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DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
ALAMO RANCH
PROPERTY OWNERS' ASSOCIATION, INC.
CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

ALAMO RANCH PROPERTY OWNERS' ASSOCIATION

WHEREAS, PULTE HOMES OF TEXAS, L.P. ("Pulte") is the current owner of all of the real property to be located in ALAMO RANCH, Bexar County, Texas, according to the lot description attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, Pulte is hereinafter sometimes referred to as the "Declarant"; and

WHEREAS, for the purpose of promoting the Properties of the real property in Exhibit A in a first-class manner, Declarant desires to place certain restrictions on the land as more fully set forth herein.

NOW, THEREFORE, for and in consideration of promises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant hereby declares as follows:

ARTICLE I DEFINITIONS

The following words and phrases when used in this Declaration (unless the context shall otherwise prohibit) shall have the following meanings:

- (a) **Additional Property** - shall mean and refer to property which is added to the real property in Exhibit A pursuant to Section 2.3 of this Declaration or any Amended or Supplemental Declaration.
- (b) **Alamo Ranch Architectural Review Committee or Alamo Ranch ARC or ARC** – refers to the committee created by Article V of the Alamo Ranch Property Owners' Association Declaration which has the power to adopt the Properties' Guidelines and the right to approve plans and specifications for construction of proposed improvements on the Lots and Tracts within the jurisdiction of the Alamo Ranch Property Owners' Association (including the Tracts subject to this Declaration) as well as the right to approve plans and specifications for the alteration or modification of improvements on the Tracts unless or until the Alamo Ranch ARC creates the Commercial ARC to perform such functions.
- (c) **Alamo Ranch Property Owners' Association** – refers to Alamo Ranch Property Owners' Association, Inc., a non-profit, non-stock, membership corporation incorporated under the laws of the State of Texas, its successors and assigns, which is the entity created to administer the Declaration of Covenants, Conditions & Restrictions of the real property in Exhibit A and any subsequent additions.
- (d) **Approved Materials** - as defined in Section 4.6 hereof.
- (e) **Association** – shall mean and refer to Alamo Ranch Property Owners' Association, Inc., a non-profit, non-stock, membership corporation incorporated under the laws of the State of Texas, its successors and assigns.
- (f) **Board** - the board of directors of the Association, as set forth in Section 8.3 hereof.
- (g) **Builders** - as defined in subparagraph (l) below.

- (h) **Builder Guidelines** – Shall mean and refer to certain standards and requirements for the construction of improvements in Alamo Ranch which must be complied with by an Owner of property within the jurisdiction of the Association in order to obtain approval by the applicable Architectural Review Committee of the plans and specifications for improvements. The Builder Guidelines applicable to the Lots may be amended only with the consent or approval of the Declarant or the Board of Directors after turnover. Copies of the Builder Guidelines and any amendments thereto hereafter approved shall be provided by the Association to the Builder, their architects, engineers and designers upon request for a reasonable charge established by the Board from time to time.
- (i) **Common Area** - as defined in Section X hereof.
- (j) **Commercial ARC** – refers to the committee which may be created by the Alamo Ranch ARC pursuant to the Declaration of the Alamo Ranch Property Owners' Association to perform the duties of the Alamo Ranch ARC with respect to the Tracts within the areas dedicated for Commercial Properties.
- (k) **Commercial Landscaping Guidelines** – shall mean and refer to landscape design, installation and maintenance criteria for the Tracts which are adopted by the Alamo Ranch ARC. The Commercial Landscaping Guidelines may be included within and be a part of the Properties Guidelines.
- (l) **Commercial Property/Tract** - shall mean any Tract within the Properties that is designated for the operation of commercial activity.
- (m) **County** - Bexar, County, Texas.
- (n) **Declarant** - Pulte Homes of Texas, L.P. and any successors thereto as provided in Section 2.2 hereof.
- (o) **Declaration** - this Declaration of Covenants, Conditions and Restrictions, as amended from time to time as expressly provided herein.
- (p) **Developer** - Pulte Homes of Texas, L.P., and any successors thereto or assignees thereof as provided in Section 2.2 hereof, who undertake the coordination of the Properties of the land in the Subdivision into lots, or succeed by assignment from the Developer to some or all of the Developer's rights hereunder, but specifically excluding those persons or entities (the "Builders") whose activities are limited to the construction of residences on developed lots, or the purchase and resale of previously developed lots and who have not been assigned any of the Developer' rights hereunder.
- (q) **Development Guidelines** – shall mean and refer to written guidelines for the Properties and construction of improvements on a Tract adopted by the Alamo Ranch ARC from time to time. The Properties Guidelines may contain provisions applicable to all of the Tracts within the jurisdiction of the Alamo Ranch Property Owners' Association as well as certain provisions which are applicable only to a specific Tract or Tracts.
- (r) **FHA** - the Federal Housing Administration, or any successor agency or authority thereto.
- (s) **Land** - all of the real property located in the Alamo Ranch Property Owners' Association including, without limitation, the Common Area, Recreation Center, Restricted Area and all Lots and Tracts.

- (t) **Lots** - any one or more numbered lots or plots as shown or to be shown on the Plat(s) (as hereinafter defined), not including any Common Area, public areas, parks, esplanades, tracts owned or subsequently acquired by any public body, or any plot or tract shown as a reserve lot (whether unrestricted or not) or designated Commercial Tract on the Plat(s). Without limiting the foregoing, all references herein to lots shall refer to and include, with respect to any land that has not been platted and fully developed into single-family residential lots, the numbered plots or lots reflected on the Preliminary Plat(s) (as defined below).
- (u) **Lot Approval Date** - with respect to a particular lot, the date that (i) this Declaration is filed of record or the Association is formed, whichever is later, or (ii) Developer otherwise determines.
- (v) **Operating Fund and Annual Assessment** - as described in Section 9.2 hereof.
- (w) **Owner** - the record owner, whether one or more persons or entities (including contract sellers, the Developer and Builders), of fee simple title to a lot, including lots shown on the Preliminary Plat(s), but specifically excluding those having an interest merely as security for the performance of an obligation.
- (x) **Plats** - the plat(s) to be recorded after the date hereof for the Properties as such plat(s) may be re-platted and amended from time to time, which plat(s) shall reflect the City approved or proposed City approved platting, location and size of all lots in the Subdivision and the location of the streets and easements on, adjacent to, or affecting such lots.
- (y) **Properties** - shall mean and refer to the real property described in the plat for Alamo Ranch as recorded in the Public Records of Bexar County which is also more particularly described in Exhibit A to the Declaration together with any Additional Property hereafter annexed to this Declaration pursuant to Article II, section 2.3.
- (z) **Public View** - "Public View" - shall mean, with respect to a person six (6) feet tall, standing on the sidewalk along the street boundary of a Lot, at an elevation no greater than the elevation of the base of the object being viewed.
- (aa) **Residence** - a freestanding single-family residential dwelling constructed on a lot, as defined in Section 3.1 hereof.
- (bb) **Restricted Area** - the portion of the lots subject to any specified use as provided in Section 6.1 hereof.
- (cc) **Retaining Walls** - those engineered walls used to retain property in its present location located in any HOA common areas, Right-of-ways or on or between any lot(s) within the unit.
- (dd) **Subdivision** - A phase or tract of land developed for a specific purpose and subject to the Declaration of Alamo Ranch Property Owners' Association, Inc.
- (ee) **VA** - VA - the Veteran's Administration, or any successor agency or authority thereto.

ARTICLE II
DECLARATION, DECLARANTS, DEVELOPER AND ASSOCIATION

Section 2.1 Declaration.

(a) Declarant hereby declares that all of the land in the Properties shall be held, sold and conveyed subject to the easements, covenants, conditions and restrictions contained in this Declaration, which easements, covenants, conditions and restrictions (i) are for the purpose of establishing a general scheme for the Properties and construction of residences and/or commercial buildings on the land in the Properties, (ii) are for the purpose of enhancing and protecting the value, attractiveness, appeal and desirability of all land within the Properties, (iii) shall run with all land within the Properties and be binding on all parties having or acquiring any right, title or interest in the land or any part thereof, and (iv) shall inure to the benefit of each owner of any portion of the land. The easements, covenants, conditions and restrictions contained in this Declaration are made for the mutual and reciprocal benefit of each and every owner of any portion of the land within the Properties and are intended to create (i) mutual and equitable servitudes upon each portion of land including each of the lots, tracts and Common Area, if any, in favor of each and all other portions and tracts of land within the Subdivision, (ii) reciprocal rights between the respective owners of any portion of the land, and (iii) privity of contract and estate between the grantees of each portion of the land, their heirs, legal representatives, successors and assigns.

(b) Amendment. Except as may be otherwise provided herein, Declarant may amend this Declaration by an instrument executed with the formalities of a deed without the approval or Joinder of any other party at any time prior to the date on which Declarant shall have conveyed 100% of the Lots on the Property, provided, further, if FHA or VA approval is obtained for the lots to permit HUD insured mortgages for home purchases, then as long as the Association has Class B members, any amendment which affects or alters any provisions hereof directly governed or regulated by the FHA or VA shall also be subject to the approval of the FHA, VA and Department of Housing and Urban Properties ("HUD") unless such amendments merely correct errors in this Declaration or are required to comply with any requirements imposed by HUD, FHA or VA. Except as may be otherwise provided herein, commencing on the date that Declarant shall have conveyed 100% of the Lots on the Property, this Declaration may be amended by the affirmative vote of not less than two-thirds (2/3) of a majority of the total voting interests in the Community Association who are present in person or by proxy at a duly-called and noticed meeting of the Community Association membership. In lieu of a vote taken at a meeting, the instrument executed by each of the owners agreeing to an amendment shall be deemed effective, provided that (i) each owner executes the amendment instrument with the formalities of a deed, and (ii) the Community Association, through its president, certifies the proper approval of the amendment. No amendment is effective until recorded, and the Community Association's proper execution will entitle it to public record. Notwithstanding the foregoing, no instrument of amendment, rescission or termination shall be effective while there are Class B memberships unless 100% of the Class B Members shall approve and join in such instrument.

(c) Special Amendment. Anything herein to the contrary notwithstanding, and subject to the requirement of First Mortgagee approval set forth herein where applicable, Declarant reserves the right and power to record a special amendment ("Special Amendment") to this Declaration, at any time and from time to time, which amends this Declaration and any provision therein: (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities; (ii) to induce any of such agencies or entities to make, purchase, sell, insure, guarantee or otherwise deal with first mortgages covering Lots; (iii) to correct clerical or typographical errors in this Declaration; (iv) to bring this Declaration into compliance with applicable laws, ordinances or governmental regulations; or (v) to minimize any federal or state income tax liability of the Community Association. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to make or

consent to a Special Amendment on behalf of each Homeowner and the Community Association. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of the Declarant to make, execute and record Special Amendments. The right and power of Declarant to make Special Amendments hereunder shall terminate on December 31, 2021, or on the date of the conveyance of all Lots in the Community by the Declarant to third parties, whichever occurs last.

Section 2.2 Declarant and Developers.

(a) The initial Declarant of this Declaration is Pulte. After this Declaration is created and filed of record, the Declarant shall have no further rights, duties or obligations hereunder, and all of their rights shall immediately pass to and vest in the Developer hereunder.

(b) The initial Developer shall be Pulte. The Developer shall have the right, but not the obligation, in the event of the transfer of all or any portion of its portion of the Properties to another person or entity, to convey all or a portion of the rights and obligations of such Developer to such transferee, whereupon such transferee shall become "Developer" for all purposes hereunder with respect to, but only with respect to the portion of the Subdivision so conveyed to such transferee. The Developer shall not in any way or manner be held liable or responsible for any damages occasioned by violations of restrictions set forth in this Declaration by any person or entity other than itself. If the Developer conveys a portion (but not all) of the rights and obligations of such Developer hereunder to one or more transferees, then (i) the rights of such Developer hereunder shall be exercised by the transferring Developer based on the affirmative or consensus majority vote of the persons including the transferring Developer possessing such rights, which vote shall be allocated to such persons and weighted based on the number of lots or number of proposed lots owned by such persons, except to the extent such rights are otherwise restricted or specified in the conveyance document, and (ii) the obligations of the transferring Developer hereunder shall be performed by or enforced against the transferring Developer or the party to whom such obligations have been conveyed by the transferring Developer hereunder. If either Developer conveys all of its land in the Properties to owner(s) who do not succeed to the rights and obligations of the transferring Developer hereunder, then the lot owners shall obtain the rights of the transferring Developer herein.

