject to change at any time and from time to time, and it is expressly agreed and understood that actual land uses within the Property or the Development may include uses which are not shown on the Conceptual Plans. Neither Declarant, a Residential Developer, any Homebuilder, nor any other developer of any portion of the Property or the Development makes any representation or warranty concerning such land uses and Improvements shown on the Conceptual Plans or otherwise planned for the Property or the Development. It is expressly agreed and understood that no Owner will be entitled to rely upon the Conceptual Plans or any statement made by Declarant or any of Declarant's representatives regarding proposed land uses, or proposed or planned Improvements in making the decision to purchase any land or Improvements within the Property or the Development. Each Owner who acquires a Lot or Condominium Unit within the Development acknowledges that the Development is a master planned community, the development of which will extend over many years, and agrees that the Association will not engage in, or use Association funds to support, protest, challenge, or make any other form of objection to development of the Property or to any proposed or actual changes in the Conceptual Plans, as they may be amended or modified from time to time.

THE DEVELOPMENT IS A MASTER PLANNED COMMUNITY WHICH WILL BE DEVELOPED OVER A NUMBER OF YEARS. THE PLANS, LAND USES, TOTAL NUMBER, DESIGN, LAYOUT AND LOCATION OF LOTS, LOCATION, DESIGN AND LAYOUT OF PROJECTED IMPROVEMENTS, ASSESSMENTS AND DOCUMENTS MAY BE CHANGED FROM TIME TO TIME, WITHOUT NOTICE OR OBLIGATION TO NOTIFY, DUE TO A NUMBER OF CIRCUMSTANCES, INCLUDING APPLICABLE LAW, MARKET DEMAND AND COST

CONSTRAINTS. THERE ARE NO ASSURANCES THAT FUTURE IMPROVEMENTS OR FACILITIES DESCRIBED HEREIN WILL BE CONSTRUCTED. DECLARANT RESERVES THE RIGHT TO MAKE PRICE MODIFICATIONS AND MAKE MODIFICATIONS IN MATERIALS AND SPECIFICATIONS AT ANY TIME WITH OR WITHOUT PRIOR NOTICE.

2.04. Provision of Benefits and Services to Service Areas.

(a) Designated by Declarant. Declarant, in a Notice of Annexation Recorded pursuant to *Section 9.05* or in any written Recorded notice, may assign Lots and/or Condominium Units to one or more Service Areas (by name or other identifying designation) as it deems appropriate, which Service Areas may be then existing or newly created, and may require that the Association provide benefits or services to such Lots and/or Condominium Units in addition to those which the Association generally provides to the Development. Declarant may unilaterally amend any Notice of Annexation or any written Recorded notice, to re-designate Service Area boundaries. All costs associated with the provision of services or benefits to a Service Area will be assessed against the Lots and/or Condominium Units within the Service Area as a Service Area Assessment.

(b) Owner Petition. In addition to Service Areas which Declarant may designate, any group of Owners may petition the Board to designate their Lots and/or Condominium Units as a Service Area for the purpose of receiving from the Association: (a) special benefits or services which are not provided to all Lots and/or Condominium Units; or (b) a higher level of service than the Association otherwise provides. Upon receipt of a petition signed by Owners of a Majority of the Lots and/or Condominium Units within the proposed Service Area, the Board will investigate the terms upon which the requested benefits or services might be provided and notify the Owners in the proposed Service Area of such terms and associated expenses, which may include a reasonable administrative charge in such amount as the Board deems appropriate (provided, any such administrative charge will apply at a uniform rate per Lot and/or Condominium Units among all Service Areas receiving the same service). If approved by the Board, Declarant during the Development Period, and the Owners of at least sixty-seven percent (67%) of the total number of votes held by all Lots and/or Condominium Units within the proposed Service Area, the Association will provide the requested benefits or services on the terms set forth in the proposal or in a manner otherwise acceptable to the Board. The cost and administrative charges associated with such benefits or services will be assessed against the Lots and/or Condominium Units within such Service Area as a Service Area Assessment.

2.05. Designation of Special Common Areas. During the Development Period, Declarant may designate, in a Notice of Annexation, a Development Area Declaration, or in any written instrument Recorded by Declarant (which designation will be made in the sole and absolute discretion of Declarant), any interest in real property or Improvements which benefits certain Lot(s), Condominium Unit(s), or one or more portion(s) of, but less than all of, the Development, as Special Common Area for the use of and/or the obligation to pay Special Common Area Assessments by the Owners of such Lot(s), Condominium Unit(s), or portion(s) of the Development attributable thereto. Such Owners shall have the obligation to pay Special Common Area Assessments for such Special Common Area. Special Common Area may include any property that the Association holds under a lease, license, or any easement in favor of the Association, including certain property conveyed to the Association or in which the Association is granted certain easement or other property interests by either the City or a District. Some Special Common Area will be solely for the common use and enjoyment of the Owners to which

the Special Common Area has been designated, while other portions of Special Common Area may also be for the use and enjoyment of members of the general public. Any portion of the Development designated as Special Common Area shall be conveyed to the Association, or the Association shall be granted rights or obligations with respect to such Special Common Area, or such Special Common Area shall otherwise be held by Declarant for the benefit of the Association. The Notice of Annexation, Development Area Declaration, or other Recorded written instrument designating such Special Common Area will identify the Lot(s), Condominium Unit(s), or other portion(s) of the Development assigned to such Special Common Area. All costs associated with maintenance, repair, replacement, and insurance of such Special Common Area will be assessed as a Special Common Area Assessment against the Owner(s) of the Lot(s), Condominium Unit(s) or portion(s) of the Development to which the Special Common Area is assigned.

ARTICLE 3

LA CIMA MASTER COMMUNITY, INC.

3.01. Organization. The Association will be a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers of a Texas nonprofit corporation. Neither the Certificate nor the Bylaws will, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Master Covenant.

3.02. Neighborhoods. Declarant reserves the right to Record a Designation of Neighborhood pursuant to *Section 9.07* to designate portions of the Development as part of a "Neighborhood." A Neighborhood may be comprised of any number of Lots and/or Condominium Units, and may include Lots or Condominium Units of more than one type, as well as Lots or Condominium Units that are not contiguous to one another. Any Designation of Neighborhood shall initially assign the portion of the Property described therein to a specific Neighborhood which may then exist (being identified and described in a previously Recorded Notice of Annexation) or which may be newly created. After a Designation of Neighborhood is Recorded, any and all portions of the Development which are not assigned to a specific Neighborhood shall constitute a single Neighborhood. Declarant may Record an amendment to any previously Recorded Designation of Neighborhood to designate or change Neighborhood boundaries. Declarant shall have no obligation to establish Neighborhoods.

3.03. Membership.

(a) **Mandatory Membership.** Any person or entity, upon becoming an Owner, will automatically become a Member of the Association. Membership will be appurtenant to and will run with the ownership of the Lot or Condominium Unit that qualifies the Owner thereof for membership, and membership may not be severed from the ownership of the Lot or Condominium Unit, or in any way transferred, pledged, mortgaged or alienated, except together with the title to such Lot or Condominium Unit.

(b) **Easement of Enjoyment – Common Area.** Every Member of the Association will have a right and easement of enjoyment in and to all of the Common Area and an access easement, if applicable, by and through any Common Area, which easements will be appurtenant to and will pass with the title to such Member's Lot or Condominium Unit, subject to the following restrictions and reservations:

(i) The right of Declarant during the Development Period, and the Board thereafter or with Declarant's advance written consent during the Development Period, to cause such Improvements and features to be constructed upon the Common Area;

(ii) The right of the Association to suspend the Member's right to use the Common Area for any period during which any Assessment against such Member's Lot or Condominium Unit remains past due or for any period during which such Member is in violation of any provision of this Master Covenant;

(iii) The right of Declarant during the Development Period, and the Board thereafter or with Declarant's advance written consent during the Development Period, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for any purpose;

(iv) The right of Declarant during the Development Period, and the Board thereafter or with Declarant's advance written consent during the Development Period, to grant easements or licenses over and across the Common Area;

(v) The right of the Board with the advance written approval of Declarant during the Development Period, to borrow money for the purpose of improving the Common Area and, in furtherance thereof, mortgage the Common Area;

(vi) The right of Declarant during the Development Period, and the Board thereafter or with the advance written approval of Declarant during the Development Period, to promulgate Rules regarding the use of the Common Area and any Improvements thereon; and

(vii) The right of the Association to contract for services with any third parties on such terms as the Board may determine, except that during the Development Period, all such contracts must be approved in advance and in writing by Declarant.

(c) Easement of Enjoyment – Special Common Area. Each Owner of a Lot or Condominium Unit which has been assigned use of Special Common Area in a Notice of Annexation, Development Area Declaration, or other Recorded instrument, will have a right and easement of enjoyment in and to all of such Special Common Area for its intended purposes, and an access easement, if applicable, by and through such Special Common Area, which easement will be appurtenant to and will pass with title to such Owner's Lot or Condominium Unit, subject to *Section 3.03(b)* above and subject to the following restrictions and reservations:

(i) The right of Declarant during the Development Period, and the Board thereafter or with Declarant's advance written consent during the Development Period, to cause such Improvements and features to be constructed upon the Special Common Area;

(ii) The right of Declarant during the Development Period to grant additional Lots or Condominium Units use rights in and to Special Common Area in a subsequently Recorded Notice of Annexation, Development Area Declaration, or other Recorded instrument;

(iii) The right of the Association to suspend the Member's rights to use the Special Common Area for any period during which any Assessment against such Member's Lot or Condominium Unit remains past due and for any period during which such Member is in violation of any provision of this Master Covenant;

(iv) The right of Declarant during the Development Period, and the Board thereafter or with Declarant's advance written consent during the Development Period, to grant easements or licenses over and across the Special Common Area;

(v) The right of Declarant during the Development Period, and the Board thereafter or with Declarant's advance written consent during the Development Period, to dedicate or transfer all or any part of the Special Common Area to any public agency, authority or utility for any purpose;

(vi) With the advance written consent of Declarant during the Development Period, the right of the Board to borrow money for the purpose of improving the Special Common Area and, in furtherance thereof, mortgage the Special Common Area;

(vii) The right of Declarant, during the Development Period, and the Board, thereafter with the advance written consent of Declarant during the Development Period, to promulgate Rules regarding the use of the Special Common Area and any Improvements thereon; and

(viii) The right of the Association to contract for services with any third parties on such terms as the Board may determine, except that during the Development Period, all such contracts must be approved in advance and in writing by Declarant.

3.04. Governance.

(a) Board of Directors; Officers. The Board will consist of at least three (3) persons. The enumerated officers of the Association are those set forth in the Bylaws. Notwithstanding any provision in the Documents to the contrary, until one hundred and twenty (120) days after seventy-five percent (75%) of the Maximum Number of Lots which have been made subject to this Master Covenant have been conveyed to Owners other than Declarant or a Homebuilder, Declarant will have the sole right to appoint and remove any and all Board members and officers of the Association. Within one hundred and twenty (120) days after seventy-five percent (75%) of the Maximum Number of Lots which have been made subject to this Master Covenant have been conveyed to Owners other than Declarant or a Homebuilder, the Board will call a meeting of Members for the purpose of electing at least one-third (1/3) of the Board (the "**Initial Member Election Meeting**"), which Board member(s) must be elected by Owners other than Declarant. For the purposes of this election, the Development shall be considered a single Neighborhood, and the Representative System of Voting shall not apply. Declarant may appoint and remove two-thirds of the Board from and after the Initial Member Election Meeting until expiration or termination of the Development Period. The individuals elected to the Board at the Initial Member Election Meeting shall be elected for a one (1) year term and shall serve until his or her successor is elected or he or she is replaced in accordance with the Bylaws. Upon expiration or termination of the Development Period, vacancies on the Board and officer

appointments shall be filled by election at the annual meeting of the Association, or at a special meeting called for such purpose, as further set forth in the Bylaws.

(b) Advisory Committees. Subject to the requirements otherwise set forth in *Section 6.02* below and as further set forth in the Bylaws, the Board may, but is not required, to adopt a resolution to designate two (2) or more Members, which may include Declarant and/or one (1) or more Board members to a committee for any purpose; provided, that any such committee shall serve in an advisory capacity only with the sole powers of: (i) recommending action to the Board; and (ii) carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board.

3.05. Voting Allocation. The number of votes which may be cast for election of Board members (except as provided by *Section 3.04*) and on all other matters to be voted on by the Members will be calculated as set forth below.

(a) Residential Lot. Each Residential Lot will be allocated one (1) vote. In the event of the re-subdivision of any Residential Lot into two or more Residential Lots: (i) the number of votes to which such Residential Lot is entitled will be increased as necessary to retain the ratio of one (1) vote for each Residential Lot resulting from such re-subdivision, *e.g.*, each Residential Lot resulting from the re-subdivision will be entitled to one (1) vote; and (ii) each Residential Lot resulting from the re-subdivision will be allocated one (1) Assessment Unit (as defined in *Section 5.09(b)*). In the event of the consolidation of two (2) or more Residential Lots for purposes of construction of a single residence thereon, votes and Assessment Units which are allocated pursuant to *Section 5.09* below will continue to be determined according to the number of original Residential Lots contained in such consolidated Residential Lot. Nothing in this Master Covenant will be construed as authorization for any re-subdivision or consolidation of Residential Lots, such actions being subject to the conditions and restrictions of the applicable Development Area Declaration and the approval of the La Cima Reviewer.

(b) Commercial Lot or Condominium Unit. Each Commercial Lot and Condominium Unit will be allocated that number of votes set forth in the Notice of Annexation applicable to such Commercial Lot or Condominium Unit. Declarant will determine such number of votes in its sole and absolute discretion. Declarant's determination regarding the number of votes applicable to each Commercial Lot or Condominium Unit will be final, binding and conclusive. The Notice of Annexation may include a provision with an alternative vote allocation in the event all or a portion of a Commercial Lot is submitted to the condominium form of ownership. Declarant, in its sole and absolute discretion, or a Majority of the Board after the expiration or termination of the Development Period, may modify and amend (which modification and amendment may be effected after Declarant's conveyance of any Commercial Lot or Condominium Unit to any person not affiliated with Declarant) the number of votes previously assigned to a Commercial Lot or Condominium Unit if the actual use of the Commercial Lot or Condominium Unit or Improvements actually constructed on the Commercial Lot or Condominium Unit differ from the anticipated use of the Commercial Lot or Condominium Unit or Improvements contemplated to be constructed thereon at the time the Notice of Annexation allocating votes thereto was originally Recorded. In the event of a modification to the votes allocated to a Commercial Lot or Condominium Unit, Declarant, or the Board, as applicable, will

Record an amended Notice of Annexation setting forth the revised allocation of votes attributable to the Commercial Lot or Condominium Unit.

(c) Declarant. In addition to the votes to which Declarant is entitled by reason of *Section 3.05(a)* and *Section 3.05(b)*, for every one (1) vote outstanding in favor of any other person or entity, Declarant will have four (4) additional votes until the expiration or termination of the Development Period. Declarant may cast votes allocated to Declarant pursuant to this Section and shall be considered a Member for the purpose of casting such votes, and need not own any portion of the Development as a pre-condition to exercising such votes.

(d) Co-Owners. Any co-Owner may cast the vote for the Lot or Condominium Unit, and Majority agreement shall be conclusively presumed unless another co-Owner of the Lot or Condominium Unit protests to the Secretary prior to the close of balloting. In the absence of a Majority agreement, the Lot's or Condominium Unit's vote shall be suspended if two or more co-Owners seek to exercise it independently. In no event will the vote for a Lot or Condominium Unit exceed the total votes allocated to such Lot or Condominium Unit pursuant to this *Section 3.05*.

3.06. Representative System of Voting. The Representative System of Voting shall only be established if Declarant first calls for election of a Neighborhood Delegate for a particular Neighborhood. Declarant shall have no obligation to establish the Representative System of Voting. In addition, Declarant may terminate the Representative System of Voting at any time prior to expiration or termination of the Development Period by Recorded written instrument.

(a) Election of Initial Neighborhood Delegate. In the event that Declarant chooses to establish a Representational System of Voting, the Owners of Lots and Condominium Units within each Neighborhood shall elect a Neighborhood Delegate and an alternate Neighborhood Delegate, in the manner provided below, to cast the votes of all Lots and Condominium Units in such Neighborhood on matters requiring a vote of the Members, except where this Master Covenant specifically requires the Members to cast their votes individually as described in the definition of "Neighborhood Delegate" in *Article 1* of this Master Covenant, or elsewhere in the Documents. Notwithstanding the foregoing or any provision to the contrary in this Master Covenant, as provided in *Section 3.04* above, until one hundred twenty (120) days after seventy-five percent (75%) of the Maximum Number of Lots which have been made subject to this Master Covenant have been conveyed to Owners other than Declarant or a Homebuilder, Declarant will have the sole right to appoint and remove all members of the Board.

(b) Term. The Neighborhood Delegate and the alternate Neighborhood Delegate shall be elected on a biennial basis (once every two years), by electronic and absentee ballot without a meeting of Owners within such Neighborhood, or at a meeting of the Owners within such Neighborhood where written, electronic, proxy, and/or absentee ballots may also be utilized, as the Board may determine from time to time. If the Board determines to hold a meeting for the election of the Neighborhood Delegate and the alternate Neighborhood Delegate, the presence, in person or by proxy, absentee or electronic ballot, of Owners representing at least ten percent (10%) of the total votes in a Neighborhood shall constitute a quorum at such meeting. For so long as a quorum is not met to elect a Neighborhood Delegate and an alternate Neighborhood Delegate by the Owners within such Neighborhood, Declarant

during the Development Period, and the Board thereafter, shall have the right to appoint a Neighborhood Delegate and an alternate Neighborhood Delegate until such positions are elected at any subsequent meeting which has been duly called for such purpose. Notwithstanding the foregoing provision, Declarant during the Development Period, and the Board thereafter, may elect to extend the term of a Neighborhood Delegate and alternate Neighborhood Delegate to the extent Declarant or the Board, as applicable, determines that such extension will result in administrative efficiencies by allowing elections within different Neighborhoods to occur in close proximity to one another; provided, however, that the term of an existing Neighborhood Delegate and alternate Neighborhood Delegate shall not be extended for more than twelve (12) months.

(c) Election Results. At any election for the purpose of electing a Neighborhood Delegate and an alternate Neighborhood Delegate, the candidate who receives the greatest number of votes shall be elected to serve as the Neighborhood Delegate and the candidate with the second greatest number of votes shall be elected to serve as the alternate Neighborhood Delegate. The Neighborhood Delegate and alternate Neighborhood Delegate shall serve until his or her successor is elected or appointed, as applicable.

(d) Voting by the Neighborhood Delegate. The Neighborhood Delegate or, in his or her absence, the alternate Neighborhood Delegate, shall attend Association meetings and cast all votes allocated to the Lots and Condominium Units in the Neighborhood that he or she represents on any matter as to which such Neighborhood Delegate is entitled to vote under this Master Covenant, including the election of Board members upon the expiration or termination of the Development Period. A Neighborhood Delegate may cast all votes allocated to the Lots and Condominium Units in the Neighborhood in such Neighborhood Delegate's discretion and may, but need not, prior to voting, poll the Owners of Lots and Condominium Units in the Neighborhood which he or she represents. Neither the Neighborhood Delegate nor the alternative Neighborhood Delegate may cast votes allocated to Lots and Condominium Units not owned by such Neighborhood Delegate in the Neighborhood that he or she represents for the purpose of amending this Master Covenant.

