



REAL PROPERTY
RECORDS
2009-036937

**First Amended and Restated
Restrictions and Covenants
Applicable to Rancho Escondido Subdivision**

After recording, return to:

R.E.C.I.A.
c/o Secretary/Treasurer
9600 Rancho Drive
Willis, Texas 77318

Effective 5-1-2009

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First Amended and Restated Restrictions and Covenants Applicable to Rancho Escondido Subdivision

These First Amended and Restated Restrictions and Covenants Applicable to Rancho Escondido Subdivision (hereinafter referred to together as the “First Amended Restrictions”) are made effective by the Owners, being those persons whose signatures are attached hereto, representing the Owners of at least Seventy-Five (75%) of the real property in Rancho Escondido & Rancho Escondido Section II.

PREAMBLE

WHEREAS, the undersigned are the Owners of at least seventy five per cent (75%) of the real property within Rancho Escondido & Rancho Escondido Section II, located in Montgomery County, Texas, established and restricted by various instruments cited herein below:

Rancho Escondido is a subdivision located in Montgomery County, Texas, as the same appears upon the Plat of said addition recorded in Cabinet C, Sheet 72, of the Map Records of Montgomery County Texas (“Section I”) and in Cabinet C, Sheet 166B of the Map Records of Montgomery County Texas (“Section II”).

WHEREAS, Section I is encumbered by that certain Restrictions and Covenants applicable to Rancho Escondido Subdivision, recorded under Montgomery County Clerk’s File No. 8001226, hereinafter the “Section I Restrictions” and;

WHEREAS, Section II is encumbered by that certain Restrictions and Covenants Applicable to Rancho Escondido Subdivision Section II, recorded under Montgomery County Clerk’s File No. 81323163, hereinafter the “Section II Restrictions” and;

WHEREAS, the Section I Restrictions and the Section II Restrictions are hereinafter referred to collectively as the “Restrictions”; and

WHEREAS, Section I and Section II are referred to collectively hereinafter as the Subdivision or “Rancho Escondido”; and

WHEREAS, the Original Restrictions restrict the use of Lots within the Subdivision to single family residential use and purpose only: These First Amended Restrictions are executed (a) in furtherance of a common and general plan for the Subdivision; (b) to protect and enhance the quality, desirability, and attractiveness of all property within the Subdivision; (c) to acknowledge that the Subdivision has previously been submitted to the jurisdiction of the Rancho Escondido Community Improvement Association (R.E.C.I.A.), Inc. (hereinafter "the Association") to maintain, care for and manage the Common Areas and to perform functions for the benefit of Owners and of Lots, Reserves, and Deeded Home Sites (all hereinafter defined) within the Subdivision; (d) to define the duties, powers, and rights of the Association; (e) to define certain duties,

powers, and rights of Owners of Lots, and Deeded Home Sites within the Subdivision; and (f) to acknowledge that the Lots, and Deeded Home Sites within the Subdivision are encumbered with each and every provision of these First Amended Restrictions immediately as set out herein.

WHEREAS, we the undersigned being the Owners of at least seventy-five per cent (75%)(as provided in Section 204.005 of the current Texas Property Code) of the real property within the Subdivision, do hereby agree and stipulate that all of the Lots and Deeded Home Sites within the Subdivision are respectively impressed with the Restrictions, and the Lots, Reserves, and Deeded Home Sites shall be and are hereby made subject to the following restrictive covenants which shall change, modify, replace, and supersede the Restrictions, and shall apply to all of the Lots, Reserves, and Deeded Home Sites in the Subdivision. Any deed conveying a Lot or Deeded Home Site shall be made subject to these First Amended Restrictions whether said covenants are incorporated in said deed or otherwise.

NOW THEREFORE, each and every Lot, Reserve, or Deeded Home Site within the Subdivision shall hereinafter carry with it all the rights, privileges and obligations created in these First Amended Restrictions as hereinafter set out in detail as of the filing of these First Amended Restrictions as to all Lots, Reserves, and Deeded Home Sites.

ARTICLE 1. ESTABLISHMENT OF A GENERAL PLAN

Section 1.1 General Plan and Deed Restrictions

These First Amended Restrictions amend and restate the Restrictions, pursuant to and in furtherance of a common and general plan for the improvement and sale of Lots and Deeded Home Sites within the Subdivision and for the purpose of enhancing and protecting the quality, desirability, and attractiveness of the Subdivision. Owners, for themselves, their successors, and assigns, hereby declare that the Subdivision and each part thereof shall be owned, held, transferred, conveyed, sold, leased, rented, hypothecated, encumbered, used, occupied, maintained, altered, and improved subject to the covenants, conditions, restrictions, limitations, exceptions, and other provisions set forth in these First Amended Restrictions, for the duration thereof. The Lots and Deeded Home Sites and Common Areas in the Subdivision shall be subject to the jurisdiction of the Association.

Section 1.2 Covenants and Restrictions

The covenants, conditions, restrictions, limitations, and exceptions of these First Amended Restrictions are imposed hereby upon each Lot, and Deeded Home Site, as well as the Common Areas within the Subdivision, for the benefit of each and every other Lot, and Deeded Home Site, as well as the Common Areas within the Subdivision.

Section 1.3 Covenants Appurtenant

The covenants, conditions, restrictions, limitations, exceptions, and other provisions set forth in these First Amended Restrictions shall be covenants that run with the land, and

shall inure to the benefit of and shall be binding upon, all of the Subdivision, and each Owner, Lot, and Deeded Home Site as well as the Common Areas in the Subdivision, and shall be binding upon and inure to the benefit of, (a) the Subdivision; and (b) the Owners and their successors and assigns, and (c) the Association and its successors, replacements, and/or assigns, and (d) all Persons having or hereafter acquiring, any right, title or interest in all or any portion of a Lot, or Deeded Home Site in the Subdivision and their heirs, executors, successors, and assigns.

Section 1.4 Affected Lots, Reserves, and Deeded Home Sites

These First Amended Restrictions shall encumber all Lots, Reserves, and Deeded Home Sites within Rancho Escondido. "Lots" or "Lot" when used generally shall refer to all Lots, and Deeded Home Sites in the Subdivision restricted by one or more of the documents set out in detail in the Preamble and these First Amended Restrictions.

ARTICLE 2. DEFINITIONS

The following words and phrases when used in these First Amended Restrictions shall have the meanings hereinafter specified.

Section 2.1 Additional Restrictions

"Additional Restrictions" shall refer to the covenants, conditions and restrictions contained in these First Amended Restrictions which shall encumber the Selected Lots, Reserves, and Deeded Home Sites (defined below) and shall become effective against the Selected Lots, Reserves, and Deeded Home Sites immediately upon the recording of these First Amended Restrictions.

Section 2.2 Architectural Control Committee

"Architectural Control Committee" or "Committee" shall refer to the committee appointed by the Board of Directors of the Association (as defined below) and having the duties specified in Article 6. The Committee shall have a minimum of three (3) members.

Section 2.3 Association

"Association" shall mean Rancho Escondido Community Improvement Association, Inc. (R.E.C.I.A.), a Texas non-profit corporation, its successors, replacements, or assigns formed and existing as of the date of the recording of these First Amended Restrictions, the Members of which shall be the Owners of the Lots and Deeded Home Sites within the Subdivision, and which is a property owner's association, as that term is defined in §202.001(2) and §204.004 of the Texas Property Code or any successor statute.

Section 2.4 Board

"Board," "Board of Directors" or "Directors" shall mean the duly elected Board of Directors of the Association, as described in the By Laws.