Section 2.3 Annexation. Additional land may become subject to this Declaration in the following manner:

(a) Additions by Declarant or Developer - The Declarant or Developer, its successors and assigns, shall have the right to bring within the scheme of this Declaration, and without the consent of Members, additional properties in future stages of the Properties and within ten years from the date of this instrument. Declarant or Developer, its successors and assigns, shall not be bound to make any additions to the Property. Any additions authorized under this and the succeeding subsections shall be made by filing of record a Declaration of Covenants, Conditions and Restrictions which shall extend the scheme of the covenants, conditions and restrictions of this Declaration to such real property; provided, however, that such Supplementary Declaration may contain such modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary or appropriate to reflect the different character, if any, of the added real properties and as are not materially inconsistent with this Declaration and which do not adversely affect the concept of this Declaration; and the execution thereof by the Declarant and/or Developer shall constitute all requisite evidence of the required approval thereof. In no event, however, shall any such instrument be construed so as to revoke, modify or add to the covenants established by this Declaration as they are applicable to the property. Furthermore, the following provisions shall apply:

(b) Additional real property may be added and annexed to the land and scheme of the Declaration by (i) the Developer in their sole discretion, or (ii) the consent of the owners representing at least two-thirds (2/3rds) of all lots.

(c) The Association may add or annex Additional real property to the land and scheme of this Declaration by obtaining the consent of the owners representing at least two-thirds (2/3rds) of all votes of each class of voting membership. If FHA or VA approval is obtained for the lots to permit HUD insured mortgages for home purchases, then, as long as the Association has Class B members, any Subdivision or annexation of Additional real property to the land and scheme of this Declaration shall also be subject to the approval of FHA, VA and HUD.

(d) In the event any person or entity other than the Developer desires to add or annex Additional residential properties and/or common areas to the scheme of this Declaration, such proposed annexation must have the prior written consent and approval of the Developer and at least two-thirds (2/3rds) of the votes of all lot owners, excluding for such purposes the lots owned by the Developer.

(e) Any real property annexations made pursuant to this Section 2.4, when made, shall automatically extend the jurisdiction, functions, duties and membership of the Developer, Association and ARC to the real properties added or annexed.

ARTICLE III

RESTRICTIONS ON USE OF LOTS & TRACTS

Section 3.1 Residential Use. Except for the lots on which any Common Area is located, all lots shall be used only for single-family private residential purposes and related amenities (including, without limitation, such amenities as may be located on the Common Area from time to time as provided herein and the Recreation Center, if any). Except on the Common Area or on the lot(s) on which the Recreation Center is located, no building or structure shall be erected, altered, placed or permitted to remain on any lot other than one (1) freestanding single-family residence per lot, which residence may not exceed two (2) stories in height, one in-ground pool, one private garage containing no more than three (3) cars, and appurtenant sidewalks, driveways, curbs, fences and storage or mechanical buildings not otherwise prohibited hereby.

Section 3.2 Commercial Use. Certain specific tracts within the Properties will be designated for Commercial Use. Commercial buildings will be permitted within these areas of the Properties only and are subject to the Commercial Design Guidelines and Commercial Landscaping Guidelines. The specific tracts are listed on Exhibit A.

Section 3.3 Single-Family Use. Each and every Lot in the Properties is hereby restricted to one (1) Single Family Residence and related outbuildings and improvements, including guest houses, household employee quarters and greenhouses, and use for single-family residential purposes exclusively and no Single Family Residence shall be occupied by more than a single family which for purposes hereof shall mean and refer to any number of individuals living together as a single household unit, and the household employees of such household unit.

No garage sale, yard sale, moving sale, rummage sale or similar activity and no trade or business may be conducted in or from any Lot, except that an Owner or Occupant may conduct business activities within the Single Family Residence so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Lot; (b) the business activity does not involve persons coming onto the Properties who do not reside in the Properties or door-to-door solicitation of residents of the Properties; (c) the business activity does not have employees or contractors, not living at the residence, reporting to the residence to perform their work; and (d) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board. The Board is authorized to promulgate rules and regulations to insure that home businesses comply with the above standards and to make factual determinations regarding the impact of a home business on the residential character of the Properties. If, in the judgment of the Board, a home business has a detrimental impact on the residential quality of the Properties or otherwise constitutes a nuisance, it is authorized to require that the Owner

cease the home business or alter it to the Board's satisfaction. Notwithstanding anything contained in this Section, the Association may sponsor a community wide garage sale or rummage sale at such location or locations as the Board deems appropriate from time to time. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore. Notwithstanding the above, the leasing of a Single Family Residence shall not be considered a trade or business within the meaning of this Section. This Section shall not apply to any activity conducted by the Declarant or by a Builder with the approval of the Declarant, with respect to the Properties and sale of the Lots and Single Family Residences in the Properties.

Section 3.4 Antennae and Satellite Dishes. No television, radio, or other electronic towers, aerials, antennae, satellite dishes or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall be erected, constructed, placed or permitted to remain on any Lot or Tract or upon any improvements thereon without the expressed written consent of the ARC, except that this prohibition shall not apply to those antennae specifically covered by the regulations promulgated under the Telecommunications Act of 1996, as amended from time to time. The Board of Directors of the Association or the Alamo Ranch ARC is empowered to adopt rules governing the types of antennae that are permissible in the Properties and to establish reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae.

To the extent that receipt of an acceptable signal would not be impaired, an antenna permissible pursuant to the rules of the Alamo Ranch ARC may only be installed in a side or rear yard location, not within Public View, and integrated with the dwelling and surrounding landscape. Antennae shall be installed in compliance with all state and local laws and regulations.

Section 3.5 Vehicles and Parking. The term "vehicles", as used herein, shall refer to all motorized vehicles including, without limitation, automobiles, trucks, motor homes, boats, trailers, motorcycles, minibikes, scooters, go-carts, campers, buses, and vans. No vehicle may be parked or left upon any Lot in the Properties, except in a garage or other area designated by the Board, and in driveways for such temporary periods as may be specified by the Board from time to time. The Board through the ARC shall have the authority to promulgate rules for parking on all Tracts. Any vehicle parked or left not in accordance with this section shall be considered a nuisance. No motorized vehicles shall be permitted on pathways or unpaved Common Area except for public safety vehicles and vehicles authorized by the Board. Additional requirements for vehicle parking will also apply as referenced in the Supplemental Declaration for each Unit in the Subdivision.

Section 3.6 Disposal of Trash. No trash, rubbish, garbage, manure, debris, or offensive material of any kind shall be kept or allowed to remain on any Lot, nor shall any Lot be used or maintained as a dumping ground for such materials. All such matter shall be placed in sanitary refuse containers constructed of metal, plastic or masonry materials with tight fitting sanitary covers or lids and placed in an area adequately screened from Public View by planting or fencing. All rubbish, trash, and garbage shall be regularly removed and not allowed to accumulate. Equipment used for the temporary storage and/or disposal of such material prior to removal shall be kept in a clean and sanitary condition and shall comply with all current laws and regulations and those which may be promulgated in the future by any federal, state, county, municipal or other governmental body with regard to environmental quality and waste disposal. In a manner consistent with good housekeeping, the Owner of each Lot shall remove such prohibited matter from his Lot at regular intervals at his expense.

Section 3.7 Drainage. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or Occupant of a Lot may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers or storm drains.

Section 3.8 Clotheslines, Garbage Cans, Woodpiles, etc. Clotheslines may not be placed on any Lot. Garbage cans, woodpiles, swimming pool pumps, filters and related equipment and other similar items shall be located or screened so as to be concealed from Public View.

Section 3.9 Weapons and Fireworks. The use of fireworks, firearms and other weapons within the Properties is prohibited. The term "firearms" includes "B-B" guns, pellet guns, and ~~small~~ firearms of all types. Nothing contained in this Declaration shall be construed to require the Association to take action to enforce this Section.

Section 3.10 Temporary Buildings. Temporary buildings or structures shall not be permitted on any Lot or Tract; provided, however, Declarant may permit temporary toilet facilities, sales and construction offices and storage areas to be used by Builders in connection with the construction and sale of residences and by contractors performing land Properties activities within the Properties for Declarant. Builders may use garages as sales offices for the time during which such Builders are marketing homes. At the time of the sale of a Single Family Residence by a Builder any garage appurtenant to such residence used for sales purposes must be reconverted to a functional garage in compliance with the plans approved by the Alamo Ranch ARC. A storage building may be located in the backyard of a Lot if it complies with applicable guidelines adopted by the Alamo Ranch ARC.

Section 3.11 Grass and Shrubbery. The Owner of each Lot or Tract shall install or cause to be installed grass and shrubbery in accordance with the Design Review Guidelines and the Landscaping Requirements of Alamo Ranch POA. No xeriscape landscaping will be allowed unless prior approval is obtained by the ARC or is mandated by city guidelines. The maintenance of these areas is to be performed to the level as stated in Section 3.24. The Association may plant, install and maintain shrubbery and other screening devices on utility easements around boxes, transformers and other above-ground utility equipment, and mow and maintain the grass around such areas. The Association shall have the right to enter upon the Lots to plant, install, maintain and replace such shrubbery or other screening devices, and mow and maintain grass around such areas following reasonable advance notice to the Owner of such Lot or Tract.

Section 3.12 Traffic Sight Areas. All Lots and Tracts located at Street intersections shall be landscaped so as to permit safe sight across the Street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where this would create a traffic or sight problem.

Section 3.13 Private Utility Lines. All electrical, telephone, telecommunication, natural gas and other utility lines and facilities which are located on a Lot or Tract and are not owned by a government entity or a public utility company shall be installed underground unless otherwise approved in writing by the Alamo Ranch ARC.

Section 3.14 Signs. No signs, billboards, posters, or advertising devices of any kind shall be permitted on any Lot or Tract without the prior written consent of the Alamo Ranch ARC other than (a) one sign not in excess of a size prescribed by the Alamo Ranch ARC advertising a particular Lot and residential structure on which the sign is situated for sale, or (b) one sign to identify the particular Lot during the period of construction of a Single Family Residence thereon as for sale; provided, however, no sign advertising a Lot and residential structure for sale shall contain the word "foreclosure" or any derivative of such word. The right is reserved by Declarant to construct and maintain, or to allow Builders to construct and maintain signs and other advertising devices on land they own and on the Common Area as is customary in connection with the sale of developed tracts and newly constructed residential dwellings. In addition, the Declarant and the Association shall have the right to erect and maintain identifying signs and monuments at entrances to subdivisions. Signs for commercial tracts must comply with the Commercial Design Guidelines.

In addition to any other remedies provided for herein, the Board of Directors or its duly authorized agent shall have the power to enter upon a Lot to remove any sign which violates this Section provided the violating Owner has been given forty-eight hours' written notice by the Board of Directors of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments.

Section 3.15 Fences. The plans for all fences must be approved by the Alamo Ranch ARC which shall have the power to specify acceptable materials. No chain link fences shall be permitted within the Properties.

Section 3.16 Owner's Maintenance. Each Owner and Occupant of a Lot or Tract shall at all times be obligated to maintain his property and all improvements thereupon (including the area between the boundary lines of his Lot and curb or edge of adjacent Streets), so as to keep same in a clean, sightly and safe condition and to conform with the Landscaping Guidelines and any specific standards which the Board of Directors may adopt by resolution for the Properties. Unless expressly assumed by the Association, an Owner's maintenance obligation shall include, but not be limited to: the maintenance of all visible exterior surfaces of all buildings and other improvements; the prompt removal of all paper, debris, and refuse; the removal and replacement of dead and diseased trees and plantings; the repair, replacement, cleaning and re-lamping of all signs and lighting fixtures; the mowing, watering, fertilizing, weeding, replanting and replacing of all approved landscaping; and, during construction, the cleaning of dirt, construction debris and other construction-related refuse from Streets and storm drains and inlets. In the event an Owner fails to maintain his property as specified above, the Association may enter upon the applicable Lot to perform the necessary work.

Section 3.17 Prohibited Activities. No noxious or offensive activity of any kind which may constitute or become an annoyance or nuisance to the subdivision neighborhood shall be permitted on any lot, nor shall any illegal activity be permitted on any lot. No activity intended as a harassment of any owner shall be allowed.

Violation of any order of the State of Texas, any state agency, or political subdivision, or any municipal ordinance or state law shall be derived a nuisance and subject to enforcement.

In the interest of public safety, streets and roadways shall not be used as playgrounds or recreational areas.

Each owner shall comply with all governmental agency regulations and rules relating to the protection of the Edwards Aquifer.

ARTICLE IV

CONSTRUCTION OF IMPROVEMENTS

Section 4.1 General Standards. All construction in the Properties shall be in accordance with the standards developed pursuant to Section 5.6 hereof, unless otherwise approved by the Developer or Committee as provided in Article V hereof.