(e) Qualification. Candidates for election as the Neighborhood Delegate and alternate Neighborhood Delegate from a Neighborhood shall be Owners of Lots or Condominium Units in the Neighborhood, spouses of such Owners, Occupants of the Neighborhood, or an entity representative where an Owner is an entity.

(f) Removal. Any Neighborhood Delegate or alternate Neighborhood Delegate may be removed, with or without cause, upon the vote or written petition of Owners holding a Majority of the votes allocated to the Lots and Condominium Units in the Neighborhood that the Neighborhood Delegate represents, or by Declarant during the Development Period. If a Neighborhood Delegate is removed in accordance with the foregoing sentence, the alternate Neighborhood Delegate shall serve as the Neighborhood Delegate unless such alternate Neighborhood Delegate is also removed.

(g) Subordination to the Board. Neighborhood Delegates are subordinate to the Board and their responsibility and authority does not extend to policy making, supervising, or otherwise being involved in Association governance.

(h) Running for the Board. An Owner may not simultaneously hold the position of Neighborhood Delegate and be a Board member. In addition, if the Representative System of Voting is established, a Neighborhood Delegate running for the Board shall resign his or her position prior to casting any vote for a candidate running for a position as a Board member (including himself or herself). In the event a Neighborhood Delegate resigns in order to run for a position on the Board, the alternate Neighborhood Delegate shall serve out the rest of the term of the former Neighborhood Delegate, and another alternate Neighborhood Delegate shall be elected by the Owners in the Neighborhood to serve out the term as the successor alternate Neighborhood Delegate.

3.07. Voting Groups. Declarant may designate Voting Groups consisting of one or more Neighborhoods for the purpose of electing Board members. The purpose of Voting Groups is to provide groups with dissimilar interests the opportunity to be represented on the Board and to avoid a situation in which less than all the Neighborhoods are able to elect the entire Board. Voting Groups may be established by Declarant in accordance with this *Section 3.07*, without regard to whether the Representative System of Voting has been implemented by Declarant. If Voting Groups are established and the Representative System of Voting has been implemented, then a Neighborhood Delegate shall only vote on the slate of Board member candidates assigned to the Neighborhood Delegate. If Voting Groups are established and the Representative System of Voting has not been implemented, then each Owner of a Lot or Condominium Unit in a particular Neighborhood shall only vote on the slate of Board member candidates assigned to such Neighborhood.

(a) Voting Group Designation. Declarant shall establish Voting Groups, if at all, not later than the date of expiration or termination of the Development Period, by Recording a written instrument identifying the Neighborhoods within each Voting Group (the "**Voting Group Designation**"). The Voting Group Designation will assign the number of Board members which the Voting Group is entitled to exclusively elect.

(b) Amendment of Voting Group Designation. The Voting Group Designation may be amended unilaterally by Declarant at any time during the Development Period. After expiration or termination of the Development Period, the Board shall have the right to amend a Voting Group Designation upon the vote of a Majority of the Board and approval of a Majority of the Neighborhood Delegates. An amendment to a Voting Group Designation shall not constitute an amendment to this Master Covenant, and no consent or approval to modify the Voting Group Designation shall be required except as stated in this paragraph.

(c) Single Voting Group. Until such time as Voting Groups are established, all of the Development shall constitute a single Voting Group. After a Voting Group Designation is Recorded, any and all portions of the Development which are not assigned to a specific Voting Group shall constitute a single Voting Group.

3.08. Powers. The Association will have the powers of a Texas nonprofit corporation. It will further have the power to do and perform any and all acts that may be necessary or proper, for or incidental to, the exercise of any of the express powers granted to it by Applicable Law or this Master Covenant. Without in any way limiting the generality of the two preceding sentences, the Board, acting on behalf of the Association, will have the following powers at all times:

(a) Rules. To make, establish and promulgate, and in its discretion to amend from time to time, or repeal and reenact, Rules, policies, the Bylaws and the Policy Manual, as applicable, which are not in conflict with this Master Covenant, as it deems proper, covering any and all aspects of the Development (including the operation, maintenance and preservation thereof) or the Association. Any Rules, policies, the Bylaws and the Policy Manual and any modifications thereto, proposed by the Board must be approved in advance and in writing by Declarant until expiration or termination of the Development Period.

(b) Insurance. To obtain and maintain in effect, policies of insurance that, in the opinion of the Board, are reasonably necessary or appropriate to protect the Association and carry out the Association's functions.

(c) Records. To keep books and records of the Association's affairs, and to make such books and records, together with current copies of the Documents available for inspection by the Owners, Mortgagees, and insurers or guarantors of any Mortgage upon request during normal business hours in accordance with Applicable Law.

(d) Assessments. To levy and collect Assessments and to determine Assessment Units, as provided in *Article 5* below.

(e) Right of Entry and Enforcement. To enter at any time without notice in an emergency (or in the case of a non-emergency, after twenty four (24) hours written notice), without being liable to any Owner, upon any Lot or into any Condominium Unit for the purpose of enforcing the Documents or for the purpose of maintaining or repairing any area, Improvement or other facility or removing any item to conform to the Documents. The expense incurred by the Association in connection with the entry upon any Lot or into any Condominium Unit and the removal or maintenance and repair work conducted therefrom, thereon or therein will be a personal obligation of the Owner of the Lot or the Condominium Unit so entered, will be deemed an Individual Assessment against such Lot or Condominium Unit, will be secured by a lien upon such Lot or Condominium Unit, and will be enforced in the same manner and to the same extent as provided in *Article 5* hereof for Assessments. The Association will have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Documents. The Association is also authorized to settle claims, enforce liens, and take all such action as it may deem necessary or expedient to enforce the Documents; provided, however, that the Board will never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, or its successors or assigns. The Association may not alter or demolish any Improvements on any Lot, or in any Condominium Unit, other than Common Area or Special Common Area, in enforcing this Master Covenant, before a judicial order authorizing such action has been obtained by the Association, or before the written consent of the Owner(s) of the affected Lot(s) or Condominium Unit(s) has been obtained. **EACH OWNER AND OCCUPANT HEREBY RELEASES AND HOLDS HARMLESS THE ASSOCIATION, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION 3.08(e) (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF**

THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT TO THE EXTENT SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION RESULTED FROM THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.

(f) Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association.

(g) Conveyances. To grant and convey to any person or entity the real property and/or other interest, including fee title, leasehold estates, easements, rights-of-way or mortgages, out of, in, on, over, or under any Common Area or Special Common Area for the purpose of constructing, erecting, operating or maintaining the following:

- (i) Parks, parkways or other recreational facilities or structures;
- (ii) Roads, streets, sidewalks, signs, street lights, walks, driveways, trails and paths;
- (iii) Lines, cables, wires, conduits, pipelines or other devices for utility purposes;
- (iv) Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines; and/or
- (v) Any similar improvements or facilities.

Until expiration or termination of the Development Period, any grant or conveyance under this *Section 3.08(g)* must be approved in advance and in writing by Declarant. In addition, the Association (with the advance written approval of Declarant during the Development Period) and Declarant are expressly authorized and permitted to convey easements over and across Common Area or Special Common Area for the benefit of property not otherwise subject to the terms and provision of this Master Covenant.

(h) Manager. To retain and pay for the services of a person or firm, which may include Declarant or any affiliate of Declarant (the "**Manager**"), to manage and operate the Association, its real or personal property, including any Common Area or Special Common Area, and/or any Service Area, to the extent deemed advisable by the Board. Additional personnel may be employed directly by the Association or may be furnished by the Manager. To the extent permitted by Applicable Law, the Board may delegate any other duties, powers and functions to the Manager. In addition, the Board may adopt transfer fees, resale certificate fees or any other fees associated with the provision of management services to the Association or its Members. **THE MEMBERS HEREBY RELEASE THE ASSOCIATION AND THE MEMBERS OF THE BOARD FROM LIABILITY FOR ANY OMISSION OR IMPROPER EXERCISE BY THE MANAGER OF ANY SUCH DUTY, POWER OR FUNCTION SO DELEGATED.**

(i) Property Services. To pay for water, sewer, garbage removal, street lights, landscaping, security services, gardening, private or public recreational facilities, easements,

roads, roadways, rights-of-ways, signs, parks, parkways, median strips, sidewalks, paths, trails, ponds, canals, and lakes and all other utilities, services, repair and maintenance for any portion of the Property.

(j) Other Services and Properties. To obtain and pay for any other property and services, and to pay any other taxes or assessments that the Association or the Board is required or permitted to secure or to pay for pursuant to Applicable Law or under the terms of the Documents or as determined by the Board.

(k) Construction on Common Area and Special Common Area. To construct new Improvements or additions to Common Area and Special Common Area, subject to the approval of the Board, or Declarant during the Development Period.

(l) Contracts. To enter into Bulk Rate Contracts or other contracts or licenses with Declarant or any third party on such terms and provisions as the Board will determine, to operate and maintain the Development, any Common Area, Special Common Area, Service Area, Improvement, or other property, or to provide any service, including but not limited to cable, utility, or telecommunication services, or perform any function on behalf of Declarant, the Board, the Association, or the Members. During the Development Period, all Bulk Rate Contracts must be approved in advance and in writing by Declarant.

(m) Property Ownership. To acquire, own and dispose of real or personal property, whether by grant, lease, easement, gift or otherwise. During the Development Period, all acquisitions and dispositions of the Association hereunder must be approved in advance and in writing by Declarant.

(n) Authority with Respect to the Documents. To do any act, thing or deed that is necessary or desirable, in the judgment of the Board, to implement, administer or enforce any of the Documents. Any decision by the Board to delay or defer the exercise of the power and authority granted by this *Section 3.08(n)* will not subsequently in any way limit, impair or affect ability of the Board to exercise such power and authority.

(o) Membership Privileges. To establish Rules governing and limiting the use of the Common Area, Special Common Area, Service Area, and any Improvements thereon. All Rules governing and limiting the use of the Common Area, Special Common Area, Service Area, and any Improvements thereon must be approved in advance and in writing by Declarant during the Development Period.

(p) Relationships with Districts and Tax Exempt Organizations. To create, enter into agreements or contracts with, or grant exclusive and/or non-exclusive easements over the Common Area, Special Common Area, or Service Area to any District or nonprofit, tax-exempt organization, the operation of which confers some benefit upon the Development, the Association, the Members or Occupants. The Association may contribute money, real or personal property, or services to such entity. Any such contribution shall be a common expense to be included in the Assessments levied by the Association and included as a line item in the Association's annual budget. For the purposes of this Section, a "tax-exempt organization" shall mean an entity which is exempt from federal income taxes under the Internal Revenue Code (the "**Code**"), such as, but not limited to, entities which are exempt from federal income taxes

under Sections 501(c)(3) or 501(c)(4), as the Code may be amended from time to time. The Association may maintain multiple-use facilities within the Development and allow use by tax-exempt organizations. Such use may be on a scheduled or "first-come, first-served" basis. A reasonable maintenance and use fee may be charged for the use of such facilities.

3.09. Common Area and Special Common Area. The Association may acquire, hold, maintain, insure and dispose of any interest in tangible and intangible personal property and real property. Declarant, the City or a District may transfer or convey to the Association interests in real or personal property, including the Facilities (as further defined below) within or for the benefit of the Development, or the Development and the general public, and the Association will accept such transfers and conveyances. Such property may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. In addition, Declarant may reserve from any such property easements for the benefit of Declarant, the City, a District, the general public, any third party and/or property not otherwise subject to the terms and provisions of this Master Covenant. Such easements will be accepted by the Association and thereafter will be maintained as Common Area or Special Common Area, as applicable, by the Association for the benefit of the Owners, the Development and/or the general public subject to any restrictions set forth in the deed or other instrument conveying, transferring or assigning such property to the Association. Upon Declarant's written request during the Development Period, the Association will re-convey to Declarant any unimproved real property that Declarant originally conveyed to the Association to the extent conveyed in error or needed to make minor adjustments in property lines, as determined in the sole and absolute discretion of Declarant. Declarant and/or its assignees may construct and maintain upon portions of the Common Area and/or the Special Common Area such facilities and may conduct such activities which, in Declarant's sole opinion, may be required, convenient, or incidental to the construction or sale of Improvements on the Development, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and/or its assignees shall have an easement over and across the Common Area and/or the Special Common Area for access and shall have the right to use such facilities and to conduct such activities at no charge.

3.10. Indemnification. To the fullest extent permitted by Applicable Law but without duplication (and subject to) any rights or benefits arising under the Certificate or Bylaws of the Association, the Association will indemnify any person who was, or is, a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is, or was, a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorneys' fees, reasonably incurred by him or her in connection with such action, suit or proceeding if it is found and determined by the Board or a court of competent jurisdiction that he or she: (a) acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association; or (b) with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of nolo contendere or its equivalent, will not of itself create a presumption that the person did not act in good faith or in a manner which was reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

3.11. Insurance. The Board may purchase and maintain, at the expense of the Association, insurance on behalf of any person who is acting as a director, officer, committee member, employee,

servant or agent of the Association against any liability asserted against such person or incurred by such person in their capacity as an director, officer, committee member, employee, servant or agent of the Association, or arising out of the person's status as such, whether or not the Association would have the power to indemnify the person against such liability or otherwise.

3.12. Bulk Rate Contracts. Without limitation on the generality of the Association powers set out in *Section 3.08* hereinabove (except that during the Development Period, all Bulk Rate Contracts must be approved in advance and in writing by Declarant), the Association will have the power to enter into Bulk Rate Contracts at any time and from time to time. The Association may enter into Bulk Rate Contracts with any service providers chosen by the Board (including Declarant, and/or any entities in which Declarant, or the owners or partners of Declarant are the owners or participants, directly or indirectly). The Bulk Rate Contracts may be entered into on such terms and provisions as the Board may determine in its sole and absolute discretion. The Association may, at its option and election add the charges payable by such Owner under such Bulk Rate Contract to the Assessments (Regular, Special, Service Area, Special Common Area, or Individual, as the case may be) against such Owner's Lot or Condominium Unit. In this regard, it is agreed and understood that, if any Owner fails to pay any charges due by such Owner under the terms of any Bulk Rate Contract, then the Association will be entitled to collect such charges by exercising the same rights and remedies it would be entitled to exercise under this Master Covenant with respect to the failure by such Owner to pay Assessments, including without limitation the right to foreclose the lien against such Owner's Lot or Condominium Unit which is reserved under the terms and provisions of this Master Covenant. In addition, in the event of nonpayment by any Owner of any charges due under any Bulk Rate Contract and after the lapse of at least twelve (12) days since such charges were due, the Association may, upon five (5) days' prior written notice to such Owner (which may run concurrently with such 12-day period), in addition to all other rights and remedies available at law, equity or otherwise, terminate, in such manner as the Board deems appropriate, any utility service or other service provided at the cost of the Association and not paid for by such Owner (or Occupant of such Owner's Lot or Condominium Unit) directly to the applicable service or utility provider. Such notice will consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of termination, with the title "termination notice" or similar language prominently displayed on the notice. The notice will include the office or street address where the Owner (or Occupant of such Owner's Lot or Condominium Unit) can make arrangements for payment of the bill and for re-connection or re-institution of service. No utility or cable television service will be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services.

3.13. Community Services and Systems. Declarant, or any affiliate of Declarant with Declarant's consent, during the Development Period, and the Board, with Declarant's consent during the Development Period, is specifically authorized, but not required, to install, provide, maintain and furnish, or to enter into contracts with other persons to install, provide, maintain and furnish, central telecommunication receiving and distribution systems (e.g., cable television, high speed data/Internet/intranet services, and security monitoring) and related components, including associated infrastructure, equipment, hardware, and software, to serve all or any portion of the Development ("Community Services and Systems"). The Community Services and Systems, including any fees or royalties paid or revenue generated therefrom, shall be the property of Declarant unless transferred by Declarant, whereupon any proceeds of such transfer shall belong to Declarant and neither the Association nor any Owner shall have any interest therein. Declarant shall have the right but not the obligation to convey, transfer, sell or assign all or any portion of the Community Services and Systems or

all or any portion of the rights, duties or obligations with respect thereto, to the Association or to any individual or entity. Any or all of the Community Services and Systems may be provided either: (a) directly through the Association and paid for by the Owners as part of the Assessments; or (b) directly by Declarant, any affiliate of Declarant, or a third party, to the Owner who receives any or all of the Community Services and Systems. In the event Declarant, or any affiliate of Declarant, elects to provide any of the Community Services and Systems to all or any portion of the Development, Declarant, or affiliate of Declarant, may enter into an agreement with the Association with respect to the Community Services and Systems provided. In the event Declarant, or any affiliate of Declarant, enters into a contract with a third party for the provision any Community Services and Systems to serve all or any portion of the Development, Declarant, or the affiliate of Declarant, may assign any or all of the rights or obligations of Declarant, or the affiliate of Declarant, under such contract to the Association or any individual or entity. Any such contracts may provide for installation, operation, management, maintenance, and upgrades or modifications to the Community Services and Systems as Declarant or the Board, as applicable, determines appropriate. Each Owner acknowledges that interruptions in Community Services and Systems will occur from time to time. Declarant and the Association, or any of their respective affiliates, board members, officers, employees and agents, or any of their successors or assigns shall not be liable for, and no Community Services and Systems user shall be entitled to any refund, rebate, discount, or offset in applicable fees for, any interruption in Community Services and Systems, regardless of whether or not such interruption is caused by reasons within the service provider's control. The rights of Declarant with respect to the Community Services and Systems installed by Declarant and the services provided through such Community Services and Systems are exclusive, and no other person may provide such services through the Community Services and Systems installed by Declarant without the prior written consent of Declarant.

3.14. Protection of Declarant's Interests. Despite any assumption of control of the Board by Owners other than Declarant, until the expiration or termination of the Development Period, the Board is prohibited from taking any action which would discriminate against Declarant, or which would be detrimental to the sale of Lots or Condominium Units owned by Declarant. Declarant shall be entitled to determine, in its sole and absolute discretion, whether any such action discriminates or is detrimental to Declarant. Unless otherwise agreed to in advance and in writing by Declarant, the Board will be required to continue the same level and quality of maintenance, operations and services as that provided immediately prior to assumption of control of the Board by Owners other than Declarant until the expiration or termination of the Development Period.

3.15. Administration of Common Area, Special Common Area, or Service Area. The administration of the Common Area, Special Common Area, and Service Area by the Association shall be in accordance with the provisions of Applicable Law and the Documents, and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently required by any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans (including, for example, the Federal Home Loan Mortgage Corporation) designated by Declarant or by any public agency or District having regulatory jurisdiction over the Common Area, Special Common Area, or Service Area, or by any title insurance company selected by Declarant to insure title to any portion of such areas.

ARTICLE 4
INSURANCE

4.01. Insurance. Each Owner will be required to purchase and maintain commercially standard insurance on the Improvements located upon such Owner's Lot or Condominium Unit. The Association will not maintain insurance on the Improvements constructed upon any Lot or Condominium Unit. The Association may, however, obtain such other insurance as it may deem necessary, including but not limited to such policies of liability and property damage insurance as the Board, in its discretion, may deem necessary. Insurance premiums for such policies will be a common expense to be included in the Assessments levied by the Association. The acquisition of insurance by the Association will be without prejudice to the right and obligation of any Owner to obtain additional individual insurance.