Section 2.5 Bylaws

"Bylaws" shall mean the bylaws of the Association, as amended from time to time as provided therein, and in accordance with the applicable provisions of the laws of the

State of Texas or other applicable jurisdiction(s). Should there be a conflict in the provisions of the Bylaws and these First Amended Restrictions, these First Amended Restrictions shall prevail.

Section 2.5A General Policies

“General Policies” shall mean the overall plan embracing the general goals and acceptable procedures of the Association, as amended from time to time by the Board of Directors of the Association.

Section 2.5B Deed Restriction Enforcement and Collection Policy

Deed Restriction Enforcement and Collection Policy shall mean the policy adopted by the Board setting forth the procedures used to compel compliance with deed restrictions and exact payment of money owed to the RECIA. The property encumbered by the Deed Restriction Enforcement and Collection Policy (the “Policy”) is that property restricted by these First Amended Restrictions.

Section 2.6 Common Area

"Common Area" or "Common Areas," commonly referred to as esplanades, medians, reserves, or parks, shall mean all real property owned in fee or held in easement by the Association for the common use and/or enjoyment of the Owners and shall include those landscaped areas or landscapable areas within the Subdivision that are not a part of any Lot, or Deeded Home Site. They shall also mean the tennis courts, boat ramp, trailer storage area and entry gate area.

Section 2.7 Common Assessments and Special Assessments

"Common Assessment" or "Common Assessments" shall mean the annual Association dues levied pursuant to Article 7 hereof for managing, maintaining, operating, repairing, and insuring Common Areas, and Directors and Officers of the R.E.C.I.A. and other purposes of the Association as set out in its Articles of Incorporation, Bylaws and these First Amended Restrictions. “Special Assessments” shall mean additional assessments levied pursuant to Article 7 hereof for a special need or emergency reason.

Section 2.8 Effective Date

“Effective Date” shall mean the date that these First Amended Restrictions are recorded in the real property records of Montgomery County, Texas, after which the First Amended Restrictions shall immediately and thereafter encumber all Lots, Reserves, and Deeded Home Sites within the Subdivision,

Section 2.9 Existing Restrictions

"Existing Restrictions" "Restrictions" and/or "Original Restrictions" shall mean any restrictions imposed on the Subdivision and Lots, Reserves, and Deeded Home Sites by the instruments recorded in the Official Public Records of Real Property of Montgomery County, Texas, including those referred to and defined and created herein.

Section 2.10 Builder/Owner Guidelines

“Builder/Owner Guidelines” and/or “Guidelines” means general, architectural, and/or builder/owner guidelines, and application and review procedures, if any, promulgated by the Board, that may set forth various standards relating to exterior

harmony of any and all Improvements placed upon or constructed on any Lot or Deeded Home Site, and/or construction types and aesthetics which Guidelines may be amended by the Board.

Section 2.11 Household Group

"Household Group" shall mean one or more natural Persons, each related to the other by blood, marriage, or legal adoption together with his, her or their domestic servants, all of whom maintain a common household in a Single Family Residence on a Lot, or Deeded Home Site within the Subdivision.

"Household Group" may additionally mean a group of not more than four (4) Persons not so related together with his, her or their domestic servants, all of whom maintain a common household in a Single Family Residence on a Lot, or Deeded Home Site within the Subdivision.

Section 2.12 Improvement

"Improvement" or "Improvements" shall mean alterations or additions to the exterior of a Single Family Residence, garage, Lot or Deeded Home Site. Improvement shall not mean the installation of sprinkler systems, exterior lighting or landscaping installed on Lots.

Section 2.13 Lot, Reserves, and Deeded Home Site

"Lot" or "Lots" when used shall mean any one or more of the numbered Lots shown on the Plat for the Subdivision and any re-platting thereof. "Reserve" or "Reserves" when used specifically shall mean any one or more of the lettered Reserves shown on the Plat for the Subdivision such as the gate entry area, the park, tennis courts, boat storage area, or launching ramp, or any re-platting thereof. A "Deeded Home Site" with one single family residence may be composed of one or more whole and partial Lots or Tracts. A "Deeded Home Site" shall be determined by the legal description of the property stated in the most current, already recorded, deed for any entire home site and for the corresponding street address filed in the Real Property Records as of the effective date of these First Amended Restrictions, which may, by the legal description contained therein, include one or more whole or partial Lots or Reserves shown in the original dedication, platting and any re-platting of any Lot or Reserves within the Subdivision and which includes one single family home. By way of example and not limitation: if an Owner owns two adjacent Lots, and wishes to construct one single family residence on the two Lots, the two Lots together may be considered a Deeded Home Site. In no case may more than one single family residence be constructed on any Lot or Deeded Home Site. Conversely, if an Owner owns two or more adjacent Lots, and has constructed one single family residence on the two or more Lots and subsequently removes the single family residence completely, the Deeded Home Site may be converted back into the originally platted Lots.

Section 2.14 Member

"Member" or "Members" shall refer to the Members of the Association who shall be the Owner(s) of the Lot(s) within the Subdivision. The sole criterion to become a Member of the Association is to hold title to a Lot or Deeded Home Site within the Subdivision. The use of the word Member, Members, Owner, or Owners herein shall be interchangeable.

Section 2.15 Member in Good Standing

“Member in Good Standing” means a Member or Owner who has all assessments of every type and category paid up to date, has no outstanding financial obligations to the Association that are delinquent and is not noted of record (or within the records) of the Association to have a deed restriction violation on any Lot or Deeded Home Site owned by such Member. This definition of “Member in Good Standing” shall also mean “Owner in Good Standing” and may further be expanded by the definition in the Bylaws of the Association, which definitions are incorporated herein by reference.

Section 2.16 Non-Conforming Improvement

Any Single Family Residence and/or Improvement existing as of the effective date of these First Amended Restrictions that exists on any Lot, Tract, or Deeded Home Site in the Subdivision, which did not comply with the provisions of the Restrictions or these First Amended Restrictions. Any new Non-Conforming Improvement placed or constructed on any Lot, Tract, or Deeded Home Site in the Subdivision after the effective date of these First Amended Restrictions will also constitute a Non-Conforming Improvement.

Section 2.17 Owner

"Owner" shall mean the Person, or if more than one, all Persons collectively, who hold fee simple title of record to a Lot or Deeded Home Site, including sellers under executory contracts of sale and excluding buyers under executor contracts of sale. This definition of Owner does not include those having any interest merely as security for the performance of an obligation.

Section 2.18 Person

"Person" shall mean a natural person, a corporation, a partnership, or any other legal entity.

Section 2.19 Plat

"Plat" shall individually and collectively refer to the maps or plats in Cabinet C, Sheet 72, of the Map Records of Montgomery County known as Rancho Escondido Subdivision and in Cabinet C, Sheet 166B known as Rancho Escondido Section II., and the plat of any other property that has become or may become subject to these First Amended Restrictions and any plat, partial re-plat, or amendment of any of the above described plats.

Section 2.20 Self Help

“Self Help” shall mean the authority, but not the obligation, of the Association to enter upon a Lot or Deeded Home Site and cause to be performed any of the Owner’s maintenance and repair obligations, or acts required by that Owner to bring his/her Lot and/or Deeded Home Site into compliance with these First Amended Restrictions, if said Owner fails to perform same after written demand from the Board. In exercising its Self Help remedy, the Association shall not be subject to any liability for trespass, other tort or damages in connection with or arising from such exercise of Self Help, nor in any way shall the Association or its agent be liable for any accounting or other claim for such action. Costs incurred by the Association in the exercise of its Self Help remedy shall be the personal obligation of the person or entity who was the Owner of the Lot or Deeded

Home Site at the time when the Self Help costs were incurred. The personal obligation for such costs shall not pass to successors in title unless expressly assumed by them. The costs incurred by the Association in exercising its Self Help remedy shall be charged to the subject Owner's assessment account and shall be supported by the continuing lien created herein.