Section 4.2 Garage Required. Each residence shall have a private garage suitable for parking not less than one (1), nor more than three (3), standard size automobiles and, each garage shall be attached or detached to such residence, open to the front, side or rear of the lot and conform in appearance, design and materials to the main residence. No garage shall be enclosed or otherwise altered to prevent the parking of at least one (1) conventional automobile completely within such garage unless an Additional garage is constructed which meets the standards of this Article IV, is in compliance with existing City ordinances, and is approved by the Developer or the ARC. Temporary enclosure of garages by Developer or a Builder for marketing, sales, construction or office purposes is permitted hereby, provided such enclosures and offices are architecturally compatible with the residence and this Declaration and are used in accordance with the provisions of

Section 3.4(m) hereof. If any garage is so enclosed by Developer or a Builder, such garage shall be converted to use solely for the parking of automobiles as described above prior to the sale or lease of such residence to the occupying owner.

Section 4.3 Driveways. All driveways shall be surfaced with concrete. No asphalt driveways shall be permitted. Brick pavers will be allowed as approved by the ARC and should not exceed 1' on either side for ornamental purposes only.

Section 4.4 Construction Specifically Regulated.

(a) No temporary dwelling, shop, trailer or mobile home of any kind nor any improvement of a temporary character except children's playhouses, dog houses, greenhouses, gazebos, lawn furniture and buildings as approved by the ARC for storage of lawn or pool maintenance equipment, which may be placed on a lot only in areas not visible from any street adjacent to the lot, shall be permitted on any lot except that the Developer and any Builder may have temporary dwellings, trailers or improvements such as a sales office and/or construction trailer on a given lot in accordance with the provisions of Section 3.10 hereof. No building material of any kind or character shall be placed or stored upon the lot until the owner thereof is ready to commence construction of improvements thereon, and then such material shall be placed only within the property lines of the lot upon which the improvements are to be erected.

(b) No structure of a temporary character, such as a trailer, tent, shack, barn or other outbuilding, shall be used on any land at any time as a dwelling house; provided, however, that Developer or any Builder may maintain and occupy model houses, sales offices and construction trailers in accordance with the provisions of Section 3.10 hereof.

(c) No individual water supply system which is not part of the public water supply system serving the entire Subdivision shall be permitted in the Properties.

(d) No individual sewage disposal system which is not part of the public sewage disposal system serving the entire Properties shall be permitted in the Properties.

(e) No fences, walls, hedges or shrubs which obstruct sight lines at elevations between two (2) and six (6) feet above the roadway may be placed or permitted to remain on any corner lot.

(f) Except for children's playhouses, dog houses, greenhouses, gazebos and buildings as approved by the Developer or ARC for storage of lawn and pool maintenance equipment, no building previously constructed elsewhere shall be moved onto any lot, it being intended that only new construction be placed and erected thereon. Every outbuilding shall be compatible with the dwelling to which it is appurtenant in terms of its design and material composition (i.e. siding, color and shingles). No metal or plastic storage buildings shall be allowed. All outbuildings shall be subject to approval of the Architectural Review Committee. In no instance shall an outbuilding exceed nine (9) feet in height, nor shall the total floor area of outbuildings other than a detached garage exceed one hundred (100) square feet.

(g) Within platted easements on each lot, no permanent structures, paving other than driveways, sidewalks and flatwork installed in compliance with all applicable codes and laws and the remaining provisions of this Section 4.4(i), planting or materials shall be placed or permitted to remain which may damage or materially interfere with the installation, operation and maintenance of utilities or change, obstruct or retard the flow of water through or within drainage channels and/or easements.

(h) After the Developer has developed the lots, the general grading, slope and drainage plan of a lot may not be altered, nor may any dams, berms, channels or swales be constructed or excavated, without the prior approval of the ARC, the City (if applicable) and other appropriate agencies having authority to grant such approval.

(i) All containers and other facilities for trash disposal must be located and screened in a manner approved by the ARC from Public View.

(j) All exterior mechanical equipment, including, without limitation, heating, air conditioning and ventilation ("HVAC") equipment, shall be located and screened in a manner approved by the ARC. Without limiting the foregoing, no window air conditioning units shall be permitted in any residence on any lot.

(k) All construction shall comply at all times with this Declaration and all other applicable deed restrictions, encumbrances of record, zoning ordinances and requirements, planned use and Properties restrictions, building codes, FHA and VA requirements and regulations and all other applicable ordinances and regulations.

(l) No exterior burglar bars will be permitted on any doors, windows or other openings on a dwelling or building situated in the Properties. Burglar bars, if installed, must be situated within the interior of such dwelling.

Section 4.5 Approved Materials.

(a) Except with respect to any Recreation Center or other buildings or structures constructed by the Developer on any Common Area, the ARC shall establish approved building materials when not explicitly defined in the applicable restrictions.

Section 4.6 Side, Front and Rear Setback Restrictions. No dwelling or building shall be located on any lot nearer to the front or rear lot line or nearer to the side lot line than the minimum setback lines shown on the Plat or required by the City. For all purposes of this Section 4.6, eaves, steps and open porches shall not be considered as a part of the building; provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot or to vary from any applicable City requirements.

Section 4.7 Fences and Walls. The location and type of any fence or wall must be approved by Developer or ARC and must be constructed of masonry, brick, wood, metal or other material approved by the Developer or the ARC and must comply with all applicable governmental requirements and ordinances. No fence or wall shall be permitted to extend nearer to the front street than the front of the house except as approved by the ARC. No portion of any fence shall exceed six (6) feet in height as measured from the lowest point of the Lot, except as approved by the ARC.

Section 4.8 Sidewalks. All sidewalks shall conform to all applicable City, FHA and VA specifications and regulations.

Section 4.9 Mailboxes. Mailboxes shall be constructed of a material and design approved by the ARC and the United States Postal Service.

Section 4.10 Signs Advertising the Properties, Subdivision, Lots or Tracts. All signs advertising the entire Property (but not limited to the Property) or any substantial part thereof shall be approved by the ARC. All signs shall be maintained in good condition and repair, with a neat and orderly appearance, and shall comply with the applicable ordinances of the City. All signs advertising the Properties, Subdivision, Lots or Tracts shall be removed after the later of (a) all buildings to be initially constructed on the advertised lot(s) have been sold or (b) model homes are not being used by the builder or, (c) Developer has completed selling and construction activities for other communities in the vicinity. Developer, the Association or the ARC may remove from the Subdivision, Tract or any surrounding area any signs which do not comply with this Section 4.10.

Section 4.11 Landscaping/Fencing Plans. Any person or entity other than the Developer planning to landscape or fence areas in the Properties other than individual lots shall prepare and submit for approval to the ARC, pursuant to the procedures set forth in Article V, a landscaping/fencing plan for such areas in the Subdivision prior to undertaking any landscaping or fencing in the Properties. Without limiting the requirement to obtain approval as noted above, such plan shall be compatible with the existing landscaping or fencing improvements and treatments, if any, in the Properties, and shall be in compliance with the terms and provisions hereof.

Section 4.12 Destruction. In the event of any fire or other casualty, the Owner will promptly repair, restore and replace any damaged or destroyed structures to their same exterior condition existing prior to the damage or destruction thereof. Such repair, restoration or replacement will be commenced and completed in a good and workmanlike manner using exterior materials identical to those originally used in the structures damaged or destroyed. To the extent that the Owner fails to commence such repair, restoration or replacement of substantial or total damage or destruction within thirty (30) days after the occurrence of such damage or destruction, and thereafter prosecute same to completion, or if the Owner does not clean up any debris resulting from any damage within thirty (30) days after the occurrence of such damage, the Association may commence, complete or effect such repair, restoration, replacement or clean-up, and such Owner will be personally liable to the Association for the cost of such work; provided, however, that if the Owner is prohibited or delayed by law, regulation or administrative or public body or tribunal from commencing such repair, restoration, replacement, or clean-up, the rights of the Association under this sentence 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, then at the rate of one and one-half percent (1-1/2%) per month will be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a portion of the Properties will be secured by the liens reserved in this Declaration for assessments and may be collected by any means provided in this Declaration for the collection of assessments, including, but not limited to foreclosure of such liens against such portion of the Properties.

Section 4.13 Developer Approval.

(a) Prior to the formation of the ARC (if ever) and during any periods of time after such formation that the ARC no longer exists, all consents and approvals reserved to the Developer shall be made solely by the Developer.

(b) All consents and approvals reserved to the Developer may be made and provided by the ARC or the Association only after the (i) Developer has relinquished its duties hereunder to the ARC or Association or sold or otherwise disposed of all its interest in all of its lots and other property in the Properties, or (ii) Developer elects not to exercise such rights, easements and authority.

ARTICLE V
ARCHITECTURAL REVIEW COMMITTEE

Section 5.1 Appointment. The Architectural Review Committee (the "ARC") consisting of three (3) members may, but shall not be obligated to be formed by the Developer during the period of time that the Developer owns any interest in any lot, and thereafter (a) by the Board members of the Association, or (b) by the lot owners representing a majority of the lots. If the ARC is formed by the Developer, then (i) Developer shall initially designate and appoint the members, each appointee to be generally familiar with the residential and community Properties design matters within other Subdivisions with which Developer has been associated and knowledgeable about those concerns articulated in this Declaration, and (ii) within ninety (90) days after the date that all of the lots have been sold by the Developer, the Board shall (A) confirm and approve the membership of the ARC, or (B) appoint one (1) or more successor members of its/their own choosing to the ARC, with such succession to be effective thirty (30) days after such appointment of such successor(s).

(a) The ARC may create a **Commercial ARC** Committee for the sole purpose of reviewing the building of new structures or remodeling of existing structures located in the commercial tracts. This Commercial ARC Committee may be a permanent or ad-hoc committee. The intent of this sub-committee is to have members with areas of expertise in commercial construction, design and land Properties. Members of this committee do not have to be members of the Association. The Commercial ARC Committee would review and present a final set of recommendations to the Committee for action.

Section 5.2 Term; Successors; Compensation; Liability.

(a) Each member of the ARC shall serve on the ARC until such member resigns or is removed by the Board of Directors. Without limiting the foregoing, the appointing party may remove its appointed member of the ARC at any time for any reason.

(b) In the event of the death, resignation or removal by the appointing party of any member of the ARC, the Board of Directors shall have full authority to designate and appoint a successor within a reasonable period of time. If no such appointment is made on a timely basis, the remaining member(s) of the ARC shall appoint a successor member.

(c) No member of the ARC shall be entitled to compensation for, or be liable for claims, causes of action or damages arising out of services performed pursuant to this Declaration.

Section 5.3 Authority.

(a) After the initial platting of the land in Properties or Tract, the Properties or Tract shall not be re-platted or re-subdivided, no landscaping shall be undertaken and no building, fence, wall or other structure shall be commenced, erected, placed, maintained or altered on any lot, nor shall any exterior painting of, exterior addition to, or alteration of, such items be made by any party other than Developer, until all plans have been approved by Developer, and if a ARC has been formed and is in existence as of such date then until all plans therefore have been submitted to and approved in writing by a majority of the members of the ARC, as to:

(i) conformity and harmony of the proposed re-plat and any landscape plan to the existing Properties in the Subdivision, surrounding areas, community standards and other Properties with which Developer are associated;

(ii) quality of workmanship and materials, adequacy of site dimensions, adequacy of structural design and proper facing of main elevation with respect to nearby streets;

(iii) conformity and harmony of the external design, color, type and appearance of exterior surfaces and landscaping in relation to the various parts of the proposed improvements and in relation to improvements on other lots in the Subdivision and other Properties; and

(iv) the other standards set forth within this Declaration or matters in which Developer or the Committee, whichever applies, have been vested with the authority to render a final interpretation and decision.

Without limiting the foregoing, Developer or the ARC, whichever applies, have been authorized and empowered to consider and review any and all aspects of platting, construction and landscaping which may, in the reasonable opinion of such party, affect the living enjoyment of one or more lot owners or the general value of lots in the Subdivision. In considering the harmony of external design between existing structures and a proposed building being erected, placed or altered, the Developer or the ARC, whichever applies, shall consider only the general appearance of the proposed building as that can be determined from front, rear and side elevations on submitted plans.

(b) Developer, or the ARC acting pursuant to a majority vote of its members, whichever applies, shall have the right, power and authority to enforce the covenants, conditions, restrictions and all other terms contained in this Declaration relating to the matters within its purview as set forth herein. If the Developer fails or refuses to enforce this Declaration as stated above, then the Association shall have the right, power and authority to enforce this Declaration.