ARE YOU COVERED?

The Association will not provide insurance which covers an Owner's Lot, a Condominium Unit, or any Improvements or personal property located on a Lot or within a Condominium Unit.

4.02. Restoration Requirements. In the event of any fire or other casualty, the Owner will either: (a) unless otherwise approved by the La Cima Reviewer, promptly commence the repair, restoration and replacement of any damaged or destroyed Improvements to the same exterior condition which existed prior to the damage or destruction thereof, within one hundred and eighty (180) days after the occurrence of such damage or destruction, and thereafter prosecute the same to completion; or (b) in the case of substantial or total damage or destruction of any Improvement, remove all such damaged Improvements and debris from the Development within sixty (60) days after the occurrence of such damage or destruction. Unless otherwise approved by the La Cima Reviewer, any repair, restoration or replacement will be commenced and completed in a good and workmanlike manner using exterior materials substantially the same as those originally used in the Improvements which have been damaged or destroyed, as determined by the La Cima Reviewer, in its sole and absolute discretion. To the extent that the Owner fails to commence repair, restoration, replacement, or the removal of debris, within the time period required in this Section 4.02, the Association may commence, complete or effect such repair, restoration, replacement or clean up, and the costs incurred by the Association will be levied as an Individual Assessment against such Owner's Lot or Condominium Unit; provided, however, that if the Owner is prohibited or delayed by Applicable Law from commencing such repair, restoration, replacement or clean-up, the rights of the Association under this provision will not arise until the expiration of thirty (30) days after such prohibition or delay is removed. If the Owner fails to pay such cost upon demand by the Association, the cost thereof (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, than at the rate of one and one half percent (1.5%) per month) will be levied as an Individual Assessment chargeable to the Owner's Lot or Condominium Unit. EACH OWNER HEREBY INDEMNIFIES, RELEASES, AND HOLDS HARMLESS THE ASSOCIATION, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION 4.02, EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR COST OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.

4.03. Restoration - Mechanic's and Materialmen's Lien. Each Owner whose structure is repaired, restored, replaced or cleaned-up by the Association pursuant to the rights granted under this *Article 4*, hereby grants to the Association an express mechanic's and materialmen's lien for the reasonable cost of such repair, restoration, replacement or clean-up of the damaged or destroyed Improvement to the extent that the cost of such repair, restoration, replacement, or clean-up exceeds any insurance proceeds allocable to such repair, restoration, replacement, or clean-up which are delivered to the Association. Upon request by the Board, and before the commencement of any reconstruction, repair, restoration, replacement, or clean-up such Owner will execute all documents sufficient to effectuate such mechanic's and materialmen's lien in favor of the Association.

ARTICLE 5
COVENANT FOR ASSESSMENTS

5.01. Assessments.

(a) **Established by Board.** Assessments established by the Board pursuant to the provisions of this *Article 5* will be levied against each Lot and Condominium Unit in amounts determined pursuant to *Section 5.09* below. The total amount of Assessments will be determined by the Board in accordance with the terms of this *Article 5*.

(b) **Personal Obligation; Lien.** Each Assessment, together with such interest thereon and costs of collection as hereinafter provided, will be the personal obligation of the Owner of the Lot or Condominium Unit against which the Assessment is levied and will be secured by a lien hereby granted and conveyed by Declarant to the Association against each such Lot and all Improvements thereon or each such Condominium Unit (such lien, with respect to any Lot or Condominium Unit not in existence on the date hereof, will be deemed granted and conveyed at the time that such Lot or Condominium Unit is created). The Association may enforce payment of such Assessments in accordance with the provisions of this Article. Unless the Association elects otherwise (which election may be made at any time), each residential condominium association established by a condominium regime imposed upon all or a portion of the Development Area will collect all Assessments levied pursuant to this Master Covenant from Condominium Unit Owners within such condominium regime. The condominium association will promptly remit all Assessments collected from Condominium Unit Owners to the Association. If the condominium association fails to timely collect any portion of the Assessments due from the Owner of the Condominium Unit, then the Association may collect such Assessments allocated to the Condominium Unit on its own behalf and enforce its lien against the Condominium Unit without joinder of the condominium association. The condominium association's right to collect Assessments on behalf of the Association is a license from the Association which may be revoked by written instrument at any time, and from time to time, at the sole and absolute discretion of the Board.

(c) **Declarant Subsidy.** Declarant may, but is not obligated to, reduce Assessments which would otherwise be levied against Lots and Condominium Units for any fiscal year by the payment of a subsidy to the Association. Any subsidy paid to the Association by Declarant may be treated as a contribution or a loan, in Declarant's sole and absolute discretion. The payment of a subsidy in any given year will not obligate Declarant to continue payment of a subsidy to the Association in future years.

5.02. Maintenance Fund. The Board will establish a maintenance fund into which will be deposited all monies paid to the Association and from which disbursements will be made in performing the functions of the Association under this Master Covenant. The funds of the Association may be used for any purpose authorized by the Documents and Applicable Law.

5.03. Regular Assessments. Prior to the beginning of each fiscal year, the Board will prepare a budget to establish the estimated net expenses of the Association (the "**Annual Budget**") by setting forth: (a) an estimate of expenses to be incurred by the Association during such year in performing its functions and exercising its powers under this Master Covenant, including, but not limited to, the cost of all management, repair and maintenance, the cost of providing street and other lighting, the cost of administering and enforcing the Documents; and (b) an estimate of the amount needed to maintain a reasonable provision for contingencies and an appropriate replacement reserve; and which excludes (c) the operation, maintenance, repair and management costs and expenses associated with any Service Area and Special Common Area. Regular Assessments shall be set at such a level which is sufficient to fund the estimated net expenses of the Association as reflected on the Annual Budget, as determined by the Board in its sole and absolute discretion, and such amount shall thereafter be levied against each Lot and Condominium Unit. The Board's determination as to the amount of the Regular Assessments to be levied will be final and binding. If the sums collected prove inadequate for any reason, including nonpayment of any Assessment by an Owner, the Association may at any time, and from time to time, levy further Regular Assessments in the same manner. All such Regular Assessments will be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments on or before the first day of each month, or in such other manner as the Board may designate in its sole and absolute discretion.

5.04. Special Assessments. In addition to the Regular Assessments provided for above, the Board may levy Special Assessments whenever, in the Board's sole discretion, such Special Assessments are necessary to enable the Board to carry out the functions of the Association under the Documents. The amount of any Special Assessments will be at the sole discretion of the Board. In addition to the Special Assessments authorized above, the Association may, in any fiscal year, levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area or Special Common Area. Any Special Assessment levied by the Association for the purpose of defraying, in whole or in part, costs of any construction, reconstruction, repair or replacement of capital improvement upon the Common Area will be levied against all Owners based on Assessment Units. Any Special Assessments levied by the Association for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon any Special Common Area will be levied against all Owners who have been assigned the obligation to pay Special Common Area Assessments based on Assessment Units. All Special Assessments will be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments on or before the first day of each month, or in such other manner as the Board may designate in its sole and absolute discretion.

5.05. Special Common Area Assessments. Prior to the beginning of each fiscal year, the Board will prepare a separate budget estimating the Special Common Area Assessments which will be needed to cover estimated expenses to be incurred by the Association to operate, maintain, repair, or manage any Special Common Area (the "**Special Common Area Budget**"). The Special Common Area Budget will be an estimate of the amount needed to operate, maintain, repair and manage such Special Common Area including a reasonable provision for contingencies and an appropriate replacement

reserve. The level of Special Common Area Assessments will be set by the Board in its sole and absolute discretion, and the Board's determination will be final and binding. If the sums collected prove inadequate for any reason, including non-payment of any Assessment by an Owner, the Association may at any time, and from time to time, levy further Special Common Area Assessments in the same manner as aforesaid. All such Special Common Area Assessments will be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments on or before the first day of each month, or in such other manner as the Board may designate in its sole discretion.

5.06. Service Area Assessments. Prior to the beginning of each fiscal year, the Board will prepare a separate budget for each Service Area reflecting the estimated Service Area Expenses to be incurred by the Association in the coming year. The total amount of Service Area Assessments will be allocated either: (a) equally among Lots or Condominium Units within the Service Area; (b) based on Assessment Units assigned to Lots or Condominium Units within the Service Area; or (c) based on the benefit received among all Lots and Condominium Units in the benefited Service Area. All amounts that the Association collects as Service Area Assessments will be expended solely for the benefit of the Service Area for which they were collected and will be accounted for separately from the Association's general fund.

5.07. Individual Assessments. In addition to any other Assessments, the Board may levy an Individual Assessment against an Owner's Lot or Condominium Unit, which may include, but is not limited to: (a) interest, late charges, and collection costs on delinquent Assessments; (b) reimbursement for costs incurred in bringing an Owner or the Owner's Lot or Condominium Unit into compliance with the Documents; (c) fines for violations of the Documents; (d) transfer-related fees and resale certificate fees; (e) fees for estoppel letters and project documents; (f) insurance deductibles; (g) reimbursement for damage or waste caused by willful or negligent acts of the Owner, the Owner's guests, invitees or Occupants of the Owner's Lot or Condominium Unit; (h) common expenses that benefit fewer than all of the Lots or Condominium Units, which may be assessed according to benefit received; and (i) fees or charges levied against the Association on a per-Lot or per-Condominium Unit basis.

5.08. Working Capital Assessment. Each Owner (other than Declarant) will pay a one-time Working Capital Assessment to the Association in such amount, if any, as may be determined by Declarant during the Development Period, and by the Board thereafter. The Working Capital Assessment hereunder will be due and payable to the Association immediately upon each transfer of title to a Lot or Condominium Unit, including upon transfer of title from one Owner of such Lot or Condominium Unit to any subsequent purchaser or transferee thereof. Such Working Capital Assessment need not be uniform among all Lots or Condominium Units, and Declarant or the Board, as applicable, is expressly authorized to levy Working Capital Assessments of varying amounts depending on the size, use and general character of the Lots or Condominium Units then being made subject to such levy. The Association may use the Working Capital Assessments to discharge operating expenses. The levy of any Working Capital Assessment will be effective only upon the Recordation of a written notice, signed by Declarant or a duly authorized officer of the Board, as applicable, setting forth the amount of the Working Capital Assessment and the Lot(s) or Condominium Unit(s) to which it applies.

Notwithstanding the foregoing provision, the following transfers will not be subject to the Working Capital Assessment: (a) foreclosure of a deed of trust lien, tax lien, or the Association's Assessment lien; (b) transfer to, from, or by the Association; or (c) voluntary transfer by an Owner to one or more co-Owners, or to the Owner's spouse, child, or parent. Additionally, an Owner who is a

Homebuilder or a Residential Developer will not be subject to the Working Capital Assessment; however, the Working Capital Assessment will be payable by any Owner who acquires a Lot or Condominium Unit from a Homebuilder or Residential Developer for residential living purposes or by any Owner who: (y) acquires a Lot or Condominium Unit and is not in the business of constructing single-family residences for resale to a third party; or (z) who acquires the Lot or Condominium Unit for any purpose other than constructing a single-family residence thereon for resale to a third party. In the event of any dispute regarding the application of the Working Capital Assessment to a particular Owner, Declarant during the Development Period, or the Board thereafter, will determine application of an exemption in its sole and absolute discretion. The Working Capital Assessment will be in addition to, and not in lieu of, any other Assessments levied in accordance with this *Article 5* and will not be considered an advance payment of such Assessments. Declarant during the Development Period, and the Board thereafter, will have the power to waive the payment of any Working Capital Assessment attributable to any or all Lots or Condominium Units by the Recordation of a waiver notice or in the Notice of Annexation, which waiver may be temporary or permanent.

5.09. Amount of Assessment.

(a) Assessments to be Levied. The Board will levy Assessments against each Assessment Unit (as defined in *Section 5.09(b)* below). Unless otherwise provided in this Master Covenant, Assessments levied pursuant to *Section 5.03* and *Section 5.04* will be levied uniformly against each Assessment Unit. Special Common Area Assessments levied pursuant to *Section 5.05* will be levied uniformly against each Assessment Unit allocated to a Lot or Condominium Unit that has been assigned the obligation to pay Special Common Area Assessments for specified Special Common Area. Service Area Assessments levied pursuant to *Section 5.06* will be levied either: (i) equally among Lots or Condominium Units within the Service Area; (ii) based on Assessment Units assigned to Lots or Condominium Units within the Service Area; or (iii) based on the benefit received among all Lots and Condominium Units in the Service Area.

(b) Assessment Unit. Each Residential Lot will constitute one (1) Assessment Unit unless otherwise provided in *Section 5.09(c)*. Each Commercial Lot and Condominium Unit will be allocated that number of Assessment Units set forth in the Notice of Annexation attributable to such Commercial Lot or Condominium Unit. Declarant will determine such Assessment Units in its sole and absolute discretion. Declarant's determination regarding the number of Assessment Units applicable to each Commercial Lot or Condominium Unit will be final, binding and conclusive. The Notice of Annexation may include a provision with an alternative Assessment Unit allocation in the event all or a portion of a Commercial Lot is submitted to the condominium form of ownership. Declarant, in its sole and absolute discretion, or the Board after the expiration or termination of the Development Period, may modify and amend (which modification and amendment may be effected after Declarant's conveyance of any Commercial Lot or Condominium Unit to any person not affiliated with Declarant) the number of Assessment Units previously assigned to a Commercial Lot or Condominium Unit if the actual use of the Commercial Lot or Condominium Unit or Improvements actually constructed on the Commercial Lot or Condominium Unit differ from the anticipated use of the Commercial Lot or Condominium Unit or Improvements contemplated to be constructed thereon at the time of Recording of the Notice of Annexation. In the event of a modification to the Assessment Units allocated to a Commercial Lot or Condominium Unit, Declarant or the Board, as applicable, will

Record an amended Notice of Annexation setting forth the revised allocation of Assessment Units attributable to the Commercial Lot or Condominium Unit.

(c) Residential Assessment Allocation. Declarant, in Declarant's sole and absolute discretion, may elect to allocate more than one Assessment Unit to a Residential Lot. An allocation of more than one Assessment Unit to a Residential Lot must be made in a Notice of Annexation. Declarant's determination regarding the number of Assessment Units applicable to a Residential Lot pursuant to this *Section 5.09(c)* will be final, binding and conclusive.

(d) Declarant Exemption. Notwithstanding anything in this Master Covenant to the contrary, no Assessments will be levied upon Lots or Condominium Units owned by Declarant.

(e) Other Exemptions. Declarant may, in its sole discretion, elect to: (i) exempt any un-platted or unimproved portion of the Development, or any Lot or Condominium Unit from Assessments; (ii) delay the levy of Assessments against any un-platted, unimproved or improved portion of the Development, or any Lot or Condominium Unit; or (iii) reduce the levy of Assessments against any un-platted, unimproved or improved portion of the Development, or any Lot or Condominium Unit. In the event Declarant elects to delay or reduce Assessments pursuant to this Section, the duration of the delay or the amount of the reduction will be set forth in a Recorded written instrument. Declarant may terminate, extend or modify any delay or reduction set forth in a previously Recorded instrument by the Recordation of a replacement instrument. Declarant or the Board may also exempt any portion of the Property which is dedicated and accepted by public authority from Assessments.

5.10. Late Charges. If any Assessment is not paid by the due date applicable thereto, the Owner responsible for the payment thereof may be required by the Board, at the Board's election at any time and from time to time, to pay a late charge in such amount as the Board may designate, and the late charge (and any reasonable handling costs) will be a charge upon the Lot or Condominium Unit owned by such Owner, collectible in the manner as provided for collection of Assessments, including foreclosure of the lien against such Lot or Condominium Unit; provided, however, such charge will never exceed the maximum charge permitted under Applicable Law.

5.11. Owner's Personal Obligation for Payment of Assessments. Assessments levied as provided for herein will be the personal and individual debt of the Owner of the Lot or Condominium Unit against which such Assessments are levied. No Owner may exempt himself or herself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Lot or Condominium Unit will be obligated to pay interest on the amount of the Assessment at the highest rate allowed by Applicable Laws (including usury laws) on the amount of the Assessment from the due date thereof (or if there is no such highest rate, then at the rate of 1.5% per month), together with all costs and expenses of collection, including reasonable attorney's fees.

5.12. Assessment Lien and Foreclosure. The payment of all sums assessed in the manner provided in this *Article 5* is, together with late charges as provided in *Section 5.10* and interest as provided in *Section 5.11* and all costs of collection, including attorney's fees, are secured by the continuing Assessment lien granted to the Association pursuant to *Section 5.01(b)* above, and will bind each Lot and Condominium Unit in the hands of the Owner thereof, and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien will be superior to all other liens and charges against such Lot or Condominium Unit, except only for (i) tax and governmental assessment

liens; (ii) all sums secured by a Recorded first mortgage lien or Recorded first deed of trust lien, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot or Condominium Unit in question; and (iii) home equity loans or home equity lines of credit which are secured by a second mortgage lien or Recorded second deed of trust lien; provided that, in the case of subparagraphs (ii) and (iii) above, such Mortgage was Recorded, before the delinquent Assessment was due. The Association will have the power to subordinate the aforesaid Assessment lien to any other lien. Such power will be entirely discretionary with the Board, and such subordination may be signed by an authorized officer of the Association. The Association may, at its option and without prejudice to the priority or enforceability of the Assessment lien granted hereunder, prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot or Condominium Unit covered by such lien and a description of the Lot or Condominium Unit. Such notice may be signed by an authorized officer of the Association and will be Recorded. Each Owner, by accepting a deed or ownership interest to a Lot or Condominium Unit subject to this Master Covenant will be deemed conclusively to have granted a power of sale to the Association to secure and enforce the Assessment lien granted hereunder. The Assessment liens and rights to foreclosure thereof will be in addition to and not in substitution of any other rights and remedies the Association may have pursuant to Applicable Law and under this Master Covenant, including the rights of the Association to institute suit against such Owner personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien. In any foreclosure proceeding, such Owner will be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association will have the power to bid (in cash or by credit against the amount secured by the lien) on the Lot or Condominium Unit at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any Mortgagee, the Association will report to said Mortgagee any unpaid Assessments remaining unpaid for longer than sixty (60) days after the same are due. The lien hereunder will not be affected by the sale or transfer of any Lot or Condominium Unit; except, however, that in the event of foreclosure of any lien superior to the Assessment lien, the lien for any Assessments that were due and payable before the foreclosure sale will be extinguished, provided that past-due Assessments will be paid out of the proceeds of such foreclosure sale only to the extent that funds are available after the satisfaction of the indebtedness secured by the Mortgage. The provisions of the preceding sentence will not, however, relieve any subsequent Owner (including any Mortgagee or other purchaser at a foreclosure sale) from paying Assessments becoming due and payable after the foreclosure sale. Upon payment of all sums secured by a lien of the type described in this *Section 5.12*, the Association will upon the request of the Owner, and at such Owner's cost, execute a release of lien relating to any lien for which written notice has been Recorded as provided above, except in circumstances in which the Association has already foreclosed such lien. Such release may be signed by an authorized officer of the Association and Recorded. In addition to the lien hereby retained, in the event of nonpayment by any Owner of any Assessment and after the lapse of at least twelve (12) days since such payment was due, the Association may, upon five (5) days' prior written notice (which may run concurrently with such 12-day period) to such Owner, in addition to all other rights and remedies available pursuant to Applicable Law, equity or otherwise, terminate, in such manner as the Board deems appropriate, any utility or cable services, provided through the Association and not paid for directly by an Owner or Occupant to the utility or service provider. Such notice will consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of disconnection, with the title "termination notice" or similar language prominently displayed on the notice. The notice will include the office or street address where the Owner or the Occupant can make arrangements for payment of the bill and for reconnection of service. Any utility or cable service will not be disconnected or terminated on a day, or immediately preceding a day, when personnel are not available for the purpose

of collection and reconnecting such services. Except as otherwise provided by Applicable Law, the sale or transfer of a Lot or Condominium Unit will not relieve the Owner of such Lot or Condominium Unit or such Owner's transferee from liability for any Assessments thereafter becoming due or from the lien associated therewith. If an Owner conveys its Lot or Condominium Unit and on the date of such conveyance Assessments against the Lot or Condominium Unit remain unpaid, or said Owner owes other sums or fees under this Master Covenant to the Association, the Owner will pay such amounts to the Association out of the sales price of the Lot or Condominium Unit, and such sums will be paid in preference to any other charges against the Lot or Condominium Unit other than liens superior to the Assessment liens and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot or Condominium Unit which are due and unpaid. The Owner conveying such Lot or Condominium Unit will remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot or Condominium Unit also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the administrative expenses associated with updating the Association's records upon the transfer of a Lot or Condominium Unit to a third party; provided, however, that no administrative transfer fee will be due upon the transfer of a Lot or Condominium Unit from Declarant to a non-Declarant Owner.