Section 2.21 Single Family Residence

"Single Family Residence" shall mean a free-standing dwelling house located on a Lot or Deeded Home Site, the use and/or appearance of which is defined in accordance with provisions of these First Amended Restrictions and which is designed for and contains facilities for living, sleeping, cooking, and eating therein. In no case may a Lot or Deeded Home Site contain more than one Single Family Residence. As used herein, the term "Single Family Residence" shall not be construed to include any structure of a temporary character, trailer, camper, camper trailer, motor vehicle, recreational vehicle, tent, shack, garage, barn, mobile home, double-wide mobile home, modular home, house trailer, duplex house, garage apartment, apartment house, town home, rooming or boarding house or other outbuilding in the Subdivision, except, however, with the Board's prior written approval, temporary structures may be erected for use in connection with the repair or rebuilding of Improvements on a Lot or Deeded Home Site. The type of structures that are identified above are provided for illustrative purposes only and may not be construed as an exclusive list of the type of structures that are not a "Single Family Residence". Lots or Deeded Home Sites within the Subdivision shall be used exclusively for Single Family Residential purposes. In no case may a Lot or Deeded Home Site contain more than one dwelling. No multi-family dwellings may be constructed on any Lot or Deeded Home Site. No building, outbuilding or portion thereof shall be constructed for income property, such that tenants would occupy less than the entire Lot and/or Homesite.

Section 2.22 Subdivision

"Subdivision" shall mean the certain real property in Montgomery County, Texas, described and defined above in detail in the Preamble.

Section 2.23 Voting Rights

"Voting Rights" refers to the number and allocation of votes to each Lot or Deeded Home Site. A Member in good standing will be entitled to one vote per Lot. Where Lots have been subdivided and sold to adjoining Owners, the vote of the subdivided Lot shall be prorated between the new Owners. Example: If an Owner sells $\frac{1}{4}$ of a Lot to the adjoining Owner, his vote will be reduced by the $\frac{1}{4}$ vote and the new Owner's vote will increase by $\frac{1}{4}$ vote. The total votes applicable to Rancho Escondido is sixty votes (60). Owners' votes may be cast at regular or special Association meetings as set out in the By-Laws. Owners shall have one vote per Lot or part thereof with respect to Association business and with respect to any amendments or changes to the covenants contained herein. If a Deeded Home Site with one Single Family Residence is owned by multiple Owners, such Owners shall determine amongst themselves how the votes shall be cast, but in no case may more than one vote per Lot be cast.

Section 2.24 Privacy Hedges

Privacy hedges shall mean a planting of plants, bushes or trees that is an unbroken linear planting creating a walled effect blocking lake views from other homes or home sites. **The placement of Privacy Hedges must be pursuant to the Guidelines and must have prior written approval by the Committee.**

Section 2.25 Flat Work

The use of concrete, stone, or other like materials in the construction of driveways, sidewalks, patios, etc. that are level with or slope with surrounding grade and have no vertical component. All Flat Work must be installed pursuant to the Guidelines and must have prior written approval by the Committee.

Section 2.26 Variance

A Variance is a written approval of a Non-Conforming Improvement. A Variance can be made by the Board upon recommendation of the Committee. In the event of replacement, alteration, reconstruction, remodeling or rebuilding of the Non-Conforming Improvement a Variance, it must be reapplied for.

ARTICLE 3. TERM OF RESTRICTIONS

Section 3.1 Term of Restrictions

These First Amended Restrictions shall be covenants running with the land and shall be binding on all Owners, their successors and assigns from the date filed and recorded in the Official Public Records of Real Property of Montgomery County, Texas, for the Lots, Selected Lots, Reserves, Common Areas and Deeded Home Sites, and until the same are changed or removed in accordance with the provisions hereof. The Owners of the Lots, and Deeded Home Sites affected by these First Amended Restrictions may, by a written instrument executed and filed of record at any time, amend or change these First Amended Restrictions in whole or in part, as to all of said property or as to any part thereof as set forth in Section 3.2 below. The execution of said written instrument need not all be under one cover but may be several different instruments. These First Amended Restrictions are to be perpetual except and until modified, changed or released as herein provided for.

Section 3.2 Amendment of Restrictions

These First Amended Restrictions may be amended or modified at any time with the approval of the Owners in Good Standing of 67% of the Lots. Upon approval of the Owners, as set out above of said amended restrictions (as evidenced by the President's or Vice-President's signature) the amended restrictions shall be recorded in the Official Public Records of Real of Montgomery County, Texas, whereupon to the extent of any conflict with these First Amended Restrictions, the amendment or the amended restrictions shall control. For purposes of this section, the approval of multiple Owners of a Lot may be reflected by the signature of any one Owner of such Lot. Notwithstanding anything contained herein to the contrary, the Association shall be entitled to use any combination of the following methods to obtain approval of the Owners for an amendment to these First Amended Restrictions:

A. by written ballot that states the substance of the amendment and specifies the date by which a ballot must be received to be counted;

B. at a meeting of the Members of the Association, if written notice of the meeting stating the purpose of the meeting as set out in the By-Laws is delivered to the Owners of the Lots; such notice may be hand-delivered to the Owners, sent via regular mail to the Owner's last known mailing address, as reflected in the Association's records, or via email to the Owner's email address as reflected in the Association's records;

C. by door-to-door circulation of a petition by the Association or a person authorized by the Association; and/or as allowed by Texas Law;

D. by any other method permitted under these First Amended Restrictions.

ARTICLE 4. PARTIES ENTITLED TO ENFORCE

The Association (or its lawful successors, replacements, or assigns) and/or any Owner of any Lot, or Deeded Home Site in the Subdivision which is subject to these First Amended Restrictions or similar restrictions hereinafter imposed, may enforce these First Amended Restrictions by the prosecution of proceedings at law or in equity against any Owner or other Persons violating, threatening or attempting to violate the same, to require the removal or abatement of any such violation or to prevent the threatened or attempted violation, by temporary or final order. Subject to notice and an opportunity to be heard as may be required by law, the court may find a violating Owner to be responsible for paying reasonable attorneys' fees, costs, expenses, and all monetary damages caused by any such violation.

ARTICLE 5. RESTRICTIONS

NOTE WELL: The provisions of this Article 5 are broad and sweeping and an extremely wide range of activities are regulated hereby. Owners are advised to review this Article and the Guidelines, carefully to ensure that they comply with all of the requirements before commencing any work or engaging in any activity on or in connection with their Lot or Deeded Home Site to ensure that they comply with all of the provisions set forth herein and in the Guidelines. Work commenced, performed, or completed without prior approval as required herein, in the Guidelines, or otherwise in violation of the terms of these First Amended Restrictions, the Guidelines, or applicable law may subject the Owner of the Lot or Deeded Home Site to substantial costs, expenses, fees, and penalties, which may be in addition to a requirement that the Lot and/or Deeded Home Site be restored to its original condition.