Section 5.4 Guidelines and Procedures; Design Guidelines. The Alamo Ranch ARC may prepare Design Guidelines applicable to all the Properties which shall supplement the Builder Guidelines (collectively, the Design Guidelines and the Builder Guidelines are referred to herein as the "Review Guidelines"). The Design Guidelines are intended to provide guidance to Owners and builders regarding matters of particular concern to the Alamo Ranch ARC in reviewing Plans hereunder. The Design Guidelines are not the exclusive basis for decisions of the Reviewer and compliance with the Design Guidelines does not guarantee approval of any application for approval.

Section 5.5 Procedure for Approval.

(a) Each of the following documents and all modifications thereof must be submitted to the Developer or the ARC, whichever applies, and such party's approval must be obtained, prior to the document's submission to the City or implementation:

- (i) preliminary re-plat;
- (ii) final re-plat;
- (iii) engineering plans and specifications;
- (iv) landscaping, fencing and general Properties plans; and
- (v) architectural, building and construction plans for each residence, showing the nature, kind, shape, height, materials and location of all landscaping and improvements on each lot, and specifying any requested variance from the setback lines, garage location or other requirements set forth in this Declaration, and, if requested by Developer or the ARC, samples of proposed construction materials.

(b) All documents must be submitted in duplicate and must be sent to Developer or the ARC by hand delivery or certified mail; provided, however, that Developer shall not be obligated to submit or obtain approval of such documents as long as the Developer owns any lot(s) in the Properties. At such time as the submitted documents meet the approval of Developer or the ARC, one complete set of the submitted documents will be retained by such party and the other complete set shall be marked "Approved", signed by such party and returned to Builder or its respective designated representative. If disapproved by such party, one set of documents shall be returned marked "Disapproved" and shall be accompanied by a statement of the reasons for disapproval, which statement shall be signed by such party. Such party's approval or disapproval shall be in writing. In no event shall such party give oral approval of any documents. Notwithstanding the foregoing, if such party fails to respond to any submitted documents within sixty (60) days after the date of submission, the matters submitted shall be deemed to be approved.

Section 5.6 Standards. Developer or the ARC, whichever applies, shall use its best efforts to promote and ensure a high level of taste, design, quality, harmony and conformity throughout the Properties consistent with the standards set forth in this Declaration, provided that such party shall have sole discretion with respect to taste, design and all standards specified herein. One objective of such party is to conform generally with community standards and prevent unusual, radical, curious, odd, bizarre, peculiar or irregular structures from being built or maintained in the Properties. Such party shall also have the authority, among other things, to require as a minimum, a five (5) to twelve (12) foot roof pitch or slope on the main structure of the residence, subject to such party's ability to permit

slight variances for garage and porch roof pitch or slope, to require that the exterior surfaces of the chimney chases be covered with brick, masonry or wood, to prohibit the use of lightweight composition roof material, to require that the colors of roofing materials be earth tones, to require the use of certain types of divided light windows (such as bronzed, white or black), to prohibit or regulate the use of solar or heating panels, to regulate the construction and maintenance of awnings and generally to require that any plans meet the standards of the existing improvements on neighboring lots. Such party may from time to time publish and promulgate bulletins regarding architectural standards, which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration.

Section 5.7 Termination. The ARC shall cease to exist on the date on which, with the prior written approval of Developer or the Board, all the members of the ARC file a document declaring the termination of the ARC.

Section 5.8 Liability of Developer and the Committee.

(a) Developer and the members of the ARC shall have no liability for decisions made by them so long as such decisions are made in good faith and are not discriminatory, arbitrary or capricious. Any errors in or omissions from the documents submitted to the ARC shall be the responsibility of the entity or person submitting the documents, and Developer or the ARC shall have no obligation to check for errors in or omissions from any such documents, or to check for such documents' compliance with the general provisions of this Declaration, City codes and regulations, FHA or VA regulations, state statutes or the common law, whether the same relate to lot lines, building lines, easements or any other issue.

(b) Declarant and Developer shall have no responsibility or liability for (i) the creation, selection, management or operation of the ARC, (ii) any actions taken or omitted to be taken by or on behalf of the ARC as a result of, in connection with, under, or pursuant to this Declaration or the Subdivision, or (iii) any liabilities, obligations, debts, actions, causes of action, claims, debts, suits or damages incurred by or on behalf of, or arising in connection with the ARC, the Properties or the duties and obligations of the ARC pursuant to this Declaration.

ARTICLE VI

SPECIAL FENCING, LANDSCAPING AND RETAINING WALL PROVISIONS

Section 6.1 Fences, Walls, Retaining Walls, Sprinkler Systems and Other Improvements in the Restricted Area. Developer and/or the Association, whichever applies, shall have the right, but not the obligation, to erect, install, maintain, repair and/or replace fences, walls, retaining walls, subdivision and/or community monuments, signs, improvements and/or sprinkler systems within those portions (the "Restricted Area") of any lot which are located between the property lines of such lot and the setback or sight lines of such lot as established by the Plat(s), this Declaration or any governmental entity. If any fence, wall, retaining wall, subdivision and/or community monument, sign, improvement or sprinkler system is erected or installed on any lot(s), such fence, wall, retaining wall, subdivision and/or community monument, sign, improvement or sprinkler system shall be the property of the owner of the lot on which such fence, wall, retaining wall, subdivision and/or community monument, sign, improvement or sprinkler system is erected or installed, subject to the easements and rights of Developer as set forth below. No fence, wall or sprinkler system shall be erected or installed in the Restricted Area by the owner of the affected lot without the prior written consent of Developer, provided that any fence, wall, retaining wall, or sprinkler system installed by the Developer in the Restricted Area may be maintained, repaired and/or replaced by the HOA and/or POA.

Section 6.2 Restricted Area Landscaping. Developer shall have the right but not the obligation to grade, plant and/or landscape and maintain, repair, replace and/or change such grading, planting and landscaping on any portion of the Restricted Area of any lot provided that such grading, planting and landscaping conforms with the landscaping plan approved by the Developer or ARC as set forth above. In the event Developer does not landscape the Restricted Area, the owner of

the affected lot may plant grass and, with the prior written consent of the Developer or ARC, may landscape, install a sprinkler system and plant trees and shrubs in the Restricted Area; provided, however, in no event shall an owner erect or maintain any structure, paving or improvement other than landscaping and a sprinkler system in the Restricted Area.

Section 6.3 Restricted Area, Fence Encroachment and Retaining Wall Easements.

(a) Developer or Association shall have the right and an easement to enter upon the Restricted Area for the purpose of exercising the discretionary rights set forth in Sections 6.1 and 6.2 hereof.

(b) Each owner, as grantor, grants to each owner of each immediately adjacent Lot or Tract, as grantee, a non-exclusive reciprocal easement, license, privilege and right-of-way for the encroachment of any common fence upon such grantor's lot and for the right to attach any adjacent lot boundary fences to any common fence; provided, however, that no such encroachment shall extend more than two (2) feet into such grantor's lot and no such attachment shall irreparably and visibly damage the common fence. Without limiting the foregoing, the grantee shall have the easement, license, privilege and right-of-way for free, continuous and uninterrupted use of ingress and egress over and across the encroachment area which is located between the grantor's property line and the common fence or retaining wall, provided that the grantee agrees (i) not to construct or permit to exist within or on the encroachment area any building, structure or other obstruction, (ii) to immediately repair any portion or condition of the encroachment area which is not in good condition or which is in need of repair, and (iii) to mow, water, weed and otherwise maintain and repair, at its sole cost and expense, the encroachment area in good condition and in accordance and compliance with all laws, rules, regulations, restrictions and covenants affecting the encroachment area and in accordance and consistent with the standards maintained in the Subdivision. In the event that grantee fails or refuses to reasonably maintain and repair the encroachment area as generally described above, then the grantor may, if such condition continues after expiration of ten (10) days after written notice of such failure to the grantee, perform the maintenance and other duties described herein in which event the grantee shall immediately reimburse grantor all costs and expenses associated with maintaining or performing such duties as generally described above.

(c) Each grantee hereby grants to each grantor as such terms are used in Paragraph (b) above, a non-exclusive reciprocal easement, license, privilege and right-of-way to utilize and travel across such portions of the grantee's property as may be necessary or appropriate to provide access and ingress and egress to, and to maintain, repair, reconstruct and replace, their common fence or retaining wall. The grantor and grantee hereby agree to contribute equally to the maintenance, repair, reconstruction and replacement of any common fence, and if either grantor or grantee refuse to contribute or to participate in such maintenance, repair, reconstruction or replacement, then the other party may perform such duties and take such actions as it deems appropriate, and the non-performing parties shall reimburse the performing party for one-half (1/2) of all costs and expenses associated therewith. Without limiting the foregoing, in the event that the common fence needs to be replaced or substantially repaired which involves substantial renovation or reconstruction of the common fence, either party reserves the right, subject to all applicable laws, rules, regulations, restrictions and covenants, to relocate the common fence to the common property line between the grantor's and grantee's properties in which event the encroachment easement described in Paragraph (b) above shall immediately terminate upon completion of such renovation, reconstruction and relocation of the common fence to the common property line.

(d) The easements, licenses, privileges and rights-of-way described in this Section 6.3 shall constitute covenants running with each of the affected adjacent lots pursuant to applicable law for the benefit of each of the affected adjacent lots and the owners of such affected adjacent lots and their respective successors and assigns, and shall burden each of such affected adjacent lots, the owners of such affected adjacent lots and their successors and assigns.

Section 6.4 Maintenance of Restricted Area by Individual Lot or Tract Owner. In the event the Association does not voluntarily maintain or repair any fences, walls, subdivision and/or community monuments, signs, sprinkler systems, grading, planting, landscaping or other improvements erected, installed or situated within the Restricted Area, then the owner of the affected lot or tract shall, at its expense, perform such maintenance and repair work as is necessary to maintain such fences, walls, subdivision and/or community monuments, signs, sprinkler systems, grading, planting, landscaping and other improvements in a good and neat condition and appearance; provided, however, that the lot or tract owner shall give the Association ten (10) business days' written notice before performing any maintenance other than mowing, edging and trimming. So long as the Restricted Area and any fences, walls, subdivision monuments, signs, sprinkler systems, grading, planting, landscaping and other improvements thereon are reasonably maintained and repaired by the Association, the owner of such affected lot or tract shall not perform any maintenance or repair work within such Restricted Area without the prior written consent of the Association. In no event shall the owner of any lot or tract perform any maintenance or repair work on any sprinkler system within the Restricted Area without the prior written consent of the Association unless such sprinkler system is owned by the owner and services only the owner's lot or tract.

Section 6.5 Termination. Upon notice from Developer, recorded in the public records of the County, Developer may terminate any or all of its rights, easements and authority pursuant to this Article VI.

Section 6.6 Association's and Lot/Tract Owners' Rights. Notwithstanding any contrary provision herein, the Association shall have the right, but not the obligation, to exercise, at the Association's or lot/tract owners' sole expense, any of Developer' rights, easements and authority pursuant to this Article VI, but only to the extent that the Developer has relinquished its rights herein or elects not to exercise such rights, easements and authority. Developer' termination of its rights pursuant to Section 6.5 shall have no effect on the Association's or lot/tract owners' rights pursuant to this Section 6.6.

ARTICLE VII MAINTENANCE

Section 7.1 Property and Lot Maintenance. Prior to completion of the Properties and construction of a residence or commercial building on each lot or commercial tract, all vacant lots and undeveloped portions of the Properties shall be kept mowed and free of trash and construction debris by the owner thereof. After the Lot Approval Date with respect to a particular lot, the owner and occupant of each lot shall cultivate an attractive ground cover or grass on all areas visible from the street, shall maintain all areas in a sanitary and attractive manner and shall edge the street curbs that run along the property line and the sidewalks and driveway located on the lot. Grass, weeds and vegetation on each lot must be kept mowed at regular intervals so as to maintain the property in a neat and attractive manner. No vegetables shall be grown in any yard that faces a street unless completely screened from public view by fences which comply with the provisions of this Declaration. No owner shall permit weeds or grass to grow to a height of greater than six (6) inches upon its lot. Upon failure of the owner of any lot to maintain such lot (whether or not developed), the Association may, at its option, have the grass, weeds and vegetation cut as often as necessary in its judgment, and the owner of such lot shall be obligated, when presented with an itemized statement, to reimburse the Association for the cost of such work. These provisions shall be construed to create a lien in favor of the performing party against such property for the cost of such work or the reimbursement sought for such work performed on such property. In the event that the Association has not been formed or is no longer in existence, then the rights of the Association described herein may be exercised by the lot owners as set forth in Section 11.7(b) herein.