5.13. Exempt Property. The following area within the Development will be exempt from the Assessments provided for in this Article:

- (i) All area dedicated and accepted by a District or other public authority or governmental or quasi-governmental entity;
- (ii) The Common Area and the Special Common Area; and
- (iii) Any portion of the Property or Development owned by Declarant.

No portion of the Property will be subject to the terms and provisions of this Master Covenant, and no portion of the Property (or any owner thereof) will be obligated to pay Assessments hereunder unless and until such Property has been made subject to the terms of this Master Covenant by the Recording of a Notice of Annexation in accordance with *Section 9.05* below.

5.14. Fines and Damages Assessment.

(a) **Board Assessment.** The Board may assess fines against an Owner for violations of the Documents which have been committed by an Owner, an Occupant or an Owner's or Occupant's guests, agents or invitees pursuant to the Fine and Enforcement Policy contained in the Policy Manual. Any fine and/or charge for damage levied in accordance with this *Section 5.14* shall be considered an Individual Assessment pursuant to this Master Covenant. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owner. The Board may assess damage charges against an Owner for pecuniary loss to the Association from property damage or destruction of Common Area, Special Common Area, Service Area, or any Improvements caused by the Owner, Occupant, or the Owner's or Occupant's guests, agents, or invitees. The Manager shall have authority to send notices to Owners informing them of the alleged violations and asking the Owners to comply with the Documents, and/or informing the Owners of potential or probable fines or damage Assessments. The Board may from time to time adopt a schedule of fines.

(b) Lien Created. The payment of each fine and/or damage charge levied by the Board against an Owner is, together with interest as provided in *Section 5.11* hereof and all costs of collection, including attorney's fees as herein provided, secured by the lien granted to the Association pursuant to *Section 5.01(b)* of this Master Covenant. Unless otherwise provided in this *Section 5.14*, the fine and/or damage charge shall be considered an Assessment for the purpose of this Article and shall be enforced in accordance with the terms and provisions governing the enforcement of assessments pursuant to this *Article 5*.

ARTICLE 6

LA CIMA REVIEWER

6.01. Architectural Control By Declarant. During the Development Period, neither the Association, the Board, nor a committee appointed by the Association or Board (no matter how the committee is named) may involve itself with the approval of any Improvements. Until expiration of the Development Period, the La Cima Reviewer is Declarant or its designee. No Improvements constructed or caused to be constructed by Declarant will be subject to the terms and provisions of this *Article 6* and are not required to be approved by the La Cima Reviewer.

(a) Declarant's Rights Reserved. Each Owner, by accepting an interest in or title to a Lot or Condominium Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees that during the Development Period no Improvements will be started or progressed without the prior written approval of Declarant, which approval may be granted or withheld at Declarant's sole discretion. In reviewing and acting upon an application for approval, Declarant may act solely in its self-interest and owes no duty to any other person or any organization.

(b) Delegation by Declarant. During the Development Period, Declarant may from time to time, but is not obligated to, designate one or more persons from time to time to act on its behalf and may delegate all or a portion of its reserved rights under this Article to an architectural control committee appointed by the Board or a committee comprised of architects, engineers, or other persons who may or may not be Members of the Association. Any such delegation must be in writing and must specify the scope of delegated responsibilities. Any such delegation is at all times subject to the unilateral rights of Declarant to: (x) revoke such delegation at any time and reassume jurisdiction over the matters previously delegated; and (y) to veto any decision which Declarant in its sole discretion determines to be inappropriate or inadvisable for any reason. Declarant is not responsible for: (i) errors in or omissions from the plans and specifications submitted to Declarant; (ii) supervising construction for the Owner's compliance with approved plans and specifications; or (iii) the compliance of the Owner's plans and specifications with Applicable Law.

6.02. Architectural Control by Association. Unless and until such time as Declarant delegates all or a portion of its reserved rights to the Board, or the Development Period is terminated or expires, the Association has no jurisdiction over architectural matters. On termination or expiration of the Development Period, or earlier if delegated in writing by Declarant, the Association, acting through an architectural control committee (the "**ACC**") will assume jurisdiction over architectural control and will have the powers of the La Cima Reviewer hereunder.

(a) ACC. The ACC will consist of at least three (3) but no more than seven (7) persons appointed by the Board. Members of the ACC serve at the pleasure of the Board and may be removed and replaced at the Board's discretion. At the Board's option, the Board may act as the ACC, in which case all references in the Documents to the ACC will be construed to mean the Board. Members of the ACC need not be Owners or Occupants, and may but need not include architects, engineers, and design professionals whose compensation, if any, may be established from time to time by the Board.

(b) Limits on Liability. The ACC has sole discretion with respect to taste, design, and all standards specified in this Article. The members of the ACC have no liability for the ACC's decisions made in good faith, and which are not arbitrary or capricious. The ACC is not responsible for: (i) errors in or omissions from the plans and specifications submitted to the ACC; (ii) supervising construction for the Owner's compliance with approved plans and specifications; or (iii) the compliance of the Owner's plans and specifications with Applicable Law.

6.03. Prohibition of Construction, Alteration and Improvement.

(a) Construction of Improvements. No Improvements shall be constructed, and no addition, alteration, improvement, installation, modification, redecoration, or reconstruction thereof may occur, unless approved in advance and in writing by the La Cima Reviewer. The La Cima Reviewer has the right but not the duty to evaluate every aspect of construction, landscaping, and property use that may adversely affect the general value or appearance of the Development.

(b) Improvements Not Within Ordinary Public View. Notwithstanding anything to the contrary as set forth above, unless otherwise provided in the Design Guidelines, an Owner shall have the right to modify, alter, repair, decorate, redecorate, or improve the interior of any Improvement located on such Owner's Lot or within such Owner's Condominium Unit, provided that such Improvements and activities are not within Ordinary Public View.

(c) Preliminary Regulatory Approval. If an Owner is required to obtain and is granted a Preliminary Regulatory Approval pursuant to *Section 2.01(c)* above, no Improvements may be constructed in accordance with any permit or approval otherwise granted by the applicable regulatory authority until the Owner has submitted to the La Cima Reviewer a copy of the Regulatory Submission Items approved by the regulatory authority and the La Cima Reviewer issues a written notice to proceed in compliance with such approval (the "Notice to Proceed").

6.04. Architectural Approval.

(a) Submission and Approval of Plans and Specifications. Construction plans and specifications or, when an Owner desires solely to plat, re-subdivide or consolidate Lots or Condominium Units, a proposal for such plat, re-subdivision or consolidation, will be submitted in accordance with the Design Guidelines, if any, or any additional rules adopted by the La Cima Reviewer together with any review fee which is imposed by the La Cima Reviewer in accordance with *Section 6.04(b)*. No plat, re-subdivision or consolidation will be made, nor any Improvement placed or allowed on any Lot or Condominium Unit, until the plans and specifications and the

contractor which the Owner intends to use to construct the proposed Improvement have been approved in writing by the La Cima Reviewer. The La Cima Reviewer reserves the right to adopt preconditions or requirements for the approval of contractors proposed by the Owner to construct the Improvements. The La Cima Reviewer may, in reviewing such plans and specifications consider any information that it deems proper; including, without limitation, any permits, environmental impact statements or percolation tests that may be required by the La Cima Reviewer or any other entity; and harmony of external design and location in relation to surrounding structures, topography, vegetation, and finished grade elevation. The La Cima Reviewer may postpone its review of any plans and specifications submitted for approval pending receipt of any information or material which the La Cima Reviewer, in its sole discretion, may require. Site plans must be approved by the La Cima Reviewer prior to the clearing of any Lot or Condominium Unit, or the construction of any Improvements. The La Cima Reviewer may refuse to approve plans and specifications for proposed Improvements, or for the plat, re subdivision or consolidation of any Lot or Condominium Unit on any grounds that, in the sole and absolute discretion of the La Cima Reviewer, are deemed insufficient, including, but not limited to, purely aesthetic grounds. Notwithstanding any provision to the contrary in this Master Covenant, the La Cima Reviewer may issue an approval to a Homebuilder or a Residential Developer for the construction of Improvements based on the review and approval of plan types and adopt a procedure which differs from the procedures for review and approval otherwise set forth in this Master Covenant.

(b) Design Guidelines. The La Cima Reviewer will have the power, from time to time, to adopt, amend, modify, or supplement the Design Guidelines which may apply to all or any portion of the Development; provided, however, that Declarant will have no obligation to establish Design Guidelines for the Property, the Development, or any portion thereof. In the event of any conflict between the terms and provisions of the Design Guidelines and the terms and provisions of this Master Covenant, the terms and provisions of this Master Covenant will control. In addition, the La Cima Reviewer will have the power and authority to impose a fee for the review of plans, specifications and other documents and information submitted to it pursuant to the terms of this Master Covenant. Such charges will be held by the La Cima Reviewer and used to defray the administrative expenses and any other costs incurred by the La Cima Reviewer in performing its duties hereunder; provided, however, that any excess funds held by the La Cima Reviewer will be distributed to the Association at the end of each calendar year. The La Cima Reviewer will not be required to review any plans until a complete submittal package, as required by this Master Covenant and the Design Guidelines, is assembled and submitted to the La Cima Reviewer. The La Cima Reviewer will have the authority to adopt such additional or alternate procedural and substantive rules and guidelines not in conflict with this Master Covenant (including, without limitation, the imposition of any requirements for a compliance deposit, certificates of compliance or completion relating to any Improvement, and the right to approve in advance any contractor selected for the construction of Improvements), as it may deem necessary or appropriate in connection with the performance of its duties hereunder.

(c) Failure to Act. In the event that any plans and specifications are submitted to the La Cima Reviewer as provided herein, and the La Cima Reviewer fails to either approve or reject such plans and specifications for a period of sixty (60) days following such submission, the plans and specifications will be deemed disapproved.

(d) Variances. The La Cima Reviewer, in its sole and absolute discretion, may grant variances from compliance with any of the provisions of the Documents. All variances must be evidenced in writing and, if Declarant has assigned its rights to the ACC, must be approved by Declarant until expiration or termination of the Development Period, a Majority of the Board, and a Majority of the members of the ACC. Each variance must also be Recorded; provided, however, that failure to Record a variance will not affect the validity thereof or give rise to any claim or cause of action against the La Cima Reviewer, Declarant, the Board or the ACC. If a variance is granted, no violation of any of the provisions of the Documents will be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance will not operate to waive or amend any of the terms and provisions of the Documents for any purpose, except as to the particular Lot or Condominium Unit, or portion thereof, or Improvement thereon or therein, and in the particular instance covered by the variance, and such variance will not be considered to establish a precedent for any future waiver, modification, or amendment of the terms and provisions of the Documents.

(e) Duration of Approval. The approval of the La Cima Reviewer of any final plans and specifications, and any variances granted by the La Cima Reviewer will be valid for a period of one hundred and eighty (180) days only. If construction in accordance with such plans and specifications or variance is not commenced within such one hundred and eighty (180) day period and diligently prosecuted to completion thereafter, the Owner will be required to resubmit such final plans and specifications or request for a variance to the La Cima Reviewer, and the La Cima Reviewer will have the authority to re-evaluate such plans and specifications in accordance with this *Section 6.04(e)* and may, in addition, consider any change in circumstances which may have occurred since the time of the original approval.

(f) No Waiver of Future Approvals. The approval of the La Cima Reviewer to any plans or specifications for any work done or proposed in connection with any matter requiring the approval or consent of the La Cima Reviewer will not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications on any other matter, subsequently or additionally submitted for approval by the same or a different person, nor will such approval or consent be deemed to establish a precedent for future approvals by the La Cima Reviewer.

(g) Non Liability of La Cima Reviewer. NEITHER DECLARANT, THE BOARD, NOR THE LA CIMA REVIEWER WILL BE LIABLE TO ANY OWNER OR TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE LA CIMA REVIEWER'S DUTIES UNDER THIS MASTER COVENANT.

ARTICLE 7

MORTGAGE PROVISIONS

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots or Condominium Units within the Development. The provisions of this Article apply to this Master Covenant and the Bylaws of the Association.

7.01. Notice of Action. An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot or Condominium Unit to which its

Mortgage relates)(thereby becoming an "Eligible Mortgage Holder"), will be entitled to timely written notice of:

(i) Any condemnation loss or any casualty loss which affects a material portion of the Development or which affects any Lot or Condominium Unit on which there is a Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder; or

(ii) Any delinquency in the payment of assessments or charges owed for a Lot or Condominium Unit subject to the Mortgage of such Eligible Mortgage Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Documents relating to such Lot or Condominium Unit or the Owner or Occupant which is not cured within sixty (60) days after notice by the Association to the Owner of such violation; or

(iii) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

7.02. Examination of Books. The Association will permit Mortgagees to examine the books and records of the Association during normal business hours.

7.03. Taxes, Assessments and Charges. All taxes, assessments and charges that may become liens prior to first lien Mortgages under Applicable Law will relate only to the individual Lots or Condominium Units and not to any other portion of the Development.

ARTICLE 8

EASEMENTS AND DISCLOSURES

8.01. Reserved Easements. All dedications, limitations, restrictions and reservations shown on any Plat and all grants and dedications of easements, rights-of-way, restrictions and related rights made by Declarant or any third-party prior to any portion of the Property becoming subject to this Master Covenant are incorporated herein by reference and made a part of this Master Covenant for all purposes as if fully set forth herein, and will be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant. Specifically, and not by way of limitation, the Property is subject to the terms and provisions of the Development Agreement. **EACH OWNER IS ADVISED TO REVIEW THE DEVELOPMENT AGREEMENT TO ENSURE STRICT COMPLIANCE WITH THE TERMS AND PROVISIONS THEREOF.** This Master Covenant is not intended to modify the terms and provisions of the Development Agreement and, to the extent of any conflict between any of the other Documents and the Development Agreement, the terms and provisions of the Development Agreement shall control. Declarant reserves the right to relocate, make changes in, and additions to said dedications, limitations, restrictions, easements, rights-of-way, licenses, leases, encumbrances, reservations and other grants for the purpose of developing the Property and the Development.

8.02. Common Area or Special Common Area Right of Ingress and Egress. Declarant, its agents, employees, successors and designees will have a right of ingress and egress over and the right of access to the Common Area or Special Common Area to the extent necessary to use the Common Area or Special Common Area and the right to such other temporary uses of the Common Area or Special

Common Area as may be required or reasonably desirable (as determined by Declarant in its sole discretion) in connection with construction and development of the Property or the Development.

8.03. Bulk Rate Services; Community Services and Systems Easement. The Development shall be subject to a perpetual non-exclusive easement for the installation, maintenance and repair, including the right to read meters, service or repair lines and equipment, and to do everything and anything necessary to properly install, provide, maintain and furnish Community Services and Systems and the facilities pertinent and necessary to the same, and provide and maintain services available through any Bulk Rate Contract, which easement shall run in favor of Declarant and the Association.

8.04. Roadway and Utility Easements. Declarant hereby reserves for itself and the Association, as well as its successors and assigns, a perpetual, non-exclusive easement over and across the Development for: (a) the installation, operation and maintenance of utilities and associated infrastructure to serve the Development, the Property, and any other property owned by Declarant; (b) the installation, operation and maintenance of cable lines and associated infrastructure for sending and receiving data and/or other electronic signals, security and similar services to serve the Development, the Property, and any other property owned by Declarant; (c) the installation, operation and maintenance of, walkways, pathways and trails, drainage systems, street lights and signage to serve the Development, the Property, and any other property owned by Declarant; and (d) the installation, location, relocation, construction, erection and maintenance of any streets, roadways, or other areas to serve the Development, the Property, and any other property owned by Declarant. Declarant will be entitled to unilaterally assign the easements reserved hereunder to any third party who owns, operates or maintains the facilities and Improvements described in (a) through (d) of this *Section 8.04*. In addition, Declarant may designate all or any portion of the easements or facilities constructed therein as Common Area, Special Common Area, or a Service Area.

8.05. Subdivision Entry and Fencing Easement. Declarant reserves for itself and the Association, a perpetual, non-exclusive easement over and across the Development for the installation, maintenance, repair or replacement of fencing and subdivision entry facilities which serve the Development, the Property, and any other property owned by Declarant. Declarant will have the right, from time to time, to Record a written notice which identifies the fencing and/or subdivision entry facilities to which the easement reserved hereunder applies. Declarant may designate all or any portion of the fencing and/or subdivision entry facilities as Common Area, Special Common Area, or a Service Area.

8.06. Landscape, Monumentation and Signage Easement. Declarant hereby reserves a perpetual, non-exclusive easement over and across the Development for the installation, maintenance, repair or replacement of landscaping, monumentation and signage which serves the Development, the Property, and any other property owned by Declarant. Declarant will have the right, from time to time, to Record a written notice which identifies the landscaping, monumentation, or signage to which the easement reserved hereunder applies. Declarant may designate all or any portion of the landscaping, monumentation, or signage as Common Area, Special Common Area, or a Service Area.

8.07. Easement for Maintenance of Drainage Facilities. From time to time, Declarant may impress upon certain portions of the Development, the Property, and any other property owned by Declarant, easements for the inspection, monitoring, operation, maintenance, replacement, upgrade and repair, as applicable, of other drainage facilities that convey and receive stormwater runoff as set

forth in one or more declarations, agreements or other written instruments as the same shall be recorded in the Official Public Records of Hays County, Texas.