Section 5.1 Residential Use

All of the Lots and Deeded Home Sites within the Subdivision shall be improved with no more than one Single Family Residence per Deeded Home Site and used solely by one (1) Household Group for residential purposes only. No part of any Lot, or Deeded Home Site shall be used for any type of trade or business activities; provided, however, that an Owner of a Lot, or Deeded Home Site in the Subdivision may use his or her Single

Family Residence for professional or other home occupations so long as there is no external evidence thereof; such as, noise, signs advertising a business, other employees working at the Lot or Deeded Home Site, or significant vehicular traffic. However, nothing herein shall restrict personal business meetings between Lot Owners and professionals serving them such as financial advisors, notaries, lawyers, etc. at the Lot or Deeded Home Site. The term "Single Family" as used herein shall refer not only to the architectural design of the Single Family Residence but also to the use and the permitted number of inhabitants as set forth herein.

Any Lot or Deeded Home Site improved with a newly constructed Single Family Residence, after the effective date of these First Amended Restrictions, shall also be improved with a private enclosed garage capable of storing at least two, but no more than four automobiles, which shall not exceed the height of the residence and shall comply with the set back restrictions referred to in Section 5.11 hereof. Any improvement made to any Lot or Deeded Home Site after the effective date of these First Amended Restrictions must obtain prior written approval of the plans and specification for such improvement from the Committee.

Lots and Deeded Home Sites with completed Improvements and Single Family Residence may be leased in their entirety for residential purposes. No garage apartment on any Lot or Deeded Home Site may be leased or used as a separate dwelling unit. No Owner shall be permitted to lease for hotel or transient purposes, for which purpose this Section 5.1 is defined as a leasing period of less than thirty (30) days. No Owner shall be permitted to lease less than the entire Lot or Deeded Home Site. Every such lease shall be in writing. Every such lease shall provide that the tenant shall be bound by and subject to all of the obligations of the Owner under these First Amended Restrictions. The Owner making such lease shall not be relieved from any of such obligations and shall deliver a copy of these First Amended Restrictions to each tenant under its lease. Any Owner leasing a Lot or Deeded Home Site for less than twelve months in a calendar year, may only do so once per calendar year unless being leased to the same lessee and without lapse or interruption of the lease terms. By way of example and not limitation, if an Owner leases a Deeded Home Site for a period from February through May in a calendar year, it is not permissible to lease the same Deeded Home Site for a period from July through September in that same calendar year.

Section 5.2 Sales Prohibited

Both retail and wholesale commercial sales and garage sales are prohibited within the confines of the Subdivision. However, the occasional sales of items by the Girl Scouts or Boy Scouts or for or by other authorized charitable fundraisers may be permitted by the Association upon advanced written request.

Section 5.3 Boarding House Prohibited

No Single Family Residence or other Improvement may be used for the operation of a boarding or rooming house, or a residence for transients.

Section 5.4 Treatment Facilities Prohibited

No Single Family Residence or other Improvement may be used for any "group home," "community home," "half-way house," rehabilitation center, treatment facility or residence for unrelated individuals who are engaging in, undertaking or participating in any group living, rehabilitation, treatment, therapy or training with respect to previous or continuing criminal activities or convictions, alcohol or drug dependency or physical or mental handicaps. It is not the intent of this provision to exclude from a Lot or Deeded Home Site any individual who is authorized to so remain by any state or federal law. If it is found that this definition is in violation of any law, then this provision shall be interpreted to be as restrictive as possible to preserve as much of the original provision as allowed by law.

Section 5.5 No Subdivision of Lots, or Deeded Home Sites

No platted or deeded Lot, Single Family Residence, or Deeded Home Site in the Subdivision may be further subdivided, or re-platted with the goal of building a new Single Family Residence on less than one Lot. Nothing in this provision shall be deemed to prevent an Owner from (a) selling or leasing all of an entire Lot, Single Family Residence, or Deeded Home Site, or (b) transferring or selling any Lot, Single Family Residence, or Deeded Home Site to more than one Person to be held by them as tenants in common, joint tenants, or tenants by the entirety, or (c) selling an ownership interest in a portion of a Lot or Deeded Home Site. In no case can a Single Family Residence be built on any Lot smaller than an original platted Lot.

Section 5.6 Building Materials

Subject to prior written approval of the Committee, the exterior walls of new Single Family Residences, or the reconstruction of an existing Single Family Residence, constructed after the effective date of these First Amended Restrictions shall be composed of fifty one percent (51%) brick, brick veneer, stone, stone veneer, stucco or other masonry type of construction, not to be construed as including concrete block, common clay tile or fiber reinforced cement boards. Said fifty one percent (51%) shall be based upon the total outside wall square footage less the square footage contained in windows and doors therein. The garage required hereunder, if detached, need not have the same composition of the outer walls as the Single Family Residence but same shall be built in harmony with the residence and with a high grade of materials, which material must be approved in writing by the Committee prior to the commencement of construction. The required garage, if attached, shall be built in conformity with the exterior surface of the new, or reconstructed, Single Family Residence. Patio covers, whether attached or detached will not be of corrugated metal or plastic, and must be in keeping with the cover/architecture of the existing Single Family Residence and are subject to prior written approval of the Committee.

No asbestos siding shall be used to cover any portion of any building or Improvement in the Subdivision.

Subject to prior written approval of the Committee, roofing materials shall be of high-grade materials with a warranty period of 25 years or more, and no roof shall be of a built up bitumen and gravel or membrane type. Roofs for Single Family Residences and

garages shall have a minimum pitch of four (4) inches to twelve (12) inches. If the entire roof, including the roof of the Single Family Residence and garage, is replaced or added, the proposed shingle must be of an acceptable type and quality and have a color that is harmonious with the existing dwelling and the Subdivision, and be approved in writing by the Committee prior to commencement of installation. Flat or corrugated metal roofing for patio covers and carports is not permitted. Wooden cedar shingles are not permitted for roofing material.

Subject to prior written approval of the Committee, exterior colors of Single Family Residences and garages shall be a color traditionally used on exteriors of such residential buildings and other Improvements in the Subdivision.

Section 5.7 Construction

Construction activities shall be conducted in a manner so as to avoid inconvenience or a nuisance to neighboring Owners. Workers shall be directed to park on, or in front of, the work site in a location that does not block access to any Subdivision streets or an Owner's Lot or Deeded Home Site. Workers shall not be permitted to play radios or other audio equipment at a volume that unreasonably disturbs any surrounding residents. Work sites shall be separated from adjacent Lot and/or Deeded Home Site by a temporary construction fence, if there is no current fencing. Any new construction or exterior Improvement must be commenced promptly after Plan (as defined herein below) approval (i.e., within 60 days) and completed within twelve (12) months from commencement. No building materials may be stored on a street. Construction debris must be regularly removed, including regular/periodic emptying of any dumpster or trash skip, and the construction site maintained in a neat and orderly manner at all times.

Reasonable precautions shall be implemented to prevent construction activities from adversely affecting the health of trees both on the Lot or Deeded Home Site under construction and on adjacent Lots or Deeded Home Sites. Builders shall install and maintain temporary fencing around the drip line of trees on the work site. Any port-a-can shall be located as far from the front of the Lot as possible while enabling the port-a-can to be regularly serviced. The port-a-can shall be screened from view and serviced as required so as to be odor free and sanitary. Builders shall install erosion control measures and provide for drainage of rainwater from the Lot or Deeded Home Site to prevent/mitigate water runoff to other Lots and/or Deeded Home Sites. Construction activity shall be limited to hours between 7:00 AM and 8:00 PM. Monday thru Saturday. The hours for Sunday shall be limited to hours between 10:00 AM and 6:00 PM.

Owners are responsible for assuring that their contractors and subcontractors comply with the provisions of this Section.