Section 7.2 Maintenance of Improvements. Subject to the provisions of this Article VII and the Associations maintenance obligations under Section 6.3, each owner (residential and commercial) shall maintain the exterior of all buildings, fences, walls and other improvements on his lot or commercial tract in good condition and repair, shall replace worn and rotten parts, shall regularly repaint all painted surfaces and shall not permit the roofs, rain gutters, downspouts, exterior walls,

windows, doors, walks, driveways, parking areas or other exterior portions of the improvements to deteriorate. Upon failure of the owner of any lot to maintain the exterior of all buildings, fences, walls and other improvements on his lot, Developer may, at its option, perform such maintenance as often as necessary in its judgment, and the owner of such lot shall be obligated, when presented with an itemized statement, to reimburse Developer for the cost of such maintenance work. In the event Developer shall fail to exercise their right granted under the preceding sentence within ten (10) days following written notice from the Association to Developer of the Association's intent to exercise such right, the Association shall have the right, in lieu of Developer, to perform such maintenance as provided above, and upon exercise of such right, the owner of such lot in question shall be obligated, when presented with an itemized statement, to reimburse the Association for the cost of such maintenance work. These provisions shall be construed to create a lien in favor of the performing party against such lot for the cost of such work or the reimbursement sought for such work performed on such lot. In the event that the Association has not been formed or is no longer in existence, then the rights of the Association described herein may be exercised by the lot owners as set forth in Section 11.7(b) herein.

ARTICLE VIII
MEMBERSHIP AND VOTING RIGHTS IN THE
ASSOCIATION AND VOTING RIGHTS OF THE LOT AND TRACT OWNERS

Section 8.1 Membership in the Association. The Association shall have two (2) classes of membership, Class A and Class B, as follows:

- (a) **Class A.** Class A Members shall be the Homeowners Associations, the Owners of Tracts, and the Representative (as hereinafter defined), if any. The Owners of Lots shall not be Members of the Association and shall be represented in the Association by the Homeowners Association with jurisdiction over their respective Lots, it being intended that each Lot within the Properties shall be within the jurisdiction of a Homeowners Association. However, in the event any Lots are not within the jurisdiction of a Homeowners Association, the Owners of such Lots not within the jurisdiction of a Homeowners Association shall elect, by majority vote on the basis of one vote per Lot, one individual (the "Representative") from their number to represent such Owners and be a Member of the Association.
- (b) **Class B.** The Class B Member shall be the Declarant. The Class B Member shall not vote in its capacity as member, but shall have the right during the Class B Control Period to appoint the members of the Board of Directors as well as the right to disapprove certain actions proposed by the Board and its committees, as specified in the relevant sections of this Declaration, the Articles of Incorporation, and the By-Laws. The Class B Membership shall cease upon the earlier of the following:
 - (i) when 100% of the Lots and Tracts in the Properties have been conveyed by the Developers to unaffiliated third parties; or
 - (ii) on such earlier date that the Class B Member, in its sole discretion, so determines and records an instrument to such effect in the real property records of Bexar County, Texas.

Section 8.2 Voting. On matters of Association business which the Association's Board of Directors determines shall be or applicable law requires to be submitted to and voted upon by the Members of the Association, each Class A Member who is the Owner of a Tract shall be entitled to the number of votes equal to the quotient obtained by dividing the gross area in square feet of his Tract by 10,000 and rounding such result to the nearest whole number. Each Homeowners Association (acting through its president or other designated officer) shall have one (1) vote for each Lot in the Properties within the jurisdiction of a Homeowners Association, the Representative elected by the Owners of such Lots pursuant to Section 8.1(a) above shall have one (1) vote for each Lot he represents. In the event the

Owner of a Tract constitutes more than one Person, such Persons shall determine among themselves how the vote(s) for such Tract shall be cast, but in no event shall the number of votes cast for any Tract exceed the number of votes attributable to such Tract as determined in accordance herewith. Votes may be cast by duly authorized proxy.

Written notice of the purpose, time, and place of any meeting of the Members of the Association shall be given to all members entitled to vote at such meeting, not less than ten (10) days or more than sixty (60) days in advance of such meeting. At any meeting of the Members of the Association, the presence of Members and/or their proxies entitled to cast at least thirty percent (30%) of all the votes entitled to be cast at such meeting shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the aforesaid notice requirement, but the required quorum for such subsequent meeting shall be one-half (1/2) of the quorum required at the preceding meeting; provided, however such subsequent meeting must be held within sixty (60) days following the preceding meeting.

Section 8.3 Board of Directors.

(a) The Representative(s) of the Homeowner Associations and Owners of the Tracts (their Representative) shall be the board of directors (the "Board") of the Association subject to the provisions of subparagraph (b) hereof, and the Board shall, by majority rule, conduct all of the business of the Association. Subject to the provisions of Section 5.1, the Board shall appoint the ARC in the manner set forth in Section 5.1 hereof.

(b) Notwithstanding anything contained in the preceding subparagraph (a) or elsewhere in this Declaration to the contrary, as long as the Developer owns any Lot(s) or Tracts in the Properties, the Developer shall be entitled to appoint the Board as set forth in Section 8.1(b)

Section 8.4 Bylaws. The Association may make whatever rules and Bylaws it deems desirable to govern the Association and its members; provided, however, any conflict between such Bylaws and the provisions hereof shall be controlled by the provisions hereof.

ARTICLE IX ASSESSMENTS

Section 9.1 Creation of Lien and Personal Obligation of Assessments. No mandatory assessments shall be due prior to the Lot Approval Date. From and after the Lot Approval Date, Developer, for each fully developed lot in the Properties, hereby covenants, and each owner, residential and commercial (other than the Developer), by acceptance of a deed to a lot, is deemed to covenant and agree to pay to an account or fund established by Developer or the Association (a) Annual Assessments, and (b) Special Assessments, such assessments to be established and collected as hereinafter provided. The Annual and Special Assessments, together with interest, costs of collection and reasonable attorneys' fees, shall be a charge on each lot and, if unpaid as described in Section 9.6 hereof, shall constitute a continuing lien upon the lot against which each such unpaid assessment is made. Each such assessment, together with interest, costs of collection and reasonable attorney's fees, shall be the personal obligation of the owner of such lot at the time when the assessment came due. The personal obligation for delinquent assessments shall not pass to such owner's successors in title unless expressly assumed by them, provided that the lien for such assessments shall continue and may be enforced against the lot.

Section 9.2 Annual Assessment.

(a) Unless otherwise provided by separate agreement by and between a Declarant and any Person, the Assessments shall commence, as to each Lot located in the Declarant's Property, upon conveyance of the Lot by the Declarant to any Person that is not an affiliate of the Declarant. From and after the Lot Approval Date, each lot not owned by the Developer shall

hereby be subjected to an annual assessment for the purpose of creating a fund to be designated and known as the Operating Fund. The annual assessment will be paid by the owner of each lot to an account or fund established by Developer or the Association quarterly in advance or in such intervals and methods as may be established by Developer or the Board from time to time. The annual assessment per lot for the year in which the Lot Approval Date occurs shall be established by the Developer or the Association without limiting the foregoing, the annual assessments shall be sufficient to fund the purposes, uses and benefits described in Section 9.3 hereof. A Declarant shall not be liable for Assessments for any Lots that it owns. A Declarant may, but shall have no obligation to, subsidize the Association from time to time. In the event a Declarant decides to subsidize the Association and any shortfall in the operating budget of the Association is due in part to the failure of the Association to collect delinquent Assessments, then the Association shall immediately and vigorously pursue collection of such delinquent Assessments through foreclosure, if necessary, and shall reimburse the Declarant the amounts, if any, so collected.

(b) The assessment for a particular lot for the calendar year in which the Lot Approval Date occurs shall be prorated for such calendar year for the period commencing on the Lot Approval Date and ending on December 31 of such calendar year. The rate at which each lot will be assessed for subsequent years will be determined annually at least thirty (30) days in advance of each annual assessment by the party creating the assessment as set forth above, provided that, without a vote of the membership as described in the next sentence, the Annual Assessment, if created by the Association, may not be increased by the Association in any year by an amount in excess of fifteen percent (15%) above the previous year's annual assessment. The annual assessment may be increased by the Association to an amount in excess of fifteen percent (15%) of the annual assessment for the previous year by the assent of two-thirds (2/3rds) of a quorum of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for such purpose at which a quorum is present. The notice and quorum requirements for such meeting are the same as those set forth in Section 9.4 for special assessments for capital improvements. The assessments for each lot shall be as stated in Exhibit B. The Association, shall upon demand and upon payment of a reasonable fee, furnish a certificate signed by an officer of Developer or the Association setting forth whether the assessments on a specified lot have been paid.

Section 9.3 Purposes. The Association shall use the proceeds of the operating fund for the use and benefit of the Property Owners' Association. Such uses and benefits may include, by way of example and not limitation, any and all of the following:

(a) hiring a management company for the purpose of carrying out the duties of the Board of Directors;

(b) maintaining, operating, managing, repairing, replacing or improving any landscaping, lighting, sprinkler systems, walls, fences, monuments, signs, perimeter access gates, and streets and other features located in any Restricted Area and other Common Areas owned by Developer or the Association, including but not limited to any retaining walls or those elements designated on Exhibit A or the Plat(s). The items and features referenced in this subparagraph (a) are hereinafter collectively referred to as the "Common Area");

(c) mowing the grass, maintaining the gravel and maintaining signs in or adjoining any rights-of-way or easements in the event the City or County fails to maintain such areas;

(d) paying legal charges and expenses incurred in connection with the enforcement of all recorded charges and assessments, covenants, restrictions and conditions affecting the land to which the maintenance fund applies;

(e) paying reasonable and necessary expenses in connection with the collection and administration of the assessments;

(f) paying insurance premiums for liability and fidelity coverage for Developer,

Committee and/or the Association and/or their officers and directors, employing policemen and watchmen, caring for vacant lots and doing any other things which are necessary or desirable in the opinion of Developer or the Board, whichever applies, to keep the lots neat, secure and in good order, or which are considered of general benefit to the owners or occupants of the Subdivision, it being understood that the judgment of Developer or the Board, whichever applies, in the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith;

(g) creating a capital reserve fund for the long term repair and replacement of capital items (such as, but not limited to monuments, landscaping, streets owned and maintained for the benefit of the lot owners); and

(h) re-payment of money borrowed.

Section 9.4 Special Assessments for Capital Improvements.

(a) In addition to the annual assessments authorized above, the Association may levy, in any calendar year after the Lot Approval Date, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any indemnification set forth in the Articles of Incorporation or Bylaws for the Association and any construction, reconstruction, repair or replacement of a capital improvement on or to the Recreation Center, Restricted Area or Common Area in that same or immediately subsequent calendar year, including walls, fences, lighting, gates, streets, subdivision monuments, signs and sprinkler systems.

(b) Any special assessment made by the Association pursuant to this Section 9.4 must have the assent of two-thirds (2/3rds) of a quorum of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose not less than ten (10) days nor more than fifty (50) days in advance of such meeting. At the first such meeting called by the Association, the presence of members (in person or by proxy) entitled to cast twenty percent (20%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, provided that the required quorum at the subsequent meeting shall be one-half (1/2) of the minimum required quorum at the preceding meeting. No rescheduled meeting shall be held more than fifty (50) days following the preceding scheduled meeting.

Section 9.5 Commercial Assessments. Commercial Assessments shall be levied against the lots in the designated commercial tract for the purpose as stated in Section 9.3. Commercial Lot/Tract owners may also be subject to Special Assessments as stated in Section 9.4. The ratio for calculating the assessment will be as stated in Exhibit B.

Section 9.6 Effect of Nonpayment of Assessments; Remedies of Developer or the Association. Any Assessments which are not paid in full by the date specified by the Board shall be delinquent. Any delinquent Assessment shall commence to bear interest on the due date at the lesser of eighteen percent (18%) per annum or such other interest rate as the Board may from time to time determine or the maximum lawful rate of interest and an administrative late fee if levied by the Board. If the Assessment is not paid when due, the lien herein retained and created against the affected Lot shall secure the Assessment due, interest thereon from the date due and payable, any late fees, all costs of collection, court costs, reasonable attorney's fees actually incurred, and any other amount provided or permitted by law. In the event that the Assessment remains unpaid after ninety (90) days, the Association may, as the Board shall determine, institute suit for collection against the Owner personally obligated to pay the Assessment or foreclose the lien created and reserved hereby against the Lot of such owner.