8.08. Shared Amenities and Reciprocal Easements. Certain portions of the Property or adjacent or nearby land (the "Other Development") may be developed for commercial uses and made subject to a separate commercial covenant and governed by a separate set of covenants, conditions, restrictions, limitations, and/or easements regarding commercial uses which may also be governed by a separate commercial property owners association (the "Other Association"). The owners within the Other Development, the members of the Other Association, and/or the Other Association (the "Other Beneficiaries") may share certain facilities and amenities, including roadways, parkland, drainage improvements, signage, monumentation, open space and/or landscaping (the "Shared Facilities and Amenities") with the Members and the Association. Declarant reserves the right to grant and convey easements to the Other Beneficiaries over and across Common Area or any portion of the Development which may be necessary or required for the Other Beneficiaries to utilize and/or maintain the Shared Facilities and Amenities; provided, however, that such easements may in no event unreasonably interfere with use of the Development or the Owner(s) thereof. Declarant reserves the right to (a) grant the Other Beneficiaries the right to access and/or use the Shared Facilities and Amenities, as applicable, located within the Development; (b) obligate the Other Beneficiaries to participate in performing the maintenance of the Shared Facilities and Amenities; (c) require the Other Beneficiaries to share in the expenses associated with the use and maintenance of the Shared Facilities and Amenities; and (d) enter into with the Other Beneficiaries or cause the Association to enter into an agreement with the Other Beneficiaries (i) to govern the rights and responsibilities of the Members, the Association, and the Other Association in regard to use and maintenance of the Shared Facilities and Amenities, (ii) to allocate costs for the operation, maintenance and reserves for the Shared Facilities and Amenities and (iii) to grant reciprocal easements for the access, use, and maintenance of the Shared Facilities and Amenities (the "Cost and Use Sharing Agreement"). Each Owner, by accepting an interest in or title to a Lot or Condominium Unit, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay any fee allocated under the Cost and Use Sharing Agreement to the Association as an Assessment to be levied and secured by a continuing lien on the Lot or Condominium Unit in the same manner as any other Assessment and Assessment lien arising under Article 5 of this Master Covenant.

8.09. Easement for Special Events. Declarant reserves for itself and the Association, and their successors, assigns, and designees, a perpetual, nonexclusive easement over the Common Area and Special Common Area, for the purpose of conducting educational, cultural, artistic, musical and entertainment activities, and other activities of general community interest at such locations and times as Declarant or the Association, in their reasonable discretion, deem appropriate. Members of the public may have access to such events. Each Owner, by accepting a deed or other instrument conveying any interest in a Lot or Condominium Unit subject to this Master Covenant acknowledges and agrees that the exercise of this easement may result in a temporary increase in traffic, noise, gathering of crowds, and related inconveniences, and each Owner agrees on behalf of itself and any Occupants to take no action, legal or otherwise, which would interfere with the exercise of such easement

8.10. Drainage, Detention and Water Quality Facilities Easement. Portions of the Development may include one or more water quality facilities, sedimentation, drainage and detention facilities, or ponds or related improvements, which serve all or a portion of the Development, the Property, or additional land (collectively, the "Facilities"). Declarant hereby reserves a perpetual, non-exclusive easement over and across the Development for the installation, maintenance, repair, or

replacement of the Facilities (the "**Facilities Easement**"). Declarant may designate the Facilities as Common Area or Special Common Area by Recording a written notice identifying the particular Facilities and shall describe the Facilities Easement reserved herein. Declarant may also dedicate all or a portion of the Facilities to the City or to a District or other governmental or quasi-governmental authority (which may include a designation of or retention of maintenance responsibilities to or by the Association), or convey or transfer or cause to be conveyed or transfer all or any portion of the Facilities to the Association to be maintained or and otherwise held as Common Area, Special Common Area, or a Service Area for the benefit of the Development, the Owners and/or the general public. If the Facilities are designated, dedicated, or conveyed or transferred, or if maintenance responsibility is reserved for or by the Association, the Association shall maintain and operate the Facilities in accordance with Applicable Law and the Development Agreement, and in accordance with any requirements of the City, any applicable District or other governmental or quasi-governmental authority to which the Facilities have been dedicated.

8.11. View or Privacy Impairment. Neither Declarant, the La Cima Reviewer, the ACC, nor the Association guarantee or represent that any view over and across the Lots, Condominium Units, Common Area, Special Common Area, or any open space within the Development will be preserved without impairment. Declarant, the La Cima Reviewer, the ACC, and the Association shall have no obligation to relocate, prune, or thin trees or other landscaping. The Association (with respect to any Common Area or Special Common Area) will have the right to add trees and other landscaping from time to time, subject to Applicable Law. There shall be no express or implied easements for view purposes or for the passage of light and air. Neither Declarant, the La Cima Reviewer, the ACC, nor the Association guarantee, warrant, or represent that any trees or vegetation or other screening contributing towards the privacy of a Lot, Condominium Unit, Common Area, Special Common Area, or open space within the Development will be preserved without impairment. Declarant, the La Cima Reviewer, the ACC, and the Association shall have no obligation to replace, repair, or add any trees, vegetation, or other Improvements that are removed as a result of any maintenance performed by the Association. Neither Declarant, the La Cima Reviewer, the ACC, nor the Association shall be liable to any Owner or Occupant for any damages sustained by an Owner or Occupant resulting from any maintenance performed by the Association.

8.12. Safety and Security. Each Owner and Occupant of a Lot or Condominium Unit, and his or her respective guests and invitees, shall be responsible for his or her own personal safety and the security of their property in the Development. The Association may, but shall not be obligated to, maintain or support certain activities within the Development designed to promote or enhance the level of safety or security which each person provides for himself or herself and his or her property. However, neither the Association nor Declarant shall in any way be considered insurers or guarantors of safety or security within the Development, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to the Development, cannot be compromised or circumvented; or that any such system or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing any Occupants of such Owner's Lot or Condominium Unit that the Association, its Board and committees, and Declarant are not insurers or guarantors of security or safety and that each person within the Development assumes all risks of

personal injury and loss or damage to property, including any Improvements constructed upon any Lot or Condominium Unit and the contents thereof, resulting from acts of third parties.

8.13. Public Use Improvements. Certain Improvements, physical assets, and areas within the Property will be open for the use and enjoyment of the public and may include, by way of example, greenbelts, trails and paths, parks, roads, sidewalks and medians.

8.14. Development Agreement. The Property and the Development is subject to the terms and provisions of the Development Agreement, which may be subject to future modifications or additions from time to time. Acceptance of an interest in or title to a Lot or Condominium Unit located within the Development, whether or not it is so expressed in the instrument of conveyance, shall constitute acquiescence by the Owner of such Lot or Condominium Unit to the applicability of the Development Agreement, and any such future modifications or additions thereto as may be approved from time to time by the City.

8.15. Stormwater Runoff. From time to time, Declarant may grant easements to a District, the City and/or the Owners for the inspection, monitoring, operation, maintenance, replacement, upgrade, or repair of the Facilities or certain other drainage facilities that may be constructed in order to convey and receive stormwater runoff from and to the Property. From time to time, Declarant may impress upon certain portions of the Development, the Property, and any other property owned by Declarant, additional easements for the inspection, monitoring, operation, maintenance, replacement, upgrade, or repair of other drainage facilities that convey and receive stormwater runoff from and to the Development, the Property, and any other property owned by Declarant, as set forth in one or more declarations, agreements, or other Recorded written instruments.

8.16. Karst Feature Disclosure. There may be one or more karst-features, including caves, located adjacent to, within and/or underneath portions of the Property (collectively, the "Karst Features"). The Karst Features may produce certain conditions on or within the Property that may threaten the security or safety of persons or property near or within the Property. This disclosure is not intended to, and does not, constitute a full disclosure of all conditions that might affect the Property as a result of being near or above the Karst Features, and does not impose upon Declarant or the Association any duty or obligation to make any further or future disclosures to any Owner concerning the Property and/or the Karst Features.

ARTICLE 9

DEVELOPMENT RIGHTS

9.01. Development. It is contemplated that the Development will be developed pursuant to a plan, which may, from time to time, be amended or modified by Declarant in its sole and absolute discretion. Declarant reserves the right, but will not be obligated, to designate Development Areas, and to create and/or designate Lots, Condominium Units, Neighborhoods, Voting Groups, Common Area, Special Common Area, and Service Areas and to subdivide all or any portion of the Development. As each area of the Development is conveyed, developed or dedicated, Declarant may Record one or more Development Area Declarations and designate the use, classification and such additional covenants, conditions and restrictions as Declarant may deem appropriate for each area. Any Development Area Declaration may provide its own procedure for the amendment thereof.

9.02. Special Declarant Rights. Notwithstanding any provision of this Master Covenant to the contrary, at all times, Declarant will have the right and privilege: (a) to erect and maintain advertising signs (illuminated or non-illuminated), sales flags, other sales devices and banners for the purpose of aiding the sale of Lots and Condominium Units in the Development; (b) to maintain Improvements upon Lots, Common Area, or Special Common Area as sales, model, management, business and construction offices; and (c) to maintain and locate construction trailers and construction tools and equipment within the Development. The construction, placement or maintenance of Improvements by Declarant will not be considered a nuisance.

9.03. Addition of Land. Declarant may, at any time and from time to time, add additional land to the Property and, upon the Recording of a notice of addition of land (as set forth below), such land will be considered part of the Property for purposes of this Master Covenant, and upon the further Recording of a Notice of Annexation meeting the requirements of *Section 9.05* below, such added land will be considered part of the Development and be subject to this Master Covenant, and the rights, privileges, duties and liabilities of the persons subject to this Master Covenant will be the same with respect to such added land as with respect to the land originally covered by this Master Covenant. Such added land need not be contiguous to the Property. To add land to the Property, Declarant shall Record a notice of addition of land (which notice may be contained within any Development Area Declaration affecting such land) containing the following provisions:

- (i) A reference to this Master Covenant, which reference will state the document number or volume and page wherein this Master Covenant is Recorded;
- (ii) A statement that such land will be considered Property for purposes of this Master Covenant, and that upon the further Recording of a Notice of Annexation meeting the requirements of *Section 9.05* of this Master Covenant, all of the terms, covenants, conditions, restrictions and obligations of this Master Covenant will apply to the added land; and
- (iii) A legal description of the added land.

9.04. Withdrawal of Land. Declarant may, at any time and from time to time, reduce or withdraw any land from the Property or the Development, and remove and exclude from the burden of this Master Covenant and the jurisdiction of the Association any portion of the Development so withdrawn. Upon any such withdrawal and removal, this Master Covenant and the covenants conditions, restrictions and obligations set forth herein will no longer apply to the portion of the Development withdrawn. To withdraw land from the Development, Declarant shall Record a notice of withdrawal of land containing the following provisions:

- (i) A reference to this Master Covenant, which reference will state the document number or volume and page number wherein this Master Covenant is Recorded;
- (ii) A statement that the provisions of this Master Covenant will no longer apply to the withdrawn land; and
- (iii) A legal description of the withdrawn land.

9.05. Notice of Annexation. Upon Recording, this Master Covenant serves to provide notice that at any time, and from time to time, Declarant, and Declarant only, may subject all or any portion of the Property to the terms, covenants, conditions, restrictions and obligations of this Master Covenant and any applicable Development Area Declaration. This Master Covenant and any applicable Development Area Declaration will apply to and burden a portion or portions of the Property upon the Recording of a Notice of Annexation legally describing such applicable Property and expressly providing that such Property will be considered a part of the Development and will be subject to the terms, covenants, conditions, restrictions and obligations of this Master Covenant and any applicable Development Area Declaration. To be effective, a Notice of Annexation must be executed by Declarant, and the portion of the Property included in the Notice of Annexation need not be owned by the Declarant. The Notice of Annexation may include a description of any Special Common Area or Service Area benefitting such portion of the Property added to this Master Covenant and any beneficiaries thereof. Declarant may also cause a Notice of Annexation to be Recorded covering a portion of the Property for the purpose of encumbering such Property with any Development Area Declaration previously Recorded by Declarant (which Notice of Annexation may amend, modify or supplement the restrictions, set forth in the Development Area Declaration, which will apply to such Property). Furthermore, a Notice of Annexation may identify certain Common Areas on a Plat and designate the Association as the entity responsible for the maintenance of such Common Areas of the date of Recordation. To make the terms and provisions of this Master Covenant applicable to a portion of the Property, Declarant shall Record a Notice of Annexation containing the following provisions:

- (i) A reference to this Master Covenant, which reference will state the document number or volume and page number wherein this Master Covenant is Recorded;
- (ii) If applicable, a reference to the Recorded Development Area Declaration applicable to such portion of the Property (with any amendment, modification, or supplementation of the restrictions set forth in the Development Area Declaration which will apply to such portion of the Property);
- (iii) A statement that all of the provisions of this Master Covenant will apply to such portion of the Property;
- (iv) A legal description of such portion of the Property;
- (v) If applicable, a description of any Special Common Area or Service Area which benefits such portion of the Property, and the beneficiaries of such Special Common Area or Service Area; and
- (vi) If applicable, an identification of any Common Areas set forth on a Plat and a designation of the Association as the entity responsible for the maintenance thereof.

NOTICE TO TITLE COMPANY

NO PORTION OF THE PROPERTY IS SUBJECT TO THE TERMS AND PROVISIONS OF THIS MASTER COVENANT AND THIS MASTER COVENANT DOES NOT APPLY TO ANY PORTION OF THE PROPERTY UNLESS A NOTICE OF ANNEXATION DESCRIBING SUCH PROPERTY AND

REFERENCING THIS MASTER COVENANT HAS BEEN RECORDED.

9.06. Notice of Plat Recordation. Declarant may, at any time and from time to time, Record a Notice of Plat Recordation to clearly identify specific Lots subject to the terms and provisions of this Master Covenant after portions of the Property are made subject to a Plat. Unless otherwise provided in the Notice of Plat Recordation, portions of the Property included in the Plat identified in the Notice of Plat Recordation, but not shown as a Residential Lot on such Plat, shall be automatically withdrawn from the terms and provisions of this Master Covenant (without the necessity of complying with the withdrawal provisions set forth in this Section). Declarant shall have no obligation to Record a Notice of Plat Recordation and failure to Record a Notice of Plat Recordation shall in no event remove any portion of the Property from the terms and provisions of this Master Covenant.

9.07. Designation of Neighborhood. Declarant may, at any time and from time to time, file a designation of neighborhood (a "**Designation of Neighborhood**") assigning portions of the Development to a specific Neighborhood. Upon the Recording of a Designation of Neighborhood, such portion of the Development shall be considered part of the Neighborhood to which it is designated. To assign portions of the Development to a specific Neighborhood, Declarant shall Record a Designation of Neighborhood containing the following provisions:

- (i) A reference to this Master Covenant, which reference shall state the document number or volume and page number wherein this Master Covenant is Recorded;
- (ii) An identification of the Neighborhood applicable to such portion of the Development and a statement that such portion of the Development will be considered part of such Neighborhood for purposes of this Master Covenant; and
- (iii) A legal description of the designated portion of the Development.

9.08. Assignment of Declarant's Rights. Notwithstanding any provision in this Master Covenant to the contrary, Declarant may, by written instrument, assign, in whole or in part, any of its privileges, exemptions, rights, reservations and duties under this Master Covenant to any person or entity and may permit the participation, in whole, in part, exclusively, or non-exclusively, by any other person or entity in any of its privileges, exemptions, rights, reservations and duties hereunder.

ARTICLE 10
GENERAL PROVISIONS

10.01. Term. Upon the Recording of a Notice of Annexation pursuant to *Section 9.05*, the terms, covenants, conditions, restrictions, easements, charges, and liens set out in this Master Covenant will run with and bind the portion of the Property described in such notice, and will inure to the benefit of and be enforceable by the Association, and every Owner, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Master Covenant is Recorded, and continuing through and including January 1, 2066, after which time this Master Covenant will be automatically extended for successive periods of ten (10) years unless a change (the word "change" meaning a termination, or change of term or renewal term) is approved by Members entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association. The foregoing sentence shall in no way be interpreted to mean sixty-seven percent (67%)

of a quorum as established pursuant to the Bylaws. The Representative System of Voting is not applicable to a change as contemplated in this *Section 10.01*, it being understood and agreed that any change must be approved by a vote of the Members, with each Member casting his or her vote individually. Notwithstanding any provision in this *Section 10.01* to the contrary, if any provision of this Master Covenant would be unlawful, void, or voidable by reason of any Applicable Law restricting the period of time that covenants on land may be enforced, such provision will expire twenty-one (21) years after the death of the last survivor of the now living, as of the date of the Recording of this instrument, descendants of Elizabeth II, Queen of England.

10.02. Eminent Domain. In the event it becomes necessary for any public authority to acquire all or any part of the Common Area or Special Common Area for any public purpose during the period this Master Covenant is in effect, the Board is hereby authorized to negotiate with such public authority for such acquisition and to execute instruments necessary for that purpose. Should acquisitions by eminent domain become necessary, only the Board need be made a party, and in any event the proceeds received will be held by the Association for the benefit of the Owners. In the event any proceeds attributable to acquisition of Common Area are paid to Owners, such payments will be allocated on the basis of Assessment Units and paid jointly to the Owners and the holders of first Mortgages or deeds of trust on the respective Lot or Condominium Unit. In the event any proceeds attributable to acquisition of Special Common Area are paid to Owners who have been assigned the obligation to pay Special Common Area Assessments attributable to such Special Common Area, such payment will be allocated on the basis of Assessment Units and paid jointly to such Owners and the holders of first Mortgages or deeds of trust on the respective Lot or Condominium Unit.

10.03. Amendment. This Master Covenant may be amended or terminated by the Recording of an instrument executed and acknowledged by: (a) Declarant acting alone; or (b) by the president and secretary of the Association setting forth the amendment and certifying that such amendment has been approved by Declarant (until expiration or termination of the Development Period) and Members entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association. The foregoing sentence shall in no way be interpreted to mean sixty-seven percent (67%) of a quorum as established pursuant to the Bylaws. The Representative System of Voting is not applicable to an amendment as contemplated in this *Section 10.03*, it being understood and agreed that any amendment must be approved by a vote of the Members, with each Member casting their vote individually. No amendment will be effective without the written consent of Declarant during the Development Period.

10.04. Enforcement. The Association and Declarant will have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, charges and other terms now or hereafter imposed by the provisions of this Master Covenant. Failure to enforce any right, provision, covenant, or condition granted by this Master Covenant will not constitute a waiver of the right to enforce such right, provision, covenants or condition in the future. Failure of Declarant or the Association to enforce the terms and provisions of the Documents shall in no event give rise to any claim or liability against Declarant, the Association, or any of their partners, directors, officers, or agents. EACH OWNER, BY ACCEPTING TITLE TO ALL OR ANY PORTION OF THE DEVELOPMENT, HEREBY RELEASES AND SHALL HOLD HARMLESS EACH OF DECLARANT, THE ASSOCIATION, AND THEIR PARTNERS, DIRECTORS, OFFICERS, OR AGENTS FROM AND AGAINST ANY DAMAGES, CLAIMS OR LIABILITY ASSOCIATED WITH THE FAILURE OF DECLARANT OR THE ASSOCIATION TO ENFORCE THE TERMS AND PROVISIONS OF THE DOCUMENTS

10.05. No Warranty of Enforceability. Declarant makes no warranty or representation as to the present or future validity or enforceability of any restrictive covenants, terms, or provisions contained in this Master Covenant. Any Owner acquiring a Lot or Condominium Unit in reliance on one or more of such restrictive covenants, terms, or provisions will assume all risks of the validity and enforceability thereof and, by acquiring the Lot or Condominium Unit, agrees to hold Declarant harmless therefrom.

10.06. Higher Authority. The terms and provisions of this Master Covenant are subordinate to Applicable Law. Generally, the terms and provisions of this Master Covenant are enforceable to the extent they do not violate or conflict with Applicable Law.