Each building foundation must be constructed above the flood plain established by the San Jacinto River Authority or 1 foot above the nearest sewer man hole, whichever is higher. Before beginning construction, each Owner should inspect the building site in order to determine the stability of the soil. Building foundations must be supported by undisturbed soil, or should the building site inspection disclose disturbed soil, the

foundation must be supported by the use of bell-hole construction or similar construction for foundations in areas of unsuitable soil.

No window or wall type air conditioners shall be permitted to be used, erected, placed, or maintained on or in any building or Improvement in any part of the Subdivision.

Section 5.8 Animals

No animals other than dogs, cats, and usual and common indoor household pets may be kept on any Lot or Deeded Home Site. No animals of any kind may be kept on an undeveloped Lot. Only dogs and cats may be kept outside the Owner's home. All other animals must be kept inside the home.

Animals must be kept under control at all times, including being on a leash held by a responsible person when walking. If animals are kept in a run, then the run must be kept clean, sanitary and free of odor at all times.

No animals may be kept or bred for sale or use in a commercial enterprise.

Animal waste deposited on another Owner's Lot or Deeded Home Site, in the course of walking animals, must be immediately picked up. Animal waste deposited on an Owner's Lot by his/her own animal must not cause a nuisance to any other Owner or resident, either visually or by odor.

It is important that dogs do not disturb neighbors by uncontrolled barking or growling. No Owner shall keep more than four (4) dogs on their Lot or Deeded Home Site. Visitors who bring pets with them must follow all rules concerning pets.

Owners may run their dogs without a leash in the wooded park area close to the boat storage, but the dogs must be under total control by the Owner at all times. The tennis courts and the boat storage area are not included in the permitted area for unleashed dogs. Any animal waste deposited in Common Areas and in public view must be picked up by the animal's owner or handler.

Section 5.9 Trailers and Temporary Residences

No trailer, recreational vehicle, buses, mobile home or manufactured homes containing sleeping or kitchen facilities or other similar vehicles and temporary or movable structures shall be moved onto any Lot or Deeded Home Site or Common Area for use at any time as a residence either temporarily or permanently, nor shall any structure of a temporary character be used as a residence.

Section 5.10 Building Design and Standards

The square footage of a one-story Single Family Residence, exclusive of porches, porte-cochere, garages and servants' quarters, shall contain not less than 2,000 square feet. The square footage of a two-story Single Family Residence, exclusive of porches, porte-cochere, garages and servants' quarters, shall contain not less than 2,500 square feet. Any Single Family Residence with Cape Cod architecture or other one and one-half story architecture shall be classed as two stories. The highest point of any Single Family

Residence may not exceed the ridge height by more than three (3) feet. Carports of any kind are not allowed. A porte-cochere must be architecturally consistent with the design of the residence.

Plans, which shall include complete construction plans and specifications, including, but not limited to, plot plan showing the location of the improvement(s) on the Lot or Deeded Home Site, the site plan, floor plans, roofline, exterior elevations, masonry color, and paint color (hereinafter referred to as "Plans"), shall be submitted to the Committee as provided for in Article 6, specifically Sections 6.2 and 6.3, prior to the commencement of construction or alteration of any dwelling and/or Improvement.

In addition to conforming to the other restrictions contained herein, Plans shall provide for area drainage from the Lot or Deeded Home Site being improved so that other Deeded Home Sites and Lots are not affected by water run-off/flooding. Natural drainage of streets, Lots or roadway ditches may not be impaired by any construction, installation, or Improvements by person or persons. Driveway and ditch culverts will be of sufficient size to afford proper drainage of ditches without backing up water into ditch or diverting flow. In no event shall a culvert be less than fifteen inches (15") in diameter.

The Board and/or the Committee shall have the authority hereunder to require any Owner or Owner's agents or contractors to cease and desist in constructing or altering any improvements on any Lot or Deeded Home Site where such actions have not first been reviewed and approved in writing by the Committee, which construction or alteration shall constitute a violation of these First Amended Restrictions, the Guidelines or any other documents promulgated by the Board and/or the Committee. The violating Owner shall remove such violating improvements or sitework at its sole expense and without delay, returning same to its original condition or bringing the Lot or Deeded Home Site into compliance with these First Amended Restrictions, Guidelines, and Committee documents, and/or any plans and specifications approved by the Committee for construction on that Lot or Deeded Home Site. These First Amended Restrictions are notice of such liability for violation and Owners hereby agree to bear the cost and expense to cure any violations according to this provision, regardless of the substantial cost, time or loss of business involved.

Section 5.11 Set Back Restrictions

No dwelling or Improvement, other than flat work shall extend beyond the front minimum set back line as shown on the Plat. No dwelling or Improvement, other than flat work or fence shall extend beyond the minimum rear set back line as shown on the Plat. No Single Family Residence may be located less than five (5) feet from any inside Lot line. A Single Family Residence built on a Deeded Home Site must align harmoniously with the residences on adjacent Lots. A "detached garage" may be connected to the Single Family Residence by a covered open-air walkway. A garage sharing a common wall with a Single Family Residence or an enclosed or air conditioned/heated access to the Single Family Residence is not a detached garage. Driveway access to the garage shall be from the front (street side) of the Lot only. For Section II, Lots 1,2,3,4,22,23, and 24, unless otherwise approved in writing by the Committee, each Single Family Residence building will face the front of the Lot and be located at least 30 feet from the front of the Lot and at

least 30 feet from the rear of the Lot. For Section II, Lots 5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20, and 21, unless otherwise approved in writing by the Committee, each Single Family Residence will face the front of the Lot and be located at least 30 feet from the front of the Lot and within the rear Lot line bordering the perpetual easement area. All setback lines are subject to the Committee's approval even though they may be within the limits of these First Amended Restrictions.

For purposes of these First Amended Restrictions, eaves, flatwork and roof overhangs shall not be considered in the above measurements; however, no portion of any building on one Lot or Deeded Home Site may encroach on another Lot or Deeded Home Site. For purposes of these First Amended Restrictions, a "Perimeter Lot" is a Lot or Deeded Home Site that is contiguous to property not within the Subdivision (i.e., a "non-Rancho Escondido property"). Improvements to be constructed on a Perimeter Lot may deviate from the Set Back Restrictions with respect to the location of a proposed Single Family Residence, Improvement, or building along the property line that abuts non-Rancho Escondido property. No deviation of any set back along the property line between a Perimeter Lot and non-Rancho Escondido property shall constitute a waiver of the set back applicable to any other property line on the Perimeter Lot or any other Lot in the Subdivision.

Section 5.12 Street or Right of Way Obstructions

No fence, wall, shrub, or plant may obstruct a line of sight along a street. No tree shall obstruct a line of sight onto or along a street; tree foliage lines will be maintained at a sufficient height to prevent obstruction of such sight lines.

Section 5.13 Displaying of Signs

No signs, messages, banners or other written or graphic material (excluding "For Sale" or "For Lease" signs which are permitted but may not be more than five (5) square feet) shall be displayed on any Lot or Deeded Home Site or Improvement. Nothing herein shall be construed to preclude flagpoles, security service warning signs, non-commercial flags, all of which shall require prior written approval by the Committee. Temporary signs celebrating an event may be displayed no more than fourteen (14) days in any one calendar year. Traffic signs, no parking signs, and other signs regulating activities erected on Common Areas by the Association are exempt from this section. See section 5.14 for rules regarding political or ballot item signs.

Notwithstanding anything contained herein to the contrary, signs or stickers provided to an Owner by a commercial security or alarm company providing service to the dwelling shall be permitted so long as the sign is not more than 8" x 8" or the sticker is no more than 4" x 4". There shall be no more than one sign and no more than six (6) stickers located on the windows or doors. Stickers shall also be permitted upon windows and doors for a "Child Find" program or a similar program sponsored by a local police and/or local fire department.