The Association's lien is created by recordation of this declaration, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien shall be or is required. By acquiring a Lot, an Owner grants to the Association a power of sale in connection with the Association's lien. By written resolution, the Board of Directors of the Association may appoint, from time to time, an officer, agent, trustee, or attorney of the Association to exercise the power of sale on behalf of the Association. The Association shall exercise its power of sale pursuant to Section 51.002 of the Texas Property Code, and any applicable revision(s), amendment(s), or recodifications thereof in effect at the time of the exercise of such power of sale. The Association has the right to foreclose its lien judicially or by non-judicial foreclosure pursuant to the power of sale created hereby. Costs of foreclosure may be added to the amount owed by the Owner to the Association. An Owner may not petition a court to set aside a sale solely because the purchase price at the foreclosure sale was insufficient to fully satisfy the Owner's debt. The Association may bid for and purchase the Lot at the foreclosure sale utilizing funds of the Association. The Association may own, lease encumber, exchange, sell, or convey a Lot. The purchaser at any such foreclosure sale shall be entitled to sue for recovery of possession of the Lot, by an action of forcible detainer without the necessity of giving any notice to the former owner or owners of the Lot sold at foreclosure. Nothing herein shall prohibit the Association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien. At any time before a non-judicial foreclosure sale, an Owner of a Lot may avoid foreclosure by paying all amounts due the Association. Foreclosure of a tax lien attaching against a Lot under Chapter 32, Tax Code, shall not discharge the Association's lien under this paragraph for amounts becoming due to the Association after the date of foreclosure of the tax lien.

No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, by non-use of Common Area or abandonment of the Lot owned by such Owner. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the By-Laws, or for Inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate independent covenant on the part of Declarant and each other Owner.

All payments shall be applied first to costs and attorney's fees, then to interest, and then to delinquent Assessments.

Section 9.7 Subordinated Lien to Secure Payment. The lien on any particular lot created as the result of the non-payment of any assessment provided for herein shall only be subordinate to the liens of any valid first lien mortgage or deed of trust secured by such lot. Sale or transfer of any lot shall not impair the enforceability or priority of the assessment lien against such lot.

Section 9.8 Duration. The assessments created for herein will remain effective for the full term (and extended term, if applicable) of the Declaration.

Section 9.9 Declarant and Developer Not Liable for Association Deficits. Notwithstanding anything contained in this Declaration to the contrary, Declarant and Developer shall not be liable for any liabilities, obligations, damages, causes, causes of action, claims, debts, suits or other matters incurred by or on behalf of the Association or lot owners or for any deficits or shortfalls incurred or realized by or on behalf of the Association or lot owners in connection with the Properties or this Declaration. Declarant and Developers' sole liability and obligation hereunder shall be limited to the assessments assessed against any lots owned by the Declarant or Developer, whichever applies.

Section 9.10 Method and Account for Assessment Collection. The Board will initially establish an operating account for the purpose of collecting assessments and payment of expenses. All Lot Owners will pay their assessment directly to their Homeowner Association not the Alamo Ranch Property Owners' Association, Inc. (ARPOA). The Homeowner Association will remit to ARPOA the full amount based on the total number of Lots required to pay any assessment due no later than 10 days after the due date for the assessment payment. Commercial Tracts will pay directly to ARPOA. The Board has the authority to change or modify this procedure from time to time.

ARTICLE X PROPERTY RIGHTS IN COMMON AREA

Section 10.1 Property Rights in Common Area. The Developer, Association and their successors, assigns, contractors, agents and employees shall have the right and easement to enter upon the Common Area for the purpose of exercising the rights set forth in this Declaration.

Section 10.2 Common Area Easements. Every owner shall have a non-exclusive right and easement of enjoyment in and to any Common Area, which right shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admissions and other fees for the use of any recreational facility (if any) situated upon any Common Area;

(b) the right of the Association to suspend the voting rights and right to the use of the recreational facilities or any other amenity by an owner or occupant of a lot for any period during which any assessment against such owner's lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of this Declaration or the published rules and regulations of the Association; and

(c) the right of the Developer or Association to dedicate or transfer all or any part of any Common Area to any public agency, authority or utility company for such purposes and subject to such conditions as may be agreed to by the Developer or Board; provided, however, that no such dedication or transfer shall be effective unless an instrument has been recorded and has been signed by two-thirds (2/3rds) of (i) the votes allocated to the lot owners as provided herein (if the Association is no longer in existence as of such date), taking into account the weighted voting described herein, and (ii) each class of members evidencing their agreement to such dedication or transfer (if there is in existence as of such date).

Section 10.3 Delegation of Rights. Any owner may delegate, in accordance with this Declaration or the Bylaws of the Association, his right of enjoyment to the Common Area and facilities to the members of such owner's family or to persons residing on the lot under a lease or contract to purchase.

Section 10.4 Conveyance of Common Area to Association. Developer shall convey the Common Area to the Association, free and clear of any encumbrances other than as may be created by this Declaration or imposed by the City, County or other applicable governmental authority, (a) prior to the first VA loan guaranty or direct loan in the Properties if the Association is formed prior to such date, (b) if the Association is formed at a later date, then within a reasonable period of time after the Association is formed, or (c) if the improvements on the Common Area will be completed at a later date than the dates specified in subparagraphs (a) or (b) above, then within a reasonable period of time after the completion of such improvements, subject to any required FHA and/or VA approvals.

Section 10.5 Entry Houses and Gates. For so long as Class B membership exists, (and provided that it has not previously transferred its rights in this section to the Association, Developer reserves the legal title and control over all entry houses and gates (if any) which it may construct on or about the Properties, as well as the authority, in its sole discretion, to determine the hours, staffing and manner of operations. Nothing in this Declaration, or any other statement or communication by

Declarant, the Developer, or the Association shall constitute any representation or warranty by Declarant, the Developer, or the Association concerning the hours, staffing or manner of operation of the entry houses and gates, nor concerning any security or safety protection which the entry houses or gates may offer.

Section 10.6 Dissolution of the Association. The Association may be dissolved by a written assent signed by the lot owners representing not less than two-thirds (2/3) of the votes of each class of members. In the event the Association is dissolved, the Common Area shall be conveyed to either (a) another non-profit Texas corporation, association, trust or other organization devoted to purposes similar to those of the Association, or (b) an appropriate governmental agency to be used for purposes similar to those for which the Association was created.

ARTICLE XI

GENERAL PROVISIONS

Section 11.1 Utility Easements. Easements for the installation and maintenance of utilities and drainage facilities are reserved and shown on the Plat, including, without limitation, an easement over the rear five (5) feet of each lot. Easements are or will be also reserved on the Plat for the installation, operation, maintenance and ownership of utility service lines from the lot lines to the residences. Developer reserves the right to make changes in and additions to the above easements for the purpose of most efficiently and economically developing the land and installing improvements in the Subdivision. The owner of a lot shall mow weeds and grass and shall keep and maintain in a neat and clean condition any easement which may traverse a portion of the owner's lot.

Section 11.2 Detention Ponds/Drainage Easements. Easements for installation and maintenance of drainage systems (both overland flow and enclosed pipe systems), storm water retention/detention ponds, and/or conservation areas are reserved as shown on the recorded Plat. Within these easement areas, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of such utilities, or which may hinder or change the direction of flow of drainage channels or slopes in the easements. All detention ponds and subsequent drainage improvements on common areas shall be maintained by the association as a common area expense and are subject to rules and regulations promulgated by the Board of Directors regarding maintenance and use.

Section 11.3 Recorded Plat. All dedications, limitations, restrictions and reservations shown on the Plat(s) are and shall be incorporated herein and shall be construed as being adopted in each contract, deed or conveyance executed or to be executed by Developer or any Builder or other owner conveying lots in the Subdivision whether specifically referred to therein or not.

Section 11.4 Mortgages. It is expressly provided that the breach of any of the conditions in this Declaration shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, as to the same premises or any part thereof encumbered by such mortgage or deed of trust, but said conditions shall be binding thereto as to lots acquired by foreclosure, trustee's sale or otherwise, but only as to any breach occurring after such acquisition of title.

Section 11.5 Term. The foregoing covenants and restrictions shall run with and bind all land within the Subdivision and shall remain in full force and effect for a term of thirty (30) years after this Declaration is recorded, and shall be automatically extended for successive periods of ten (10) years unless amended as provided herein.

Section 11.6 Severability. If any condition, covenant or restriction herein contained shall be invalid, which invalidity shall not be presumed until the same is determined by the unappealable judgment or order of a court of competent jurisdiction, such invalidity shall in no way affect any other condition, covenant or restriction, each of which shall remain in full force and effect.

Section 11.7 Binding Effect. Each of the conditions, covenants, restrictions and agreements herein contained is made for the mutual benefit of, and is binding upon, each and every person acquiring any part of the land within the Properties, it being understood that, except as otherwise expressly provided herein with respect to Declarant, Developer and the ARC, such conditions, covenants, restrictions and agreements are not for the benefit of the owner of any land except land in the Properties. This instrument, when executed, shall be filed of record in the deed records of the County so that each and every owner or purchaser of any portion of the land within the Properties is on notice of the easements, conditions, covenants, restrictions and agreements herein contained.

Section 11.8 Enforcement.

(a) Except as limited or restricted hereby, Declarant, the ARC, the Association and the owners of each lot and any portion of the land within the Properties shall have the easement and right to have each and all of the foregoing restrictions, conditions and covenants herein faithfully carried out and performed with reference to each and every portion of land (residential and commercial) within the Properties, together with the right to bring any suit or undertake any legal process that may be proper to enforce the performance thereof, it being the intention hereby to attach to each portion of land within the Properties, without reference to when it was sold, the right and easement to have such restrictions, conditions and covenants strictly complied with, such right to exist with the owner of each portion of the land within the Properties and to apply to all lots in the Properties. Failure by any owner, Declarant, ARC or Association to enforce any covenant or restriction herein contained or to take any action herein permitted shall in no event be deemed a waiver of the right to do so thereafter. The rights of enforcement granted Declarant, ARC and Association under this Declaration are personal rights and in no other event shall the owner of any land except land in the Properties have any right of enforcement with respect to this Declaration. In addition, the restrictions, conditions and covenants set forth herein may be enforced by the Building Inspector or any official performing similar functions for the City, and such Building Inspector is hereby authorized to refuse or revoke all permits for the construction of any improvements on any lot if the proposed improvements on such lot do not strictly comply with such restrictions, conditions and covenants.

(b) Notwithstanding anything contained herein to the contrary, all consents, approvals and actions reserved to or permitted to be taken or made by the Association may be taken, made or provided by the lot owners. In such event, the lot owners may take such action by the requisite vote of such lot owners as provided herein.

Section 11.9 Other Authorities. If other authorities, such as the City or County, impose more demanding, extensive or restrictive requirements than those set forth herein, the requirements of such authorities shall govern. Other authorities' imposition of lesser requirements than those set forth herein shall not supersede or diminish the requirements herein.

Section 11.10 Addresses. Any notices or correspondence to an owner of a lot shall be addressed to the street address of the lot. Any notices or correspondence to the Developer or Association shall initially be addressed to the Developer or Association, whichever applies, at the addresses of the Developer, or to such other addresses as are specified by the Developer or Association, whichever applies, pursuant to an instrument recorded in the deed records of the County.

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EXECUTED by the Declarant on the date shown in the acknowledgments below, to be effective as of October 26, 2006.

DECLARANT:

PULTE HOMES OF TEXAS, L.P.

By: [Signature]
Name: Jones Holcomb
Title: VP Finance

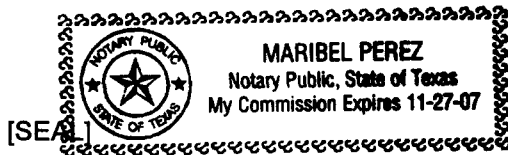
STATE OF TEXAS

COUNTY OF BEXAR

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared Jones Holcomb, VP of Finance, Pulte Homes of Texas, L.P., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed, as the act and deed of Pulte Homes of Texas, L.P., in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 26th day of October, 2006.