10.07. Severability. If any provision of this Master Covenant is held to be invalid by any court of competent jurisdiction, such invalidity will not affect the validity of any other provision of this Master Covenant, or, to the extent permitted by Applicable Law, the validity of such provision as applied to any other person or entity.

10.08. Conflicts. If there is any conflict between the provisions of this Master Covenant, the Certificate, the Bylaws, or any Rules adopted pursuant to the terms of such documents, or any Development Area Declaration, the provisions of this Master Covenant will govern.

10.09. Gender. Whenever the context so requires, all words herein in the male gender will be deemed to include the female or neuter gender, all singular words will include the plural, and all plural words will include the singular.

10.10. Acceptance by Grantees. Each grantee of a Lot, Condominium Unit, or other real property interest in the Development, by the acceptance of a deed of conveyance, and each subsequent purchaser, accepts the same subject to all terms, restrictions, conditions, covenants, reservations, easements, liens and charges, and the jurisdiction rights and powers created or reserved by this Master Covenant or to whom this Master Covenant is subject, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared. Furthermore, each grantee agrees that no assignee or successor to Declarant hereunder will have any liability for any act or omission of Declarant which occurred prior to the effective date of any such succession or assignment. All impositions and obligations hereby imposed will constitute covenants running with the land within the Development, and will bind any person having at any time any interest or estate in the Development, and will inure to the benefit of each Owner in like manner as though the provisions of this Master Covenant were recited and stipulated at length in each and every deed of conveyance.

10.11. Damage and Destruction.

(a) **Claims.** Promptly after damage or destruction by fire or other casualty to all or any part of the Common Area or Special Common Area covered by insurance, the Board, or its duly authorized agent, will proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair of the damage. "Repair", as used in this *Section 10.11(a)*, means repairing or restoring the Common Area or Special Common Area to substantially the same condition as existed prior to the fire or other casualty.

(b) Repair Obligations. Any damage to or destruction of the Common Area or Special Common Area will be repaired unless a Majority of the Board decides within sixty (60) days after the casualty not to repair such damage or destruction. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair, or both, are not made available to the Association within said period, then the period will be extended until such information is made available to the Association.

(c) Restoration. In the event that it should be determined by the Board that the damage or destruction of the Common Area or Special Common Area will not be repaired and no alternative Improvements are authorized, then the affected portion of the Common Area or Special Common Area will be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.

(d) Special Assessment for Common Area. If insurance proceeds are paid to restore or repair any damaged or destroyed Common Area, and such proceeds are not sufficient to defray the cost of such repair or restoration, the Board will levy a Special Assessment, as provided in *Article 5*, against all Owners. Additional Assessments may be made in like manner at any time during or following the completion of any repair.

(e) Special Assessment for Special Common Area. If insurance proceeds are paid to restore or repair any damaged or destroyed Special Common Area, and such proceeds are not sufficient to defray the cost of such repair or restoration, the Board will levy a Special Assessment, as provided in *Article 5*, against all Owners who have been assigned the obligation to pay Special Common Area Assessments attributable to such Special Common Area. Additional Assessments may be made in like manner at any time during or following the completion of any repair.

(f) Proceeds Payable to Owners. In the event that any proceeds of insurance policies are paid to Owners as a result of any damage or destruction to any Common Area, such payments will be allocated based on Assessment Units and paid jointly to the Owners and the holders of first Mortgages or deeds of trust on their Lots or Condominium Units.

(g) Proceeds Payable to Owners Responsible for Special Common Area. In the event that any proceeds of insurance policies are paid to Owners as a result of any damage or destruction to Special Common Area, such payments will be allocated based on Assessment Units and will be paid jointly to the Owners who have been assigned the obligation to pay Special Common Area Assessments attributable to such Special Common Area and the holders of first Mortgages or deeds of trust on their Lots or Condominium Units.

10.12. No Partition. Except as may be permitted in this Master Covenant or any amendments hereto, no physical partition of the Common Area or Special Common Area or any part thereof will be permitted, nor will any person acquiring any interest in the Development or any part thereof seek any such judicial partition unless all or the portion of the Development in question has been removed from the provisions of this Master Covenant pursuant to *Section 9.04* above. This *Section 10.12* will not be construed to prohibit the Board from acquiring and disposing of tangible personal property or from acquiring title to real property that may or may not be subject to this Master Covenant.

10.13. Notices. Any notice permitted or required to be given to any person by this Master Covenant will be in writing and may be delivered either personally or by mail, or as otherwise provided in this Master Covenant or required by Applicable Law. If delivery is made by mail, it will be deemed to have been delivered on the third (3rd) day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the person at the address given by such person in writing to the Association for the purpose of service of notices. Such address may be changed from time to time by notice in writing given by such person to the Association.

[SIGNATURE PAGE FOLLOWS]

EXECUTED to be effective on the date this instrument is Recorded.

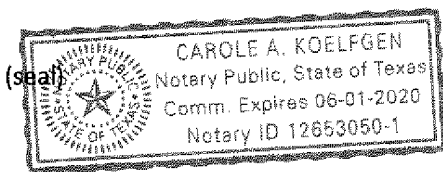
DECLARANT:

LA CIMA SAN MARCOS, LLC,
a Texas limited liability company

By: Bryan W. Lee
Name: Bryan W. Lee
Title: Manager

THE STATE OF TEXAS §
 §
COUNTY OF Travis §

This instrument was acknowledged before me on this 19th day of December, 2017,
by Bryan W. Lee, Manager of La Cima San Marcos,
LLC, a Texas limited liability company, on behalf of such company.



Carole A. Koelfgen
Notary Public, State of Texas

ACKNOWLEDGED, AGREED TO, RATIFIED AND CONFIRMED:

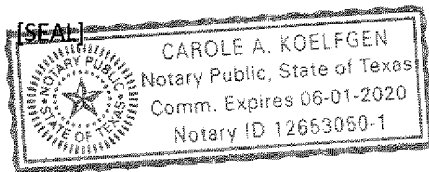
LAZY OAKS RANCH LP,
a Texas limited partnership

By: Lazy Oaks GP, LLC,
a Texas limited liability company,
its General Partner

By: Brown W. Lee
Name: Brown W. Lee
Title: Manager

THE STATE OF TEXAS §
 §
COUNTY OF Travis §

This instrument was acknowledged before me on 19 day of December, 2017, by Brown W. Lee, Manager of Lazy Oaks GP, LLC, a Texas limited liability company, General Partner of Lazy Oaks Ranch LP, a Texas limited partnership, on behalf of said limited liability company and limited partnership.



Carole A. Koelfgen
Notary Public Signature

ACKNOWLEDGED, AGREED TO, RATIFIED AND CONFIRMED:

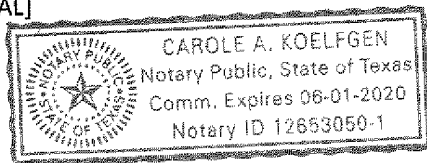
LCSM PH. 1-1, LLC,
a Texas limited liability company

By: B. W. Lee
Name: Brian W. Lee
Title: Manager

THE STATE OF TEXAS §
 §
COUNTY OF Travis §

This instrument was acknowledged before me on 19 day of December, 2017, by Brian W. Lee, Manager of LCSM Ph. 1-1, LLC, a Texas limited liability company, on behalf of said limited liability company.

[SEAL]



Carole A. Koelfgen
Notary Public Signature

ACKNOWLEDGED, AGREED TO, RATIFIED AND CONFIRMED:

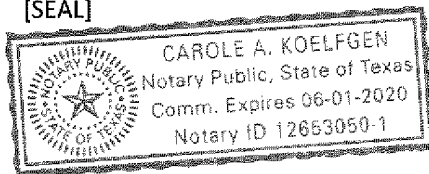
LCSM PH. 1-2, LLC,
a Texas limited liability company

By: B. W. Lee
Name: Brian W. Lee
Title: Manager

THE STATE OF TEXAS §
 §
COUNTY OF Travis §

This instrument was acknowledged before me on 19 day of October, 2017, by Brian W. Lee, Manager of LCSM Ph. 1-2, LLC, a Texas limited liability company, on behalf of said limited liability company.

[SEAL]



Carole A. Koelfgen
Notary Public Signature

CONSENT OF MORTGAGEE

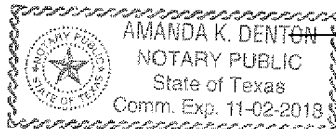
The undersigned, being the sole owner and holder of the lien created by a Deed of Trust recorded as Document No. 17020116 in the Official Public Records of Hays County, Texas (the "Lien"), securing a note of even date therewith, executes this Master Covenant solely for the purposes of (i) evidencing its consent to this Master Covenant, and ~~(ii) subordinating the Lien to this Master Covenant;~~ both on the condition that the Lien shall remain superior to the Assessment Lien in all events.

By: [Signature]
Printed Name: FRANK JACKEL
Title: EXECUTIVE VICE PRESIDENT

THE STATE OF TEXAS \$
COUNTY OF TRAVIS \$

This instrument was acknowledged before me on this 11 day of DECEMBER, 2017, by RANKE JACKEL END of PLAINSCAPITAL BANK, on behalf of said PLAINSCAPITAL BANK.

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{seal}
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Notary Public, State of Texas

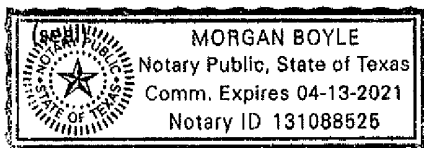
CONSENT OF MORTGAGEE

The undersigned, being the sole owner and holder of the lien created by a Deed of Trust recorded as Document No. 17043822 in the Official Public Records of Hays County, Texas (the "Lien"), securing a note of even date therewith, executes this Master Covenant solely for the purposes of (i) evidencing its consent to this Master Covenant, and (ii) subordinating the Lien to this Master Covenant, both on the condition that the Lien shall remain superior to the Assessment Lien in all events.

By: [Signature]
Printed Name: Todd Adams
Title: Vice President

THE STATE OF TEXAS §
 §
COUNTY OF Hays §

This instrument was acknowledged before me on this 19th day of December, 2017, by Todd Adams, Vice President of Texas Regional Bank, a State Charter Bank on behalf of said Texas Regional Bank and FED member



[Signature]
Notary Public, State of Texas

EXHIBIT "A"

[INSERT LEGAL DESCRIPTION]

Exhibit A

LA CIMA
MASTER COVENANT

Lots 3, 4 and 5, Block Z, La Cima Phase 1, West Centerpoint Road, a subdivision according to the plat of record in Document No. 17036340, Official Public Records of Hays County, Texas.

3.349 Acres
John Williams Survey, A-490
Hays County, Texas

Job No. 5956-01-100
FN2097(dz)
Page 1 of 3

FIELD NOTES DESCRIPTION

DESCRIPTION OF 3.349 ACRES OF LAND SITUATED IN THE JOHN WILLIAMS SURVEY, ABSTRACT NO. 490, OF HAYS COUNTY, TEXAS; BEING A PORTION OF A CALLED 649.592 ACRE TRACT DESCRIBED IN THE CORRECTION SPECIAL WARRANTY DEED WITH VENDOR'S LIEN TO LAZY OAKS RANCH, LP, OF RECORD IN VOLUME 4877, PAGE 632, OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS; SAID 3.349 ACRE TRACT BEING DESCRIBED AS SAVE AND EXCEPT PARCEL "F" IN THE DEED TO HAYS COUNTY, TEXAS OF RECORD IN VOLUME 5310, PAGE 161, OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, SAID 3.349 ACRES AS SURVEYED BY BOWMAN CONSULTING GROUP, LTD., BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set near the approximate location of the north bank of Purgatory Creek, in a southerly line of the said 649.592 acre tract and a northerly line of a called 521.55 acre tract described in the Special Warranty Deed to Dixie C. Lenz, Rita K. Steitle and Medora C. Pratt, in equal undivided shares, of record in Volume 4517, Page 277, Official Public Records of Hays County, Texas, for the southeast corner of that certain called 45.839 acres described in the deed to Hays County, Texas of record in Volume 5310, Page 161, Official Public Records of Hays County, Texas, said 45.839 acres also know as West Centerpoint Road;

THENCE leaving the northerly line of the said 521.55 acre tract, crossing the said 649.592 acre tract, with the southeast line of the said 45.839 acre tract and the southeast right-of-way line of West Centerpoint Road, the following ten (10) courses and distances:

1. N 01°00'33" W, a distance of 237.52 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
2. with the arc of a curve to the right, having a radius of 2715.52 feet, an arc length of 575.20 feet, and a chord which bears N 06°03'52" E, a distance of 574.13 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
3. N 12°07'57" E, a distance of 503.70 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
4. N 48°43'02" E, a distance of 16.00 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
5. N 12°07'57" E, a distance of 14.00 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
6. N 24°27'08" W, a distance of 16.00 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
7. N 12°07'57" E, a distance of 959.03 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature;
8. with the arc of a curve to the left, having a radius of 1232.50 feet, an arc length of 460.08 feet, and a chord which bears N 01°26'19" E, a distance of 457.41 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
9. N 09°15'19" W, a distance of 83.48 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,

3.349 Acres
John Williams Survey, A-490
Hays County, Texas

Job No. 5956-01-100
FN2097(dz)
Page 2 of 3

10. with the arc of a curve to the right, having a radius of 1067.75 feet, an arc length of 1249.99 feet, and a chord which bears N 24°17'27" E, a distance of 1179.82 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of compound curvature,

THENCE N 61°45'35" W, crossing the said 45.839 acre tract a distance of 74.07 feet to a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for northeast corner of said Parcel "F" and the northwest corner and the **POINT OF BEGINNING** of the tract described herein;

THENCE with the northwest and southeast lines of said 45.839 acre tract and the southeast and northwest lines of said Parcel "F" and the tract described herein, the following ten (10) courses and distances:

1. with the arc of a curve to the left, having a radius of 1132.50 feet, an arc length of 1289.55 feet, and a chord which bears S 23°21'55" W, a distance of 1221.00 feet to a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
2. S 09°15'19" E, a distance of 83.48 feet to a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
3. with the arc of a curve to the right, having a radius of 1167.50 feet, an arc length of 435.81 feet, and a chord which bears S 01°26'19" W, a distance of 433.29 feet to a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
4. S 12°07'57" W, a distance of 206.77 feet to a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for a point of reverse curvature,
5. with the arc of a curve to the right, having a radius of 5.00 feet, an arc length of 15.21 feet, and a chord which bears N 80°42'34" W, a distance of 9.99 feet to a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
6. with the arc of a curve to the left, having a radius of 2030.00 feet, an arc length of 521.84 feet, and a chord which bears N 00°54'58" W, a distance of 520.40 feet to a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency, being 65.00 feet from a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency in the north line of the said 45.839 acre tract,
7. N 08°16'49" W, a distance of 295.93 feet to a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
8. with the arc of a curve to the right, having a radius of 967.50 feet, an arc length of 1182.39 feet, and a chord which bears N 26°52'50" E, a distance of 1110.17 feet to a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
9. N 61°53'29" E, a distance of 89.39 feet to a 1/2 inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
10. with the arc of a curve to the right, having a radius of 5.00 feet, an arc length of 15.19 feet, and a chord which bears S 31°03'41" E, a distance of 9.99 feet to the **POINT OF BEGINNING** and containing 3.349 of one acre of land, more or less.

BEARING BASIS: Texas Coordinate System, South Central Zone, NAD83, Grid.

BOWMAN WORD FILE: FN2097(dz)

3.349 Acres
John Williams Survey, A-490
Hays County, Texas

Job No. 5956-01-100
FN2097(dz)
Page 3 of 3

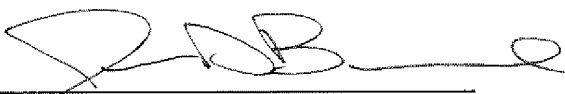
THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS
COUNTY OF TRAVIS §

That I, John D. Barnard, a Registered Professional Land Surveyor, do hereby certify that the above description and the accompanying sketch is true and correct to the best of my knowledge and belief and that the property described herein was determined by a series of surveys made on the ground during the month of August, 2015, under my direction and supervision.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas, on this 19th day of December 2017, A.D.

Bowman Consulting
Austin, Texas 78746





John D. Barnard
Registered Professional Land Surveyor
No. 5749 – State of Texas

311.862 Acres
John Williams Survey, A-490
Hays County, Texas

Job No. 5956-01-001
FN2095(dz)
Page 1 of 6

FIELD NOTES DESCRIPTION

DESCRIPTION OF 311.862 ACRES OF LAND IN THE JOHN WILLIAMS SURVEY, ABSTRACT NO. 490, HAYS COUNTY, TEXAS; BEING A PORTION OF THAT CERTAIN CALLED 649.592 ACRE TRACT OF LAND DESCRIBED IN THE CORRECTION SPECIAL WARRANTY DEED WITH VENDOR'S LIEN TO LAZY OAKS RANCH, LP OF RECORD IN VOLUME 4877, PAGE 632, OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS; SAID 311.862 ACRES OF LAND AS SURVEYED BY BOWMAN CONSULTING GROUP, LTD., BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set near the approximate location of the north bank of Purgatory Creek, in a southerly line of the said 649.592 acre tract and a northerly line of a called 521.55 acre tract described in the Special Warranty Deed to Dixie C. Lenz, Rita K. Steitle and Medora C. Pratt, in equal undivided shares, of record in Volume 4517, Page 277, Official Public Records of Hays County, Texas, for the southeast corner of that certain called 45.839 acres described in the deed to Hays County, Texas of record in Volume 5310, Page 161, Official Public Records of Hays County, Texas, said 45.839 acres also know as West Centerpoint Road, for the most westerly southwest corner and **POINT OF BEGINNING** of the tract described herein;

THENCE leaving the northerly line of the said 521.55 acre tract, crossing the said 649.592 acre tract, with the southeast line of the said 45.839 acre tract and the southeast right-of-way line of West Centerpoint Road, with the northwest line of the tract described herein, the following twenty-six (26) courses and distances:

1. N 01°00'33" W, a distance of 237.52 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
2. with the arc of a curve to the right, having a radius of 2715.52 feet, an arc length of 575.20 feet, and a chord which bears N 06°03'52" E, a distance of 574.13 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
3. N 12°07'57" E, a distance of 503.70 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
4. N 48°43'02" E, a distance of 16.00 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
5. N 12°07'57" E, a distance of 14.00 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
6. N 24°27'08" W, a distance of 16.00 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
7. N 12°07'57" E, a distance of 959.03 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature;
8. with the arc of a curve to the left, having a radius of 1232.50 feet, an arc length of 460.08 feet, and a chord which bears N 01°26'19" E, a distance of 457.41 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
9. N 09°15'19" W, a distance of 83.48 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
10. with the arc of a curve to the right, having a radius of 1067.75 feet, an arc length of 1249.99 feet, and a chord which bears N 24°17'27" E, a distance of 1179.82 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of compound curvature,