All signs and emblems within the Subdivision are subject to Guidelines which may be promulgated by the Committee.

Section 5.14 Political and or Ballot Item Signs

(As provided in Section 202.009 of the Texas Property Code, or its successor statute)

Political or ballot item signs will be permitted:

1. On or after the 90th day before the date of the election to which the sign relates.
2. Before the 10th day after that election date.

Political or ballot item signs;

1. Must be ground-mounted.
2. Only one sign for each candidate or ballot item will be permitted.

Political or ballot item signs cannot;

1. Contain any nonstandard decorative component.
2. Be attached to plant material, lights, trailers, vehicles or any other existing structure or object.
3. Be painted on an architectural surface, a dwelling or an Improvement.
4. Threaten the public health or safety.
5. Be larger than four feet by six feet.
6. Violate any law.
7. Contain language, graphics or any display that would be offensive to the ordinary person, or which is determined to be offensive by the Board.
8. Is accompanied by music or other sounds or by streamers.
9. Be distracting to motorists.

THE BOARD OF DIRECTORS OF THE ASSOCIATION MAY EXERCISE ITS SELF HELP REMEDY TO REMOVE A SIGN DISPLAYED IN VIOLATION OF ANY OF THESE RESTRICTIVE COVENANTS.

Section 5.15 Drilling and Mining

No oil or water well drilling, oil development operations, oil refining, quarry or mining operations of any kind shall be permitted upon or in any Lot or Deeded Home Site, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot or Deeded Home Site. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot or Deeded Home Site.

Section 5.16 Dumping and Trash Disposal

No Lot or Deeded Home Site, Reserve, or Common Area shall be used or maintained as a dumping ground for rubbish or junk, debris, mulch, soil, rock or sand. Trash, garbage or other waste shall be kept in containers or bundles for disposal or removal. All trash containers shall be kept in a clean and neat condition at all times, and covered when practical. Trash containers, garbage or other waste shall be maintained outside the view from the street (except on those days for scheduled removal). No trash container, garbage or other waste shall create an offensive view or odor to neighboring Lots and/or Deeded Home Sites. All Deeded Home Sites must maintain weekly trash, garbage or other waste pickup or disposal. Incinerators or burning are strictly prohibited.

Section 5.17 Lot or Deeded Home Site Maintenance

Grass, weeds, and vegetation on each Lot or Deeded Home Site shall be kept mowed, edged, raked, and/or trimmed at regular intervals throughout the year so that the appearance remains neat and well cared for. Vegetation, in the form of ground cover, shall be trimmed and edged so that it appears under control.

Trees on the Lot or Deeded Home Site shall be maintained so that they do not pose a hazard.

Swimming pools and spas are to be kept clean and clear, through regular maintenance.

All activities requiring engines to maintain Lots and Home Sites shall be conducted between 7:00 am and 8:00 pm, except on Sundays, when the hours shall be 10:00 am to 6:00 pm. Generators may be operated at any time in case of commercial power failure or for testing purposes.

Owners shall ensure that their service providers comply with the provisions of this Section.

Section 5.18 Easements

An easement for utility installations and maintenance thereof and ingress and egress of the grantor and all others authorized to make such installations and maintain the same is reserved over the property covered by said easements as shown by the recorded Plat of the Subdivision and the easements affecting said Lots and Deeded Home Sites are reserved as shown on said recorded Plat in accordance therewith, whether such easement is over the front Lot line or over the rear Lot line or over the side Lot line. Said utility easements are for all utilities now or hereafter to be installed in said locations according to custom and usage from time to time. The utilities may be placed under the streets as designated on said Plat as said street may be used for utilities as well as for traffic and other street purposes.

Section 5.19 Storage of Vehicles

Boats, trailers, campers, buses, camper tops or truck rigging, recreational vehicles of any kind, Jet Ski and/or trailer of any type shall **NOT** be parked or stored on any street or driveway for a period of more than seven (7) consecutive days or a total of seven (7) days in any one calendar month. Furthermore, any vehicle will be presumed disabled or non-operative, if it does not have a current state inspection sticker, license or registration tag. Any vehicle disabled or non-operative may **NOT** be parked or stored on any street, driveway, Lot or Deeded Home Site. Any lawn equipment may NOT be left or stored where it is visible from the street or lake.

Section 5.20 Fences, Hedges, Piers, and Bulkheads

All fences shall be constructed and installed pursuant to the Guidelines. No fence shall be constructed past the front leading edge of a residence. Fences must be of ornamental iron; masonry columns are permitted in lieu of iron posts. No chain link fences

or solid privacy fences are permitted. All fences installed or replaced subsequent to approval of these First Amended Restrictions must be approved in writing by the Committee prior to installation. Undeveloped Lots may not be fenced.

No privacy hedge or mass planting that interferes, or may grow to a height or mass that will interfere, with the view of street traffic shall be allowed on any Lot or Deeded Home Site. Landscaping, Improvements, and other structures shall be sited to maintain the unique feature of the Subdivision **water views from multiple directions**. Landscaping, privacy hedges, and mass plantings shall be designed, located, and maintained to preserve first-floor-level water view corridors from all other Lots and Deeded Home Sites.

Piers, docks, boatlifts, ramps or any other structure that projects into the water and bulkheads are **subject first to the conditional approval of the Committee**, and second to the approval of the San Jacinto River Authority (SJRA) and/or the US Army Corp of Engineers (USACofE). The Committee will only consider plans or proposals presented in writing; and may require written approval from the (SJRA) and/or (USACofE) before final approval. Final approval, if granted, will be given in writing upon submittal of a copy of the permit(s) issued by the agency(s) having jurisdiction.

Section 5.21 Nuisance

Nothing shall be done or placed upon any Lot or Deeded Home Site or property within the Subdivision that is or may become a danger, nuisance, or cause an unreasonable embarrassment, disturbance or annoyance to others. The display or shooting of fireworks, or firecrackers, or firearms is expressly forbidden.

No portion of the Subdivision shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, animal, or material be kept upon any portion of the Subdivision that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding homesites and users of the Common Areas.

No noxious, illegal, or offensive activity shall be carried on upon any portion of the Subdivision, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any Person using any portion of the Subdivision. There shall not be maintained any plants, animals, device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of any portion of the Subdivision. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted within the Subdivision. Wood or charcoal only, may be burned in outdoor ornamental fire pits, fireplaces or chiminea. No horn, whistle, bell or other sound device, other than wind chimes, and alarm devices used exclusively for residential monitoring purposes, shall be installed or operated within the Subdivision, unless required by federal, state or local regulation.

It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her Lot or Deeded Home Site. The pursuit of hobbies or other visible activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, that might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Subdivision. Notwithstanding the above, the disassembly and assembly of motor vehicles to perform repair work shall be permitted provided such activities are not conducted on a regular or frequent basis, and are either conducted entirely within an enclosed garage or, if conducted outside, are begun and completed within twelve (12) hours.

Section 5.22 Maintenance of Improvements

It shall be the duty, responsibility and obligation of each Owner at his own cost and expense to care for, maintain and repair the exterior of all Improvements on his Deeded Home Site or Lot including all fixtures, appliances, equipment and other appurtenances thereto and also including private driveways, sidewalks and fences, pools, bulk heading and boat houses which are situated on or attached to his Deeded Home Site or Lot (excepting only Association owned Improvements located on any easement) in a neat and attractive manner at all times. Neat and attractive shall include, but not be limited to: (1.) maintaining all painted, stained, or treated surfaces such that bare or underlying surfaces do not become exposed and (2.) repairing damage caused by storm, fire, insects, flood, moisture, mold, mildew or wear with permanent building materials matching the original materials and paint on the Single Family Residence and/or Improvement. All such repairs will be completed within three (3) months of notification from the Association that repairs and/or maintenance is required.