[Signature]
Notary Public in and for the State of Texas



My Commission Expires:

EXHIBIT A

TO

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
ALAMO RANCH PROPERTY OWNERS' ASSOCIATION, INC.
IN THE CITY OF SAN ANTONIO
BEXAR COUNTY, TEXAS**

DESCRIPTION OF THE PROPERTIES

THE REMAINING PORTION OF A 1,611.112 ACRE, OR 70,180,023 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT OF A 2,474.069 ACRE TRACT SURVEYED PREVIOUSLY AND COMPRISED OF A 271.018 ACRE TRACT BEING THAT CALLED 271.243 ACRE TRACT CONVEYED TO SEALE IN VOLUME 3178, PAGES 1410-1413 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS, A 356.858 ACRE TRACT BEING THAT CALLED 356.820 ACRE TRACT CONVEYED TO SEALE IN VOLUME 2267, PAGES 892-897 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS, AND 984.236 ACRES OUT OF THAT 1,459.452 ACRE TRACT BEING THE REMAINDER OF THAT CALLED 1690.26 ACRES DESCRIBED IN DEED TO SEALE IN VOLUME 4589, PAGES 617-620 AND VOLUME 5487, PAGES 643-648 OF THE DEED RECORDS OF BEXAR COUNTY, TEXAS, SAVE AND EXCEPT A 1.000 ACRE, OR 43,560 SQUARE FEET MORE OR LESS, TRACT OUT OF SAID 356.858 ACRE TRACT, OUT OF THE GEORGE FELLOWS SURVEY NO. 206, ABSTRACT 234, COUNTY BLOCK 4389, THE THOMAS YORK SURVEY NO. 201 1/2, ABSTRACT 825, COUNTY BLOCK 4400, THE I. & G. N.R.R. CO. SURVEY NO. 202, ABSTRACT 938, COUNTY BLOCK 4400, THE SARAH TYLER SURVEY NO. 367, ABSTRACT 744, COUNTY BLOCK 4401 THE B.B.B. & C.R.R. SURVEY NO. 387, ABSTRACT 103, COUNTY BLOCK 4413, THE B.B.B. & C.R.R. SURVEY NO 388, ABSTRACT 95, COUNTY BLOCK 4414, NOW PARTLY IN NEW CITY BLOCK (N.C.B.) 17641 OF THE CITY OF SAN ANTONIO, AND ALL IN BEXAR COUNTY, TEXAS. SAID 1,611.112 ACRE TRACT BEING MORE FULLY DESCRIBED AS FOLLOWS, BEARINGS DERIVED FROM COORDINATES OF THE TEXAS COORDINATE SYSTEM FOR THE SOUTH CENTRAL ZONE, ESTABLISHED FROM THE NORTH AMERICAN DATUM OF 1983 (CORS96)

BEING A 75.041 ACRE TRACT OF LAND OUT OF THE SARAH TYLER SURVEY NO. 367, ABSTRACT NO. 744, COUNTY BLOCK 4401, BEXAR COUNTY, TEXAS, SAID 75.041 ACRE TRACT BEING ALL OF THAT CERTAIN 37.5 ACRE TRACT CONVEYED TO TRUMAN D. HALL AND PATRICIA J. HALL BY DEED RECORDED IN VOLUME 1171, PAGES 610-614, REAL PROPERTY RECORDS, BEXAR COUNTY, TEXAS AND ALL OF THAT CERTAIN 37.5 ACRE TRACT CONVEYED TO TRUMAN D. HALL AND PATRICIA J. HALL BY DEED RECORDED IN VOLUME 4373, PAGES 882-885, REAL PROPERTY RECORDS, BEXAR COUNTY, TEXAS, SAID 75.041 ACRE TRACT BEING MORE PARTICULARLY BY METES AND BOUNDS

TRACT I (UNIT 18), A 45.25 ACRE, OR 1,971,170 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT OF A 1,611.112 TRACT OF LAND BEING ALL OUT OF THE S.B.B. & C.R.R. SURVEY NUMBER 388, ABSTRACT 95, COUNTY BLOCK 4414, PARTLY IN NEW CITY BLOCK (N.C.B. 17641) IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS. SAID 45.25 ACRE TRACT.

TRACT II (UNIT 19), A 28.82 ACRE, OR 1,255.573 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT OF A 1,611.112 ACRE TRACT OF AND BEING OUT OF THE B.B.B. & C.R.R. SURVEY NUMBER 388, ABSTRACT 95, COUNTY BLOCK 4414, THE B.B.B. & C.R.R. SURVEY NUMBER 387, ABSTRACT 103, COUNTY BLOCK 4413, THE THOMAS YORK SURVEY NUMBER 201 1/2, ABSTRACT 825, COUNTY BLOCK 4400, ALL OF BEXAR COUNTY, TEXAS. SAID 28.82 ACRE TRACT.

A 10.94 ACRE, OR 476,482 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT A 1,611.112 ACRE TRACT OF LAND DESCRIBED IN CONVEYANCE TO PULTE HOMES OF TEXAS, L.P., A TEXAS LIMITED PARTNERSHIP IN SPECIAL WARRANTY DEED RECORDED IN VOLUME 10940, PAGES 369-381 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS, BEING OUT OF THE I.&G.N.R.R. CO. SURVEY NO. 202, ABSTRACT 938, COUNTY BLOCK 4400, THE SARAH TYLER SURVEY NO. 367, ABSTRACT 744, COUNTY BLOCK 4401, AND THE THOMAS YORK SURVEY NO. 201 ½, ABSTRACT 825, COUNTY BLOCK 4400 OF BEXAR COUNTY, TEXAS. SAID 10.94 ACRE TRACT BEING MORE FULLY DESCRIBED AS FOLLOWS, WITH BEARINGS DERIVED FROM COORDINATES OF THE TEXAS COORDINATE SYSTEM FOR THE SOUTH CENTRAL ZONE, ESTABLISHED FROM THE NORTH AMERICAN DATUM OF 1983 (CORS 1996):

COMMENCING: AT A FOUND 1" IRON PIPE AT THE NORTHWEST CORNER OF SAID 1,611.112 ACRE TRACT, AN INTERIOR CORNER OF A 417.02 ACRE TRACT RECORDED IN VOLUME 5533, PAGES 790-793 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS;

THENCE: S 89°58'39" E, ALONG AND WITH THE NORTH LINE OF SAID 1,611.112 ACRE TRACT, A DISTANCE OF 4408.23 TO A POINT ON SAID LINE;

THENCE S 00°01'21" W, DEPARTING SAID LINE, A DISTANCE OF 125.00 FEET TO A SET ½" IRON ROD WITH A YELLOW CAP MARKED "PAPE-DAWSON" FOR THE POINT OF BEGINNING;

THENCE; OVER AND ACROSS SAID 1,611.112 ACRE TRACT, THE FOLLOWING CALLS AND DISTANCES:

S 89°58;39" E, A DISTANT OF 753.71 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

S 00°01'21" W, A DISTANCE OF 43.58 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON" FOR THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;

ALONG THE ARC OF SAID CURVE TO THE RIGHT, SAID CURVE HAVING A RADIUS OF 840.00 FEET, A CENTRAL ANGLE OF 58°17'07", A CHORD BEARING AND DISTANCE OF S 29°09'54" W, 818.13 FEET, FOR AN ARC LENGTH OF 854.51 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

S 58°18'27" W, A DISTANCE OF 74.82 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

WEST, A DISTANCE OF 257.09 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

N 01°41'40" E, A DISTANCE OF 357.21 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

N 05°48'25" W, A DISTANCE OF 442.81 FEET TO THE POINT OF BEGINNING AND CONTAINING 10.94 ACRES IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS. SAID TRACT BEING DESCRIBED IN ACCORDANCE WITH A SURVEY MADE ON THE GROUND AND A SURVEY MAP PREPARED BY PAPE-DAWSON ENGINEERS, INC.

A 56.69 ACRE, OR 2,469,293 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT A 1,611.112 ACRE TRACT OF LAND DESCRIBED IN CONVEYANCE TO PULTE HOMES OF TEXAS, LP., A TEXAS LIMITED PARTNERSHIP IN SPECIAL WARRANTY DEED RECORDED IN VOLUME 10940, PAGES 369-381 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS, BEING ALL OUT OF THE I. & G.N.R.R. CO. SURVEY NO. 202, ABSTRACT 938, COUNTY BLOCK 4400, AND THE THOMAS YORK SURVEY NO. 201 ½, ABSTRACT 825, COUNTY BLOCK 4400, ALL IN BEXAR COUNTY, TEXAS, SAID 56.69 ACRES BEING MORE FULLY DESCRIBED AS FOLLOWS, WITH BEARINGS DERIVED FROM COORDINATES OF THE TEXAS COORDINATE SYSTEM FOR THE SOUTH CENTRAL ZONE, ESTABLISHED FROM THE NORTH AMERICAN DATUM OF 1983 (CORS96):

COMMENCING: AT A THE NORTHEAST CORNER OF SAID 1,611.112 ACRE TRACT, THE SOUTHEAST CORNER OF A REMAINDER PORTION OF A 2,474.069 ACRE TRACT DESCRIBED IN VOLUME 10939, PAGES 2325-2357 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS, ON THE WEST RIGHT-OF-WAY LINE OF STATE LOOP ROAD NUMBER 1604, A VARIABLE WIDTH RIGHT-OF-WAY, THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT;

THENCE: NORTHWESTERLY, ALONG AND WITH THE NORTH LINE OF SAID 1,611.112 ACRE TRACT, THE SOUTH LINE OF SAID REMAINDER PORTION OF SAID 2,474.069 ACRE TRACT AND WITH THE PROPOSED CENTERLINE OF STATE HIGHWAY 151 ROAD EXTENSION, ALONG THE ARC OF SAID CURVE TO THE LEFT, SAID CURVE HAVING A RADIAL BEARING OF S 32°00'05" W, A RADIUS OF 5000.00 FEET, A CENTRAL ANGLE OF 48°47'12", A CHORD BEARING AND DISTANCE OF N 82°23'31" W, 4129.98 FEET AND AN ARC LENGTH OF 4257.43 FEET TO A POINT;

THENCE: DEPARTING THE NORTH LINE OF SAID 1,611.112 ACRE TRACT, THE SOUTH LINE OF SAID REMAINDER PORTION OF SAID 2,474.069 ACRE TRACT, THE PROPOSED CENTERLINE OF SAID STATE HIGHWAY 151 ROAD EXTENSION, CROSSING SAID 1,611.112 ACRE TRACT, THE FOLLOWING CALLS AND DISTANCES:

S 16°47'07"E, A DISTANCE OF 125.00 FEET TO A SET ½" IRON ROD WITH A YELLOW CAP MARKED "PAPE-DAWSON" FOR THE POINT OF BEGINNING:

SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE RIGHT, SAID CURVE HAVING A RADIUS OF 1657.00 FEET, A CENTRAL ANGLE OF 44°03'40", A CHORD BEARING AND DISTANCE OF 2 05°08'44" W, 1257.99 FEET, FOR AN ARC LENGTH OF 1274.25 FEET TO A ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

N 70°53'54"W, A DISTANCE OF 294.48 FEET TO A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

S 88°13'56"W, A DISTANCE OF 146.37 FEET TO A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

S 79°27'22"W, AT A DISTANCE OF 1527.94 FEET PASSING A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON", AT A DISTANCE OF 1765.74 FEET PASSING A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON", FOR A TOTAL DISTANCE OF 2256.53 FEET;

N 71°52'50"W, A DISTANCE OF 179.99' FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON", A POINT OF NON-TANGENT CURVATURE;

NORTHEASTERLY, ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE LEFT, SAID CURVE HAVING A RADIAL BEARING OF N 60°25'08" W, A RADIUS OF 1460.00 FEET, A CENTRAL ANGLE OF 29°33'31", A CHORD BEARING AND DISTANCE OF N 14°48'06" E, 744.88 FEET, FOR AN ARC LENGTH OF 753.21 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

N 00°01'21"E, A DISTANCE OF 45.99 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON", A POINT OF CURVATURE;

NORTHEASTERLY ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE LEFT, SAID CURVE HAVING A RADIAL BEARING OF N 01°45'09" W, A RADIUS OF 5021.11 FEET, A CENTRAL ANGLE OF 20°28'18", A CHORD BEARING AND DISTANCE OF N 78°00'42" E, 1784.51 FEET, FOR AN ARC LENGTH OF 1794.04 FEET TO A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

N 67°46'33"E, A DISTANCE OF 599.53 FEET TO A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON", A POINT OF NON-TANGENT CURVATURE;

THENCE: NORTHEASTERLY, ALONG THE ARC OF A CURVE TO THE RIGHT, SAID CURVE HAVING A RADIUS OF 4875.00 FEET, A CENTRAL ANGLE OF 5°26'20", A CHORD BEARING AND DISTANCE OF N 70°29'43" E, 462.60 FEET, FOR AN ARC LENGTH OF 462.77 FEET TO THE POINT OF BEGINNING CONTAINING 56.69 ACRES IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS. SAID TRACT BEING DESCRIBED IN ACCORDANCE WITH A SURVEY MADE ON THE GROUND AND A SURVEY MAP PREPARED BY PAPE-DAWSON ENGINEERS, INC.