311.862 Acres
John Williams Survey, A-490
Hays County, Texas

Job No. 5956-01-001
FN2095(dz)
Page 2 of 6

11. with the arc of a curve to the right, having a radius of 20.00 feet, an arc length of 32.13 feet, and a chord which bears S 76°08'00" E, a distance of 28.79 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
12. N 61°23'04" E, a distance of 70.02 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
13. with the arc of a curve to the right, having a radius of 20.00 feet, an arc length of 32.72 feet, and a chord which bears N 16°46'02" E, a distance of 29.19 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
14. N 63°38'19" E, a distance of 369.98 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
15. with the arc of a curve to the left, having a radius of 956.35 feet, an arc length of 112.74 feet, and a chord which bears N 60°15'41" E, a distance of 112.67 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
16. N 56°53'03" E, a distance of 70.15 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
17. N 59°49'45" E, a distance of 382.92 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
18. with the arc of a curve to the right, having a radius of 205.00 feet, an arc length of 95.95 feet, and a chord which bears N 73°14'16" E, a distance of 95.08 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point
19. N 86°38'46" E, a distance of 71.54 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
20. N 60°28'54" E, a distance of 82.10 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
21. N 27°27'35" E, a distance of 105.26 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
22. with the arc of a curve to the right, having a radius of 65.00 feet, an arc length of 30.90 feet, and a chord which bears N 41°04'39" E, a distance of 30.61 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
23. N 54°41'43" E, a distance of 37.66 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
24. N 48°22'52" E, a distance of 214.92 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
25. N 44°31'11" E, a distance of 258.22 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point, and
26. N 41°12'25" E, a distance of 328.69 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for the southeast corner of West Centerpoint Road, a variable width right-of-way as shown on La Cima Phase 1, West Centerpoint Road, a subdivision according to the plat of record in Document No. 17036340, Official public Records of Hays County, Texas, for a point of curvature in the southeast line of the said 45.839 acre tract and the northwest line of the tract described herein;

311.862 Acres
John Williams Survey, A-490
Hays County, Texas

Job No. 5956-01-001
FN2095(dz)
Page 3 of 6

THENCE continuing across the said 649.592 acre tract and continuing with the southeast line of the said 45.839 acre tract, with the southeast right-of-way line of West Centerpoint Road, continuing with the northwest line of the tract described herein, the following twenty-nine (29) courses and distances:

1. with the arc of a curve to the right, having a radius of 20.00 feet, an arc length of 31.42 feet, and a chord which bears N 86°12'25" E, a distance of 28.28 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of non-tangency,
2. N 41°12'25" E, a distance of 70.00 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of non-tangent curvature,
3. with the arc of a curve to the right, having a radius of 20.00 feet, an arc length of 31.42 feet, and a chord which bears N 03°47'35" W, a distance of 28.28 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
4. N 41°12'25" E, a distance of 15.95 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
5. with the arc of a curve to the right, having a radius of 965.00 feet, an arc length of 518.50 feet, and a chord which bears N 56°36'00" E, a distance of 512.29 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
6. N 71°59'35" E, a distance of 475.56 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
7. N 89°29'36" E, a distance of 142.89 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point, and
8. N 68°19'52" E, a distance of 393.55 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
9. N 45°46'19" E, a distance of 51.78 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
10. N 13°47'53" E, a distance of 168.02 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
11. with the arc of a curve to the left, having a radius of 1015.00 feet, an arc length of 55.59 feet, and a chord which bears N 39°06'44" E, a distance of 55.58 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
12. with the arc of a curve to the right, having a radius of 20.00 feet, an arc length of 29.76 feet, and a chord which bears N 80°10'00" E, a distance of 27.09 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
13. N 36°21'31" E, a distance of 60.12 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
14. with the arc of a curve to the right, having a radius of 20.00 feet, an arc length of 31.61 feet, and a chord which bears N 11°56'15" W, a distance of 28.42 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
15. N 33°20'06" E, a distance of 34.25 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,

311.862 Acres
John Williams Survey, A-490
Hays County, Texas

Job No. 5956-01-001
FN2095(dz)
Page 4 of 6

16. N 41°29'53" E, a distance of 22.65 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
17. with the arc of a curve to the left, having a radius of 250.00 feet, an arc length of 89.33 feet, and a chord which bears N 31°15'40" E, a distance of 88.86 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
18. N 33°20'06" E, a distance of 323.11 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
19. with the arc of a curve to the left, having a radius of 1535.00 feet, an arc length of 269.37 feet, and a chord which bears N 28°18'28" E, a distance of 269.02 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
20. N 23°16'50" E, a distance of 106.62 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
21. with the arc of a curve to the right, having a radius of 20.00 feet, an arc length of 31.42 feet, and a chord which bears N 68°16'50" E, a distance of 28.28 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
22. N 23°16'50" E, a distance of 60.00 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
23. with the arc of a curve to the right, having a radius of 20.00 feet, an arc length of 31.42 feet, and a chord which bears N 21°43'10" W, a distance of 28.28 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
24. N 23°16'50" E, a distance of 140.14 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
25. with the arc of a curve to the right, having a radius of 715.00 feet, an arc length of 632.32 feet, and a chord which bears N 48°36'56" E, a distance of 611.91 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of compound curvature,
26. with the arc of a curve to the right, having a radius of 20.00 feet, an arc length of 32.85 feet, and a chord which bears S 59°00'02" E, a distance of 29.28 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
27. N 77°50'53" E, a distance of 60.00 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
28. with the arc of a curve to the right, having a radius of 20.00 feet, an arc length of 32.32 feet, and a chord which bears N 34°20'37" E, a distance of 28.92 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency, and
29. N 80°38'20" E, a distance of 275.19 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for the northeast corner of the tract described herein;

THENCE leaving the southeast right-of-way line of said West Centerpoint Road, continuing across the said 649.592 acre tract, with the east line of the tract described herein, the following three (3) courses and distances:

311.862 Acres
John Williams Survey, A-490
Hays County, Texas

Job No. 5956-01-001
FN2095(dz)
Page 5 of 6

1. S 03°16'10" W, a distance of 1617.69 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
2. S 47°08'45" W, a distance of 14.96 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
3. S 03°11'10" W, a distance of 593.73 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set in the southeast line of the said 649.592 acre tract and the northwest line of a certain called 311.74 described in the deed to the Claus Kern Wildenthal of record in Volume 1385, Page 398, Official Public Records of Hays County, Texas, for the east corner of the tract described herein;

THENCE with the southeast line of the said 649.592 acre tract and the northwest line of the said 311.74 acre tract, with the southeast line of the tract described herein, the following three (3) courses and distances:

1. S 45°32'23" W, a distance of 6673.12 feet to a 6-inch cedar fence corner post found,
2. S 44°57'33" W, a distance of 408.78 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set, and
3. S 45°43'43" W, a distance of 606.75 feet to a 3-1/2" metal fence corner post found near the top of a bluff and the approximate location of the north bank of Purgatory Creek, being the most southerly corner of said 649.592 acre tract and the most westerly corner of the said 311.74 acre tract, same being an angle point in the northerly line of the said 521.55 acre tract, for the south corner of the tract described herein, from which a 17 inch live oak tree with barbed wire fence attached, being an angle point in the northerly line of said 521.55 acre tract and also an angle point in the southerly line of said 311.74 acre tract, bears, S 70°32'41" E, a distance of 50.15 feet;

THENCE N 71°59'03" W, with the southwest line of said 649.592 acre tract and a portion of the north line of said 521.55 acre tract, along the approximate location of the north bank of Purgatory Creek, a distance of 36.66 feet to the **POINT OF BEGINNING** and containing 311.862 acres of land, more or less.

BEARING BASIS: Texas Coordinate System, South Central Zone, NAD83, Grid.

BOWMAN WORD FILE: FN2095(dz)

311.862 Acres
John Williams Survey, A-490
Hays County, Texas

Job No. 5956-01-001
FN2095(dz)
Page 6 of 6

THE STATE OF TEXAS

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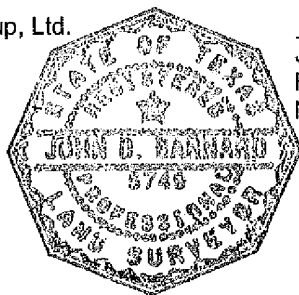
KNOW ALL MEN BY THESE PRESENTS

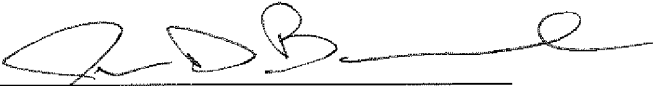
COUNTY OF TRAVIS

That I, John D. Barnard, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and belief and that the property described herein was determined by a series of surveys made on the ground during the months of December 2013 through October 2015 and April and December 2017 under my direction and supervision.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas, on this 19th day of December 2017 A.D.

Bowman Consulting Group, Ltd.
Austin, Texas 78746




John D. Barnard
Registered Professional Land Surveyor
No. 5749 – State of Texas

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 1 of 13

FIELD NOTES DESCRIPTION

DESCRIPTION OF 795.031 ACRES OF LAND IN THE JOHN WILLIAMS SURVEY, ABSTRACT NO. 490, THE WILLIAM BURKE SURVEY, ABSTRACT NO. 68 AND THE WILLIAM SMITHSON SURVEY, ABSTRACT NO. 419, HAYS COUNTY, TEXAS; BEING A PORTION OF THAT CERTAIN CALLED 649.592 ACRE TRACT OF LAND DESCRIBED IN THE CORRECTION SPECIAL WARRANTY DEED WITH VENDOR'S LIEN TO LAZY OAKS RANCH, LP OF RECORD IN VOLUME 4877, PAGE 632, OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS AND BEING A PORTION OF THAT CERTAIN CALLED 1388.17 ACRES DESIGNATED AS TRACT ONE AND DESCRIBED IN THE SPECIAL WARRANTY DEED WITH VENDOR'S LIEN TO LAZY OAKS RANCH, LP OF RECORD IN VOLUME 3772, PAGE 231, OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS; SAID 795.031 ACRES OF LAND AS SURVEYED BY BOWMAN CONSULTING GROUP, LTD., BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set near the approximate location of the north bank of Purgatory Creek, in a southerly line of the said 649.592 acre tract and a northerly line of a called 521.55 acre tract described in the Special Warranty Deed to Dixie C. Lenz, Rita K. Steitle and Medora C. Pratt, in equal undivided shares, of record in Volume 4517, Page 277, Official Public Records of Hays County, Texas, for the southwest corner of that certain called 45.839 acres described in the deed to Hays County, Texas of record in Volume 5310, Page 161, Official Public Records of Hays County, Texas, said 45.839 acres also know as West Centerpoint Road, for the southeast corner and **POINT OF BEGINNING** of the tract described herein;

THENCE with the north line of said 521.55 acre tract, the south line of the said 649.592 acre tract and a portion of along the approximate location of the north bank of Purgatory Creek, being the south line of the herein described property, the following thirty-eight (38) courses and distances:

1. N 71°59'03" W, a distance of 119.88 feet to a 18.5-inch cedar tree found for an angle point,
2. N 67°07'56" W, a distance of 129.33 feet to a 6-inch cedar fence corner post found for an angle point,
3. N 54°34'04" W, a distance of 302.81 feet to a 6-inch cedar fence corner post found for an angle point,
4. N 80°27'47" W, a distance of 176.43 feet to a 15.5-inch cedar tree found for an angle point,
5. N 83°47'14" W, a distance of 27.80 feet to a 15-inch cedar tree found for an angle point,
6. S 87°25'24" W, a distance of 15.09 feet to a multi-stem (13-inch, 6.5-inch) cedar tree found for an angle point,
7. N 88°15'40" W, a distance of 94.10 feet to a 10-inch dead cedar tree found for an angle point,
8. N 75°42'01" W, a distance of 30.28 feet to a 6-inch cedar fence corner post found for an angle point,
9. N 68°01'58" W, a distance of 128.03 feet to a 13-inch cedar tree found for an angle point,
10. N 56°31'38" W, a distance of 165.59 feet to a 20.5-inch live oak tree found for an angle point,
11. N 28°58'05" W a distance of 37.59 feet to an 18-inch live oak tree found for an angle point,
12. N 24°31'09" W, a distance of 65.59 feet to a 15-inch cedar tree found for an angle point,
13. N 15°49'42" W, a distance of 29.77 feet to a 16-inch cedar tree found for an angle point,

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 2 of 13

14. N 10°22'51" W, a distance of 122.53 feet to a 16.5-inch cedar tree found for an angle point,
15. N 08°00'12" E, a distance of 62.75 feet to an 18-inch live oak tree found for an angle point,
16. N 45°56'19" E, a distance of 27.60 feet to an 18.5-inch cedar tree found for an angle point,
17. N 39°23'34" E, a distance of 182.24 feet to a 15-inch cedar tree found for an angle point,
18. N 46°17'28" E, a distance of 71.20 feet to a 14.5-inch cedar tree found for an angle point,
19. N 49°40'00" E, a distance of 101.97 feet to an 18-inch cedar tree found for an angle point,
20. N 57°59'51" E, a distance of 108.13 feet to a 14-inch cedar tree found for an angle point,
21. N 54°46'30" E, a distance of 52.70 feet to a an 18.5-inch cedar tree with 60D nail found for an angle point,
22. N 50°35'41" E, a distance of 72.32 feet to a 13-inch cedar tree found for an angle point,
23. N 59°31'03" E, a distance of 189.39 feet to a 12-inch cedar tree stump found for an angle point,
24. N 63°12'50" E, a distance of 316.60 feet to a multi-trunk (12-inch, 8-inch) live oak tree found for an angle point,
25. N 50°19'23" E, a distance of 186.97 feet an 11-inch cedar tree found for an angle point,
26. N 44°36'42" E, a distance of 176.56 feet to an 8-inch dead cedar tree stump found for an angle point,
27. N 47°29'01" E, a distance of 10.37 feet to a 14-inch cedar tree found for an angle point,
28. N 37°14'48" E, a distance of 11.88 feet to a 9.5-inch cedar tree found for an angle point,
29. N 24°31'08" E, a distance of 235.61 feet to a 12-inch cedar tree found for an angle point,
30. N 11°36'52" E, a distance of 256.95 feet to a 6-inch cedar fence post found for an angle point,
31. N 09°02'30" E, a distance of 104.72 feet to a 14-inch cedar tree found for an angle point,
32. N 00°47'11" W, a distance of 40.46 feet to a 14-inch cedar tree found for an angle point,
33. N 11°50'45" W, a distance of 74.08 feet to a 11-inch live oak tree found for an angle point,
34. N 05°38'05" W, a distance of 83.53 feet to an 8-inch dead elm tree found for an angle point,
35. N 16°52'21" W, a distance of 44.00 feet to a 12-inch cedar tree found for an angle point,
36. N 23°37'38" W, a distance of 231.86 feet to a multi-trunk cedar tree with a 16-inch base for an angle point,
37. N 33°25'32" W, a distance of 137.24 feet to multi-stem (8.5-inch, 8.5-inch) cedar tree found for an angle point, and
38. N 50°33'35" W, a distance of 60.03 feet to a 3 1/2-inch metal fence corner post found near the top of a bluff, at an angle point in the north line of said 521.55 acre tract, being the southeast corner of the said 1388.17 acre tract and the southwest corner of the said 649.592 acre tract;

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 3 of 13

THENCE continuing with the said north line of said 521.55 acre tract, the said south line of the said 1388.17 acre tract and being the south line of the tract described herein with the Boundary Line Agreement of record in Volume 124, Page 496, Deed Records of Hays County, Texas the following forty-six (46) courses and distances:

1. N 24°40'54" W, a distance of 44.01 feet to a 19-inch cedar tree found for an angle point,
2. N 39°20'37" W, a distance of 187.39 feet to a 6-inch cedar fence corner post found for an angle point,
3. N 50°15'08" E, a distance of 22.92 feet to a 13-inch live oak tree found for an angle point,
4. N 14°07'06" W, a distance of 74.77 feet to 20-inch cedar tree found for an angle point,
5. N 28°01'59" W, a distance of 46.53 feet to a 6-inch cedar tree found for an angle point,
6. N 38°47'26" W, a distance of 72.75 feet to a 7.5-inch live oak tree found for an angle point,
7. N 43°53'34" W, a distance of 75.77 feet to a 19.5-inch cedar tree found for an angle point,
8. N 51°10'40" W, a distance of 176.70 feet to a multi-stem (12.5-inch, 7.5-inch, and 7.5-inch) cedar tree found for an angle point,
9. N 45°11'44" W, a distance of 336.36 feet to an 8-inch live oak tree found for an angle point,
10. N 47°13'07" W, a distance of 69.48 feet to 17.5-inch live oak tree found for an angle point,
11. N 67°51'55" W, a distance of 31.59 feet to a 9.5-inch cedar elm tree found for an angle point,
12. N 79°56'05" W, a distance of 34.21 feet to a 14.5-inch cedar elm tree found for an angle point,
13. N 68°38'40" W, a distance of 30.81 feet to a 17.5-inch live oak tree found for an angle point,
14. S 45°00'53" W, a distance of 28.38 feet to a 13-inch live oak tree found for an angle point,
15. S 55°11'10" W, a distance of 80.86 feet to a 27-inch live oak tree found for an angle point,
16. N 74°03'15" W, a distance of 73.02 feet to a 9-inch cedar elm tree found for an angle point,
17. S 22°21'56" W, a distance of 33.17 feet to a 21.5-inch cedar elm tree found for an angle point,
18. S 30°04'54" W, a distance of 180.04 feet to a T-post found at a 39-inch live oak tree found for an angle point,
19. S 04°45'19" W, a distance of 215.43 feet to a 13-inch cedar tree found for an angle point,
20. S 16°11'45" W, a distance of 16.19 feet to a 20-inch cedar tree found for an angle point,
21. S 42°44'24" W, a distance of 497.55 feet to a 3-inch cedar fence corner post found for an angle point,
22. S 43°42'44" W, a distance of 494.18 feet to a 4-inch cedar post found for an angle point;
23. S 48°26'43" W, a distance of 69.01 feet to a multi-stem (20-inch, 6.5-inch) live oak tree found for an angle point,
24. S 85°42'20" W, a distance of 50.43 feet to a 17.5-inch live oak tree found for an angle point,

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 4 of 13

25. S 58°23'07" W, a distance of 191.56 feet to an 18-inch live oak tree found for an angle point,
26. S 69°45'06" W, a distance of 135.88 feet to 28.5-inch live oak tree found for an angle point,
27. S 29°44'24" W, a distance of 43.94 feet to a fallen, dead oak tree found for an angle point,
28. S 15°37'38" W, a distance of 179.41 feet to a 5-inch cedar post found for an angle point,
29. S 16°48'45" W, a distance of 155.23 feet to a 6-inch cedar post tree found for an angle point,
30. S 42°58'51" W, a distance of 514.14 feet to a 5-inch cedar post tree found for an angle point,
31. S 42°14'49" W, a distance of 179.51 feet to a 23.5" live oak tree found for an angle point,
32. S 44°45'36" W, a distance of 181.12 feet to a 5-inch cedar post tree found for an angle point,
33. S 78°15'12" W, a distance of 248.69 feet to a 6-inch cedar post found for an angle point,
34. S 67°10'44" W, a distance of 36.69 feet to a 22-inch live oak tree found for an angle point,
35. S 41°23'55" W, a distance of 167.03 feet to a fence corner found for an angle point,
36. S 15°20'53" W, a distance of 190.01 feet to a 13-inch cedar elm tree found for an angle point,
37. S 29°55'03" W, a distance of 170.32 feet to a 15-inch tree found for an angle point,
38. S 41°34'53" W, a distance of 90.25 feet to a 16.5-inch cedar tree found for an angle point,
39. S 51°33'27" W, a distance of 40.44 feet to a 14-inch cedar tree found for an angle point,
40. S 54°58'35" W, a distance of 201.92 feet to a 6-inch cedar post found for an angle point,
41. S 52°58'32" W, a distance of 226.94 feet to a 15.5-inch cedar tree found for an angle point,
42. S 51°21'36" W, a distance of 478.17 feet to a 6-inch cedar post found for an angle point,
43. S 49°18'19" W, a distance of 259.36 feet to a 8-inch cedar post found for an angle point,
44. S 48°23'08" W, a distance of 242.13 feet to a 38-inch live oak tree found for an angle point,
45. S 45°28'14" W, a distance of 229.75 feet to a 4-inch cedar post tree found for an angle point, and
46. S 44°23'23" W, a distance of 216.48 feet to a 1/2-inch iron rod found at the southwest corner of said 521.55 acre tract, being an angle point in the southeast line of said 1388.17 acre tract and the north corner of a called 100 acre tract described in the deed to Rita P. Steitle, as her sole and separate property of record in Volume 4550, page 753, Official Public Records of Hays County, Texas, for an angle point in the southeast line of the tract described herein;