If any Single Family Residence and/or Improvement on a Deeded Home Site or Lot is damaged or destroyed, the Owner shall promptly commence and diligently proceed to complete the restoration of such Single Family Residence and/or Improvements to their condition existing prior to such damage or destruction. Or, in the alternative, raze or remove such Single family Residence and/or Improvement and landscape the Deeded Home Site or Lot pursuant to a plan approved in writing by the Committee.

Section 5.23 Preservation of Mature Trees

It is the objective of the Association to preserve trees within the Subdivision when feasible.

If a Lot Owner or resident does not remove dead or diseased trees within (30) days of notification by the Committee, the Board may exercise its Self Help remedy to remove such tree and the Lot Owner or resident will be responsible for reasonable and common charges for such removal.

Section 5.24 Use of Common Areas

The Common Areas are intended for the use and enjoyment of Lot Owners, residents, their families and guests. As such, it is the responsibility of the Owner or

resident using those facilities to ensure that the areas are kept clean and not defaced in any manner. Trash and debris must be picked up promptly and disposed of properly.

All Owners are cautioned that use of the boat ramp involves actions that could be dangerous and result in injury or death. Parking of trailers or vehicles will not be permitted in the boat launch area or along the street right-of-way. Trailers and vehicles must be returned to the boat storage area, or to the Owner's driveway. Violations of this provision are subject to being towed at the Owner's expense. This may be done at the sole discretion of the Board.

Roadways are for pedestrian and vehicular use. The speed limit is twenty (20) miles per hour (mph) inside the Subdivision. Owners and residents should inform family members and non-resident guests and invitees of this restriction on speed.

Section 5.25 Miscellaneous Vehicles

Unlicensed motor vehicles such as golf carts, electric scooters, etc. will be allowed in the Subdivision if they are not a nuisance by reason of noise or manner of use. Determination of a violation of this restriction is the sole judgment and discretion of the Board.

Section 5.26 Restriction Violation Remedies

For restrictions without action or remedies specified, the Board may take any one or more of the following actions: (1). call the Owner of the Lot or Deeded Home Site where the restriction has been violated; if no corrective action is taken within thirty (30) days; (2). A certified letter may be sent; if no corrective action is taken on the Owners' part within thirty (30) days of receipt of the letter; (3). The Board may take action in a court of law against the Owner(s). Notwithstanding anything contained herein to the contrary, the Board is hereby vested with the authority to promulgate a Deed Restriction Enforcement Policy that may include or exclude any one or more the steps set out herein.

ARTICLE 6. ARCHITECTURAL CONTROL COMMITTEE

Section 6.1 Architectural Control Committee

The Association shall have an Architectural Control Committee (the "Committee") which shall consist of a minimum of three (3) members, who must be Members in Good Standing, who shall be appointed by the President of the Board and confirmed by the Board of Directors for a term of one (1) year in the same manner as set out in the Bylaws. A vacancy on the Committee may only be filled by the Board. The Secretary of the Association shall serve as an ex-officio non-voting member of the Committee and will be charged with the responsibility of record keeping and correspondence between the Committee and the Owners and/or Builders.

A member of the Committee may be removed by the vote of a majority of the Board who are present at any meeting at which a quorum is present. In the event a member of the Committee is so removed, their replacement can be appointed by the Board at the same meeting.

The Board shall have the right to review any action or non-action taken by the Committee and shall be the final authority.

The Board may, without obligation, assign to such other person the Board deems appropriate, all or a portion of Committee's rights and/or the responsibility for review and approval of modifications to existing dwellings.

The Board shall have the right, but not the obligation, to promulgate Builder-Owner Guidelines as to construction types and aesthetics as set by the Board.

Section 6.2 Committee Review

The Committee shall review and approve, or disapprove, the following for new construction, demolition/rebuilding of Single Family Residences and/or Improvements:

- A. Height restrictions;
- B. Minimum square footage requirements;
- C. Minimum building materials requirements;
- D. Adherence to building setback lines and harmonious alignment with neighboring homes;
- E. Garages as to compliance with set back lines and other restrictions stated herein;
- F. Any other remodeling or revisions to the exterior of existing homes or Improvements;
- G. Front yard landscaping plan for new home construction.
- H. Any other items included in the Guidelines.

Approval of plans and specifications shall not cover or include approval for any other purpose and specifically, but without limitation, shall not be construed as any representation as to, or responsibility for, the structural design or engineering of the improvement or the ultimate construction thereof.

Section 6.3 Seeking Committee Approval

When seeking Committee approval, Plans, building plans, specifications and plot plans showing the location of such Single Family Residence building or Improvement must be submitted in writing for review.

Written Plans must be submitted to assist in the Committee approval procedures. Architectural and/or engineering and/or surveyors' drawings may be requested by the Committee.

Section 6.4 Committee Approval

Any Plans submitted to the Committee must be approved in writing by at least a majority of the members of the Committee prior to obtaining required permits and/or the commencement of construction. The Committee at any time may provide such rules and regulations as it sees fit as to the Committee's meetings and as to when, and how, and under what circumstances the Committee will undertake joint consideration and examination of submitted Plans or other actions. The delivery of proposed Plans may be

made to any member of the Committee and the same shall be deemed to be submission to the full Committee. For the purpose of this Section 6.4, delivery shall be deemed to have been made when the submission is deposited in the United States Mail, Certified, Return Receipt Requested, postage prepaid or when the submission is hand delivered to a Committee member. The Committee shall approve or disapprove such plans within thirty (30) days after said Plans, plot plan and specifications have been submitted to it. Committee approvals are valid for a period of six (6) months. If construction is not started within this period a new submission of Plans and approval will be required. The Committee shall have the right to set reasonable time constraints for the completion of construction, which constraints shall be no less than one (1) year after the slab is poured to complete construction. If construction fails to be completed before the designated completion date the plans shall be deemed not approved.

The Board shall have the authority hereunder to require any Owner or Owner's agents or contractors to cease and desist in constructing or altering any Single Family Residence and/or Improvements on any Lot or Deeded Home Site, where such actions have not first been reviewed and approved in writing by the Committee, shall constitute a violation of these First Amended Restrictions, the Builder/Owner Guidelines or any other documents promulgated by the Board and/or the Committee. The violating Owner shall remove such violating Single Family Residence, Improvements, or sitework at Owner's sole expense and without delay, returning same to its original condition or bringing the Lot or Deeded Home Site into compliance with the these First Amended Restrictions, Committee documents and any Plans and specifications approved by the Committee for construction on that Lot or Deeded Home Site. If an Owner proceeds with construction that is not approved by the Committee, or that is a variance of the approved Plans, the Association may seek all relief to which it is entitled including but not limited to rescinding approval and taking any necessary action to stop construction. These First Amended Restrictions are notice of such liability for violation and Owners hereby agree to bear the cost and expense to cure any violations according to this provision, regardless of the substantial cost, time or loss of business involved. Each Owner acknowledges that it may not always be possible to identify objectionable features of proposed construction or alteration of Single Family Residence and/or Improvements until such construction and/or alteration is completed, in which case it may be unreasonable to require changes to the Single Family Residence and/or Improvements involved; however, the Committee may refuse to approve similar proposals in the future.