THIS LEGAL DESCRIPTION INCLUDES THE COMMERCIAL TRACTS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TRACT I (UNIT 18), A 45.25 ACRE, OR 1,971,170 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT OF A 1,611.112 TRACT OF LAND BEING ALL OUT OF THE S.B.B. & C.R.R. SURVEY NUMBER 388, ABSTRACT 95, COUNTY BLOCK 4414, PARTLY IN NEW CITY BLOCK (N.C.B. 17641) IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS. SAID 45.25 ACRE TRACT.

TRACT II (UNIT 19), A 28.82 ACRE, OR 1,255.573 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT OF A 1,611.112 ACRE TRACT OF AND BEING OUT OF THE B.B.B. & C.R.R. SURVEY NUMBER 388, ABSTRACT 95, COUNTY BLOCK 4414, THE B.B.B. & C.R.R. SURVEY NUMBER 387, ABSTRACT 103, COUNTY BLOCK 4413, THE THOMAS YORK SURVEY NUMBER 201 ½, ABSTRACT 825, COUNTY BLOCK 4400, ALL OF BEXAR COUNTY, TEXAS. SAID 28.82 ACRE TRACT.

A 10.94 ACRE, OR 476,482 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT A 1,611.112 ACRE TRACT OF LAND DESCRIBED IN CONVEYANCE TO PULTE HOMES OF TEXAS, L.P., A TEXAS LIMITED PARTNERSHIP IN SPECIAL WARRANTY DEED RECORDED IN VOLUME 10940, PAGES 369-381 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS, BEING OUT OF THE I.&G.N.R.R. CO. SURVEY NO. 202, ABSTRACT 938, COUNTY BLOCK 4400, THE SARAH TYLER SURVEY NO. 367, ABSTRACT 744, COUNTY BLOCK 4401, AND THE THOMAS YORK SURVEY NO. 201 ½, ABSTRACT 825, COUNTY BLOCK 4400 OF BEXAR COUNTY, TEXAS. SAID 10.94 ACRE TRACT BEING MORE FULLY DESCRIBED AS FOLLOWS, WITH BEARINGS DERIVED FROM COORDINATES OF THE TEXAS COORDINATE SYSTEM FOR THE SOUTH CENTRAL ZONE, ESTABLISHED FROM THE NORTH AMERICAN DATUM OF 1983 (CORS 1996):

COMMENCING: AT A FOUND 1" IRON PIPE AT THE NORTHWEST CORNER OF SAID 1,611.112 ACRE TRACT, AN INTERIOR CORNER OF A 417.02 ACRE TRACT RECORDED IN VOLUME 5533, PAGES 790-793 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS;

THENCE: S 89°58'39" E, ALONG AND WITH THE NORTH LINE OF SAID 1,611.112 ACRE TRACT, A DISTANCE OF 4408.23 TO A POINT ON SAID LINE;

THENCE S 00°01'21" W, DEPARTING SAID LINE, A DISTANCE OF 125.00 FEET TO A SET ½" IRON ROD WITH A YELLOW CAP MARKED "PAPE-DAWSON" FOR THE POINT OF BEGINNING;

THENCE; OVER AND ACROSS SAID 1,611.112 ACRE TRACT, THE FOLLOWING CALLS AND DISTANCES:

S 89°58'39" E, A DISTANT OF 753.71 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

S 00°01'21" W, A DISTANCE OF 43.58 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON" FOR THE BEGINNING OF A TANGENT CURVE TO THE RIGHT;

ALONG THE ARC OF SAID CURVE TO THE RIGHT, SAID CURVE HAVING A RADIUS OF 840.00 FEET, A CENTRAL ANGLE OF 58°17'07", A CHORD BEARING AND DISTANCE OF S 29°09'54" W, 818.13 FEET, FOR AN ARC LENGTH OF 854.51 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

S 58°18'27" W, A DISTANCE OF 74.82 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

WEST, A DISTANCE OF 257.09 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

N 01°41'40" E, A DISTANCE OF 357.21 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

N 05°48'25" W, A DISTANCE OF 442.81 FEET TO THE POINT OF BEGINNING AND CONTAINING 10.94 ACRES IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS. SAID TRACT BEING DESCRIBED IN ACCORDANCE WITH A SURVEY MADE ON THE GROUND AND A SURVEY MAP PREPARED BY PAPE-DAWSON ENGINEERS, INC.

A 56.69 ACRE, OR 2,469,293 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT A 1,611.112 ACRE TRACT OF LAND DESCRIBED IN CONVEYANCE TO PULTE HOMES OF TEXAS, LP., A TEXAS LIMITED PARTNERSHIP IN SPECIAL WARRANTY DEED RECORDED IN VOLUME 10940, PAGES 369-381 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS, BEING ALL OUT OF THE I. & G.N.R.R. CO. SUVERY NO. 202, ABSTRACT 938, COUNTY BLOCK 4400, AND THE THOMAS YORK SURVEY NO. 201 ½, ABSTRACT 825, COUNTY BLOCK 4400, ALL IN BEXAR COUNTY, TEXAS, SAID 56.69 ACRES BEING MORE FULLY DESCRIBED AS FOLLOWS, WITH BEARINGS DERIVED FROM COORDINATES OF THE TEXAS COORDINATE SYSTEM FOR THE SOUTH CENTRAL ZONE, ESTABLISHED FROM THE NORTH AMERICAN DATUM OF 1983 (CORS96):

COMMENCING: AT A THE NORTHEAST CORNER OF SAID 1,611.112 ACRE TRACT, THE SOUTHEAST CORNER OF A REMAINDER PORTION OF A 2,474.069 ACRE TRACT DESCRIBED IN VOLUME 10939, PAGES 2325-2357 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS, ON THE WEST RIGHT-OF-WAY LINE OF STATE LOOP ROAD NUMBER 1604, A VARIABLE WIDTH RIGHT-OF-WAY, THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT;

THENCE: NORTHWESTERLY, ALONG AND WITH THE NORTH LINE OF SAID 1,611.112 ACRE TRACT, THE SOUTH LINE OF SAID REMAINDER PORTION OF SAID 2,474.069 ACRE TRACT AND WITH THE PROPOSED CENTERLINE OF STATE HIGHWAY 151 ROAD EXTENSION, ALONG THE ARC OF SAID CURVE TO THE LEFT, SAID CURVE HAVING A RADIAL BEARING OF S 32°00'05" W, A RADIUS OF 5000.00 FEET, A CENTRAL ANGLE OF 48°47'12", A CHORD BEARING AND DISTANCE OF N 82°23'31" W, 4129.98 FEET AND AN ARC LENGTH OF 4257.43 FEET TO A POINT;

THENCE: DEPARTING THE NORTH LINE OF SAID 1,611.112 ACRE TRACT, THE SOUTH LINE OF SAID REMAINDER PORTION OF SAID 2,474.069 ACRE TRACT, THE PROPOSED CENTERLINE OF SAID STATE HIGHWAY 151 ROAD EXTENSION, CROSSING SAID 1,611.112 ACRE TRACT, THE FOLLOWING CALLS AND DISTANCES:

S 16°47'07"E, A DISTANCE OF 125.00 FEET TO A SET ½" IRON ROD WITH A YELLOW CAP MARKED "PAPE-DAWSON" FOR THE POINT OF BEGINNING:

SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE RIGHT, SAID CURVE HAVING A RADIUS OF 1657.00 FEET, A CENTRAL ANGLE OF 44°03'40", A CHORD BEARING AND DISTANCE OF 2 05°08'44" W, 1257.99 FEET, FOR AN ARC LENGTH OF 1274.25 FEET TO A ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

N 70°53'54"W, A DISTANCE OF 294.48 FEET TO A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

S 88°13'56"W, A DISTANCE OF 146.37 FEET TO A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

S 79°27'22"W, AT A DISTANCE OF 1527.94 FEET PASSING A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON", AT A DISTANCE OF 1765.74 FEET PASSING A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON", FOR A TOTAL DISTANCE OF 2256.53 FEET;

N 71°52'50"W, A DISTANCE OF 179.99' FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON", A POINT OF NON-TANGENT CURVATURE;

NORTHEASTERLY, ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE LEFT, SAID CURVE HAVING A RADIAL BEARING OF N 60°25'08" W, A RADIUS OF 1460.00 FEET, A CENTRAL ANGLE OF 29°33'31", A CHORD BEARING AND DISTANCE OF N 14°48'06" E, 744.88 FEET, FOR AN ARC LENGTH OF 753.21 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

N 00°01'21"E, A DISTANCE OF 45.99 FEET TO A SET ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON", A POINT OF CURVATURE;

NORTHEASTERLY ALONG THE ARC OF SAID NON-TANGENT CURVE TO THE LEFT, SAID CURVE HAVING A RADIAL BEARING OF N 01°45'09" W, A RADIUS OF 5021.11 FEET, A CENTRAL ANGLE OF 20°28'18", A CHORD BEARING AND DISTANCE OF N 78°00'42" E, 1784.51 FEET, FOR AN ARC LENGTH OF 1794.04 FEET TO A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON";

N 67°46'33"E, A DISTANCE OF 599.53 FEET TO A FOUND ½" IRON ROD WITH YELLOW CAP MARKED "PAPE-DAWSON", A POINT OF NON-TANGENT CURVATURE;

THENCE: NORTHEASTERLY, ALONG THE ARC OF A CURVE TO THE RIGHT, SAID CURVE HAVING A RADIUS OF 4875.00 FEET, A CENTRAL ANGLE OF 5°26'20", A CHORD BEARING AND DISTANCE OF N 70°29'43" E, 462.60 FEET, FOR AN ARC LENGTH OF 462.77 FEET TO THE POINT OF BEGINNING CONTAINING 56.69 ACRES IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS. SAID TRACT BEING DESCRIBED IN ACCORDANCE WITH A SURVEY MADE ON THE GROUND AND A SURVEY MAP PREPARED BY PAPE-DAWSON ENGINEERS, INC.

EXHIBIT B

TO

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
ALAMO RANCH PROPERTY OWNERS' ASSOCIATION, INC.
IN THE CITY OF SAN ANTONIO
BEXAR COUNTY, TEXAS

**ALLOCATION OF ASSOCIATION EXPENSES FOR
ANNUAL ASSESSMENTS**

(A) **Determination of Equivalent Development Units.** The funds to be raised through Annual Assessments against the Tracts within the Properties shall be allocated based upon the number of "Equivalent Development Units" assigned to a particular Tract relative to the total number of Equivalent Development Units assigned to all Tracts. The total number of Equivalent Development Units assigned to each Tract shall be determined as follows:

Each Tract in the Properties shall be assigned Equivalent Development Units based upon the land use classification into which it falls, as designated on the Declarant's master land use plan or actual use. In the event that the land use classification for a particular Tract is not apparent, the determination of land use classification made by the Declarant shall be controlling. The number of Equivalent Development Units assigned to each Tract shall be as follows:

<u>Land Use Classification</u>	<u>Equivalent Development Units</u>
Single-Family Residences	1.00
Commercial Tract	4 per acre (rounded to the nearest one-half acre)

(B) **Calculation of Assessment.** The percentage of the total Annual Assessment to be levied on a particular Tract shall be computed by dividing the number of Equivalent Development Units assigned to such tract by the total number of Equivalent Development Units assigned to all Tracts within the Properties, then multiplying the resulting percentage by the total Annual Assessment.

For example, assuming 400 total Equivalent Development Units in the Properties and a total Annual Assessment of \$40,000.00, if a particular Tract is assigned an Equivalent Development Unit of 1.0, the assessment of such Tract would be \$100.00 (i.e., $1.0/400 \times \$40,000.00 = \100.00).

The land use classification and number of Equivalent Development Units assigned to each Tract, and the percentage of the total Annual Assessment to be levied on each Tract shall be computed at least annually as a part of the budget process outlined in the Declaration. Notice of the percentages for each Tract (including a summary of the computations) shall be sent to each Member together with the notice of the Annual Assessment.

Doc# 20060263008 Fees: \$156.00
10/30/2006 1:53PM # Pages 36
Filed & Recorded in the Official Public
Records of BEXAR COUNTY
GERRY RICKHOFF COUNTY CLERK

Any provision herein which restricts the sale, or use of the described real property because of race is invalid and unenforceable under Federal law
STATE OF TEXAS, COUNTY OF BEXAR
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me and was duly RECORDED in the Official Public Record of Real Property of Bexar County, Texas on:

OCT 30 2006



Gerry Rickhoff
COUNTY CLERK BEXAR COUNTY, TEXAS