THENCE S 44°10'24" W, with the northwest line of the said 100 acre tract and the southeast line of the said 1388.17 acre tract, a distance of 703.47 feet to a 1/2-inch iron rod with a plastic cap marked "BYRN" found at the southeast corner of that called 515.964 acre tract described in the deed to W.L. and Betty Wootan of record in Document No. 9920197, Official Public Records of Hays County, Texas, at the southwest corner of the said 1388.17 acre tract, for the southwest corner of the tract described herein;

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 5 of 13

THENCE N 55°21'01" W, leaving the northwest line of said 100.0 acre tract, with the northeast line of said 515.964 acre tract and with the southwest line of the said 1388.17 acre tract, with the southwest line of the herein described tract, a distance of 2333.06 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for the most westerly northwest corner of the tract described herein;

THENCE leaving the northeast line of said 515.964 acre tract, crossing the said 1388.17 acre tract, with a northwest and a southwest line of the tract described herein, the following two (2) courses and distances:

1. N 44°32'35" E, a distance of 2927.87 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a re-entrant corner, and
2. N 44°15'28" W, a distance of 904.23 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for the northerly northwest corner of the tract described herein;

THENCE continuing across the said 1388.17 acre tract, with a northwest line of the tract described herein, the following twenty-nine (29) courses and distances:

1. N 35°14'56" E, a distance of 527.92 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
2. N 47°34'44" E, a distance of 112.73 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
3. N 50°57'50" E, a distance of 102.60 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
4. N 78°04'49" E, a distance of 85.12 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
5. S 85°01'43" E, a distance of 96.90 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
6. N 51°19'12" E, a distance of 28.38 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
7. S 63°32'56" E, a distance of 73.72 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
8. S 71°02'40" E, a distance of 284.37 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
9. S 77°17'56" E, a distance of 490.99 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
10. N 67°45'17" E, a distance of 103.40 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
11. N 49°35'40" E, a distance of 76.92 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
12. N 32°12'49" E, a distance of 193.35 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
13. N 66°23'46" E, a distance of 300.51 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 6 of 13

14. S 89°54'40" E, a distance of 414.61 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
15. S 54°16'57" E, a distance of 240.25 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
16. S 41°50'12" E, a distance of 293.15 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
17. S 41°43'20" E, a distance of 279.34 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
18. N 50°54'28" E, a distance of 175.88 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
19. along a curve to the right, having a radius of 537.00 feet, an arc distance of 71.80 feet, and a chord which bears N 54°44'19" E, a distance of 71.75 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
20. N 58°34'09" E, a distance of 1049.78 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
21. along a curve to the right, having a radius of 463.00 feet, an arc distance of 129.81 feet, and a chord which bears N 50°32'13" E, a distance of 129.39 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of tangency,
22. N 42°30'17" E, a distance of 1121.76 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature,
23. along a curve to the right, having a radius of 537.28 feet, an arc distance of 285.03 feet, and a chord which bears N 57°41'56" E, a distance of 281.70 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
24. N 19°59'51" W, a distance of 139.21 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
25. N 30°21'46" W, a distance of 239.05 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
26. N 42°57'06" W, a distance of 269.86 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
27. N 33°42'39" W, a distance of 181.72 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point,
28. N 24°21'28" W, a distance of 161.67 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point, and
29. N 03°58'43" W, a distance of 128.71 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set in the northwest line of said 1388.17 acre tract and the east line of Tract 39, Fox Ridge Phase 1, a subdivision according to the plat of record in Volume 1, Page 371, Plat Records of Hays County, Texas, for a western corner of the tract described herein;

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 7 of 13

THENCE continuing with the northwest line of the said 1388.17 acre tract, the east lines of Tracts 39, 29, 28, 17 and 16, respectively, of the said Fox Ridge Phase 1 and with the northwest line of the tract described herein, the following six (6) courses and distances:

1. N 43°39'05" E, a distance of 30.17 feet to a 1/2-inch iron rod found for the common east corner of Tracts 39 and 29 of said Fox Ridge Phase 1,
2. N 44°08'55" E, a distance of 872.99 feet to a 1/2-inch iron rod found for the common east corner of Tracts 29 and 28 of said Fox Ridge Phase 1,
3. N 44°11'23" E, a distance of 650.37 feet to a 1/2-inch iron rod found for the common east corner of Tracts 28 and 17 of said Fox Ridge Phase 1,
4. N 44°22'07" E, a distance of 454.73 feet to a 6-inch cedar fence corner post found for an angle point in the southeast line of said Tract 17,
5. N 44°10'09" E, a distance of 590.41 feet to a 1/2-inch iron rod found for the common east corner of Tracts 17 and 18 of said Fox ridge Phase 1, and
6. N 44°00'09" E, a distance of 339.33 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set at the southwest corner of a certain called 23.823 acre tract described in the deed to San Marcos Baptist Academy Foundation, Inc. of record in Volume 5038, Page 689, Official Public Records of Hays County, Texas, at a northwest corner of the said 1388.17 acre tract and for a northwest corner of the tract described herein;

THENCE continuing with the northwest line of the said 1388.17 acre tract, the south line of the said called 23.823 acre tract and the north line of the tract described herein, the following two (2) courses and distances:

1. N 71°50'54" W, a distance of 1128.48 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point, and
2. S 64°20'56" W, a distance of 706.14 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set in the northwest line of the said 1388.17 acre tract, as the northeast corner of the said 23.823 acre tract, in the south line of a called 48.29 acre tract designated as Tract 1 and described in a deed to San Marcos Baptist Academy Foundation, Inc. of record in Volume 3013, Page 92, Official Public Records of Hays County, Texas, for the east corner of said San Marcos Baptist Academy Foundation 23.823 acre tract and a north corner of the tract described herein;

THENCE S 43°46'38" E with a southerly line of the said 48.29 acre San Marcos Baptist Academy Foundation, Tract 1, a distance of 512.11 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for the northwest corner of a 23.823 acre tract described in the deed to Lazy Oaks Ranch, LP recorded in Volume 5038, Page 698 Official Public Records of Hays County, Texas, for a re-entrant corner of the tract described herein;

THENCE crossing the said 48.29 acre San Marcos Baptist Academy Foundation, Tract 1, with the north lines of said 23.823 acre Lazy Oaks Ranch, LP tract and the tract described herein the following two (2) courses and distances:

1. N 71°48'34" E, a distance of 2170.09 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point on the north line of the said 48.29 acre tract and the northwest corner of the said 23.823 Lazy Oaks Ranch, LP tract, and
2. S 46°30'56" E, a distance of 22.48 feet to a 1/2-inch iron rod with plastic cap stamped "BRYN" found at the northeast corner of the said 23.823 acre Lazy Oaks Ranch, LP tract and the said

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 8 of 13

48.29 acre tract, same being the southwest of the said 8.73 acre tract, for a re-entrant corner of the tract described herein;

THENCE N 43°25'43" E, crossing the San Marcos Baptist Academy Foundation, Tract 3 remainder of 200.00 acres, as recorded in Volume 1871, Page 783 Official Public Records of Hays County, Texas and crossing Lot 1, Block A, San Marcos Academy Entrance Road Development Plat, recorded in Volume 16, Page 362, Plat Records of Hays County, Texas with the west line of the said Lazy Oaks Ranch, LP 8.73 acre tract and the tract herein described, a distance of 2309.49 feet, to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a southwest corner of a 2.467 acre tract of land described in the deed to San Marcos Baptist Academy Foundation, recorded in Volume 5038, Page 689, Official Public Records of Hays County, Texas, as the north corner of the tract described herein;

THENCE continuing across said Lot 1, Block A, San Marcos Academy Entrance Road Development Plat and crossing the said Lazy Oaks Ranch, LP 8.73 acre tract with the southwesterly lines of the said 2.467 acre tract and the northeast lines of the tract described herein, the following two (2) courses and distances:

1. with the arc of a non-tangent curve to the right, having a radius of 500.00 feet, an arc distance of 341.10 feet, and a chord which bears S 24°08'50" W, a distance of 334.52 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point, and
2. S 46°37'22" E, at a distance of 15.51 feet passing a 1/2-inch iron rod found in the southeast line of the said 200.00 acre tract, the southeast line of the said 8.73 acre tract, and the southeast line of the said Lot 1, Block A, San Marcos Academy Entrance Road Development Plat, at the south corner of the said 2.467 acre tract, at a northwest corner of the said 649.592 acre tract, same being the southeast corner of a certain called 4.337 acre tract designated as Tract One and described in deed to City of San Marcos of record in Volume 1080, Page 874, Official Public Records of Hays County, Texas for a point in a northeast line of the tract described herein;

THENCE S 46°37'22" E, leaving the southeast line of the said 200.00 acre tract, the southeast line of the said 8.73 acre tract, and the southeast line of said Lot 1, Block A, San Marcos Academy Entrance Road Development Plat, with the southwest line of the said 4.37 acre tract, with a northeast line of the said 649.592 acre tract, with a northeast line of the tract described herein, a distance of 47.00 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a northeast corner of the tract described herein, from which a 1/2-inch iron rod found at a re-entrant corner of the said 649.592 acre tract, at the southeast corner of the said 4.337 acre tract bears S 46°37'22" E, a distance of 253.03 feet;

THENCE leaving the southwest line of the said 4.337 acre tract, crossing the said 649.592 acre tract with the east lines of the tract described herein, the following two (2) courses and distances:

1. S 44°20'05" W, a distance of 818.21 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for an angle point, and
2. S 03°16'10" E, a distance of 1037.96 feet to a 1/2-inch iron rod with plastic cap stamped "BCG" previously set in the northwest line of West Centerpoint Road, a variable width right-of-way as shown on La Cima Phase 1, West Centerpoint Road, a subdivision according to the plat of record in Document No. 17036340, Official Public Records of Hays County, Texas, for an angle point in the east line of the tract described herein, from which a 1/2-inch iron rod with plastic cap stamped "BCG" previously set for a point of curvature in the northwest right-of-way line of said West Centerpoint Road bears N 75°31'15" E, a distance of 30.63 feet;

THENCE continuing across the said 649.592 acre tract and with said northwest line of West Centerpoint Road and the east line of the tract described herein, the following twenty-three (23) courses and distances:

1. S 75°31'15" W, a distance of 162.24 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 9 of 13

2. with the arc of a curve to the left, having a radius of 1235.00 feet, an arc distance of 267.25 feet, and a chord which bears S 69°19'17" W, a distance of 266.73 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of reverse curvature,
3. with the arc of a curve to the right, having a radius of 20.00 feet, an arc distance of 30.22 feet, and a chord which bears N 73°35'50" W, a distance of 27.42 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
4. S 60°14'01" W, a distance of 86.00 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
5. with the arc of a curve to the right, having a radius of 20.00 feet, an arc distance of 30.54 feet, and a chord which bears S 13°25'57" W, a distance of 27.66 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of reverse curvature,
6. with the arc of a curve to the left, having a radius of 1235.00 feet, an arc distance of 457.27 feet, and a chord which bears S 46°34'27" W, a distance of 454.66 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of tangency,
7. S 35°58'02" W, a distance of 139.38 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,
8. with the arc of a curve to the right, having a radius of 715.00 feet, an arc distance of 155.27 feet, and a chord which bears S 42°11'18" W, a distance of 154.96 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of tangency,
9. S 48°24'34" W, a distance of 166.65 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,
10. with the arc of a curve to the left, having a radius of 534.00 feet, an arc distance of 49.49 feet, and a chord which bears S 45°45'17" W, a distance of 49.47 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of reverse curvature,
11. with the arc of a curve to the right, having a radius of 20.00 feet, an arc distance of 29.60 feet, and a chord which bears S 85°30'00" W, a distance of 26.97 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
12. S 37°56'10" W, a distance of 60.00 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
13. with the arc of a curve to the right, having a radius of 20.00 feet, an arc distance of 29.62 feet, and a chord which bears S 09°40'41" E, a distance of 26.98 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of reverse curvature,
14. with the arc of a curve to the left, having a radius of 534.00 feet, an arc distance of 256.79 feet, and a chord which bears S 18°58'03" W, a distance of 254.32 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of tangency,
15. S 05°11'30" W, a distance of 206.73 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,
16. with the arc of a curve to the right, having a radius of 885.00 feet, an arc distance of 401.54 feet, and a chord which bears S 18°11'23" W, a distance of 398.10 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 10 of 13

17. with the arc of a curve to the right, having a radius of 802.36 feet, an arc distance of 377.43 feet, and a chord which bears S 55°31'20" W, a distance of 373.96 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
18. S 59°51'13" W, a distance of 89.09 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
19. S 50°47'23" W, a distance of 249.81 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
20. S 71°59'35" W, a distance of 536.37 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,
21. with the arc of a curve to the left, having a radius of 1065.00 feet, an arc distance of 572.24 feet, and a chord which bears S 56°36'00" W, a distance of 565.38 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of tangency,
22. S 41°12'25" W, a distance of 16.43 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point, and
23. with the arc of a curve to the right, having a radius of 20.00 feet, an arc distance of 30.94 feet, and a chord which bears S 87°04'22" W, a distance of 27.95 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point in the north line of Central Park Loop, a 70 foot right-of-way as shown on said La Cima Phase 1, West Centerpoint Road, for an angle point in the east line of the tract described herein;

THENCE continuing across the said 649.592 acre tract and said 1388.17 acre tract with said north, west and south line of Central Park Loop and the east line of the tract described herein, the following twelve (12) courses and distances:

1. N 51°05'00" W, a distance of 24.52 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
2. with the arc of a curve to the right, having a radius of 815.00 feet, an arc distance of 123.50 feet, and a chord which bears N 44°27'06" W, a distance of 123.39 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of tangency,
3. N 40°06'37" W, a distance of 339.11 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,
4. with the arc of a curve to the left, having a radius of 685.00 feet, an arc distance of 665.88 feet, and a chord which bears N 67°57'31" W, a distance of 639.97 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of reverse curvature,
5. with the arc of a curve to the right, having a radius of 20.00 feet, an arc distance of 29.67 feet, and a chord which bears N 53°18'05" W, a distance of 27.03 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
6. S 80°00'46" W, a distance of 70.01 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 11 of 13

7. with the arc of a curve to the right, having a radius of 20.00 feet, an arc distance of 30.03 feet, and a chord which bears S 32°13'26" W, a distance of 27.29 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
8. S 14°45'22" E, a distance of 70.00 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
9. with the arc of a curve to the right, having a radius of 615.00 feet, an arc distance of 693.89 feet, and a chord which bears S 72°25'59" E, a distance of 657.67 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of tangency,
10. S 40°06'37" E, a distance of 339.11 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,
11. with the arc of a curve to the left, having a radius of 885.00 feet, an arc distance of 134.11 feet, and a chord which bears S 44°27'06" W, a distance of 133.98 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point, and
12. N 51°05'00" W, a distance of 27.03 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set in the northwest line of said West Centerpoint Road, and the east line of the tract described herein;

THENCE continuing across the said 649.592 acre tract and with said northwest line of West Centerpoint Road and the east line of the tract described herein, with the arc of a curve to the right, having a radius of 20.00 feet, an arc distance of 29.58 feet, and a chord which bears S 06°24'37" E, a distance of 26.96 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point being the terminus of said West Centerpoint Road, and in the west line of that certain called 45.839 acres described in the deed to Hays County, Texas of record in Volume 5310, Page 161, Official Public Records of Hays County, Texas, said 45.839 acres also know as West Centerpoint Road and the east line of the tract described herein;

THENCE continuing across the said 649.592 acre tract, with said west line of said called 45.839 acres and with the east line of the tract described herein the following eighteen (18) courses and distances:

1. S 41°00'43" W, a distance of 317.83 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
2. with the arc of a curve to the right, having a radius of 711.97 feet, an arc distance of 72.14 feet, and a chord which bears S 44°06'35" W, a distance of 72.11 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
3. S 51°41'45" W, a distance of 321.99 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
4. S 56°10'08" W, a distance of 379.48 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
5. S 52°02'59" W, a distance of 115.64 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
6. S 56°46'26" W, a distance of 370.65 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,

795.031 Acres
John Williams Survey, A-490 and others
Hays County, Texas

Job No. 5956-01-001
FN2096(dz)
Page 12 of 13

7. with the arc of a curve to the right, having a radius of 1467.50 feet, an arc distance of 175.82 feet, and a chord which bears S 60°12'22" W, a distance of 175.72 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of tangency,
8. S 63°38'19" W, a distance of 335.40 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,
9. with the arc of a curve to the right, having a radius of 20.00 feet, an arc distance of 30.11 feet, and a chord which bears N 73°13'58" W, a distance of 27.35 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
10. S 65°45'53" W, a distance of 70.37 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point,
11. with the arc of a curve to the right, having a radius of 20.00 feet, an arc distance of 32.72 feet, and a chord which bears S 16°46'02" W, a distance of 29.19 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of tangency,
12. S 63°38'19" W, a distance of 93.35 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,
13. with the arc of a curve to the left, having a radius of 1032.50 feet, an arc distance of 1296.01 feet, and a chord which bears S 27°40'45" W, a distance of 1212.59 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of tangency,
14. S 08°16'49" E, a distance of 295.93 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,
15. with the arc of a curve to the right, having a radius of 1965.00 feet, an arc distance of 700.07 feet, and a chord which bears S 01°55'34" W, a distance of 696.38 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of tangency,
16. S 12°07'57" W, a distance of 1093.57 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for a point of curvature,
17. with the arc of a curve to the left, having a radius of 2850.00 feet, an arc distance of 604.79 feet, and a chord which bears S 06°03'12" W, a distance of 603.65 feet to a 1/2-inch iron rod with a plastic cap stamped "BCG" previously set for an angle point, and
18. S 00°32'35" E, a distance of 192.91 feet to the **POINT OF BEGINNING** and containing 795.031 acres of land, more or less.

BEARING BASIS: Texas Coordinate System, South Central Zone, NAD83, Grid.

BOWMAN WORD FILE: FN2096(dz)

THE STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS

COUNTY OF TRAVIS

That I, John D. Barnard, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and belief and that the property described herein was determined by a series of surveys made on the ground during the months of December 2013 through October 2015 and April and December 2017 under my direction and supervision.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas, on this 19th day of December 2017 A.D.

Bowman Consulting Group, Ltd.
Austin, Texas 78746



John D. Barnard
Registered Professional Land Surveyor
No. 5749 – State of Texas