Written notice may be delivered to the Owner, or any agent or contractor with apparent authority to accept same, and such notice shall be binding on Owner as if actually delivered to Owner.

The Board and/or the Committee or their respective agents or assigns shall have the right, but not the obligation, to enter any Lot or Deeded Home Site, to determine if violations of these First Amended Restrictions, the Guidelines, or any other documents promulgated by the Board or Committee exist. **The Board and/or the Committee or their respective agents or assign will notify the Owner that entry onto the Lot or Deeded Home Site is necessary. The right of entry does not extend to the interior of structures.** In so doing, the Board and/or Committee shall not be subject to any liability

for trespass, other tort or damages in connection with or arising from such entry nor in any way shall the Board or the Committee or their respective agents be liable for any accounting or other claim for such action.

Section 6.5 Variances

Recognizing that some situations may exist, occur or justify the granting of a Variance to Section 6.2 of these First Amended Restrictions, excluding front set back lines as to the location of the Single Family Residence, the Board, upon recommendation by the Committee, in instances where, in its judgment, such non-conformance will result in a more common beneficial use and enhance the overall development plan for the Subdivision, may grant a Variance to these First Amended Restrictions for the following reasons:

- A.** To avoid costly and protracted litigation which, in the opinion of the Board or retained legal counsel, does not justify such cost or time, or that the probability of prevailing in such a suit is below normal risk; or
- B.** Special hardship conditions such as topography, natural obstructions or other relevant considerations.

Economic hardship shall not be a sole justification for granting a Variance.

The approval of a Variance in the general use restrictions by the Board does not obligate the Board or the Committee to approve a similar Variance at a later time. Notwithstanding any other provision contained herein, any dwellings, additions, or Improvements erected or placed on any Lot or Deeded Home Site shall be deemed to comply with the building requirements of the Committee and related covenants contained in these First Amended Restrictions unless the Committee so notifies the Owner otherwise in writing within four (4) years from the completion thereof. This provision, however, does not mean that the Association has waived its right to enforce the continuing restrictions contained herein.

Section 6.6 No Transfer or Assignment of Responsibilities

The duties of the duly appointed members of the Committee shall not be delegated, designated or otherwise transferred to any person or persons not duly appointed by the Board.

Section 6.7 Non-Liability for Committee Action

Neither the Association, its Board, the Committee or the members thereof shall be liable for any loss, damage or injury arising out of or in any way connected with the performance of the duties of the Committee unless due to the willful misconduct or bad faith of the party to be held liable. In reviewing any matter, the Committee shall not be responsible for reviewing, nor shall its approval of a Single Family Residence an Improvement, or modification to a Single Family Residence and/or an Improvement on a Lot or Deeded Home Site be deemed approval of the Single Family Residence, Improvement, or modification of the Improvement from the standpoint of safety, whether

structural or otherwise, or conformance to building codes or other governmental laws or regulations.

Section 6.8 Guidelines

PRIOR TO ACQUIRING ANY INTEREST IN A LOT, OR DEEDED HOME SITE, EACH PROSPECTIVE PURCHASER, TRANSFEREE, MORTGAGEE AND OWNER SHOULD CONTACT THE BOARD AND OR CHECK THE MONTGOMERY COUNTY REAL PROPERTY RECORDS TO OBTAIN AND REVIEW THE MOST RECENT BUILDER-OWNER GUIDELINES, IF ANY, WHICH WILL CONTROL THE DEVELOPMENT, CONSTRUCTION AND USE OF THE LOT, OR DEEDED HOME SITE.

ARTICLE 7. COMMON ASSESSMENTS AND BUDGET

Section 7.1 Payment of Common Assessments and Special Assessments

Each Owner, by acceptance of a deed for any Lot or Deeded Home Site in the Subdivision, whether or not it shall be expressed in such deed, is deemed to covenant and agree to pay to the Association an annual Common Assessment, and/or Special Assessment, hereinafter sometimes referred to as the "Assessment", such Assessment to be established as hereinafter provided and administered by the Bylaws.

Section 7.2 Establishment of Assessment

At least thirty (30) days prior to each annual meeting, the Board shall provide written notice to each Member of the budget and proposed Assessment and any Special Assessment if needed for the following fiscal year. Included in such notice shall be the meeting date and time to discuss the budget and Assessments. The budget shall set forth, in sufficient detail for review; the amount that the Board feels is required for the proper operation, management, and maintenance of the Subdivision. Failure or delay of the Board to prepare any annual budget or to deliver copies of notices of the new Common Assessments or Special Assessment to each Owner shall not constitute a waiver or release in any manner of any Owner's obligation to pay Common Assessments whenever said Common Assessments are determined. In the event of any delay or failure to establish any annual budget, each Owner shall continue to pay the Common Assessment as provided for in these First Amended Restrictions at the rate established for the previous fiscal year until a new budget is established or approved; however, if the previous fiscal year's Common Assessment level contained any extra charges, beyond what was budgeted for that year, i.e., repair or capital improvements to Common Areas, litigation expense to enforce these First Amended Restrictions, or expenses to defend or settle a lawsuit against the Association, then such extra charges shall be deducted before setting the new Common Assessment level. The Assessment shall be fixed at a common rate for all Lots and Deeded Home Sites. By way of illustration and not limitation: One lot equals one Assessment, 1 ½ lots equals Assessment X 1.5 etc.

Section 7.3 Creation of the Assessment Lien

The Owners of any Lot or Homesite, by virtue of ownership of Property within the Subdivision, covenant and agree to pay to the Association the Assessments.

The Assessments together with attorney's fees, late fees, interest and costs shall be a charge and continuing lien upon the Lot and Deeded Home Site against which each such Assessment is made. Each such Assessment, together with attorney's fees, late fees, interest and costs, shall also be the personal obligation of the person or entity who was the Owner of the land at the time when the Assessment became due. The personal obligation for delinquent Assessments shall not pass to successors in title unless expressly assumed by them. All payments shall be applied first to costs and attorney fees, then to interest, and then to delinquent Assessments (as to each category, payment shall be applied to the most-aged charge first). No diminution or abatement of Assessments 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 the Board under these First Amended Restrictions, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association. The obligation to pay Assessments is a separate covenant on the part of each Owner of a Lot or Deeded Home Site.

Section 7.4 Adoption of a Budget and Assessment Level

The annual budgets will be submitted at the annual meeting. The Assessment shall be levied at the sole discretion of the Board. The Board shall determine the sufficiency or insufficiency of the then current Assessment to reasonably meet the expenses for providing services and capital improvements in the Subdivision and may, at its sole discretion and without a vote by the Members, increase the Assessment an amount sufficient to meet the expected expenses in the upcoming year

Assessments shall be paid in such manner and on such dates as the Board may establish. The Board may require advance payment of Assessments at closing of the transfer of title to a Lot, and impose special requirements for Owners with a history of delinquent payment.

Section 7.5 Remedies to Enforce Assessments

Each Assessment levied hereunder shall also be a separate, distinct, and personal debt and obligation of the Owner against whom the same is assessed. In the event of a default in payment of any Assessment or installment thereof, the Board, in addition to any other remedies provided under these First Amended Restrictions or by law or in equity, may enforce such obligation on behalf of the Association by lawsuit, by filing of an affidavit claiming a lien as hereinafter provided, or by any other means provided by these First Amended Restrictions, or by all of the above.

Section 7.6 Notice of Lien

In addition to the right of the Board to enforce Assessments in the manners described herein, the Board may elect to file an affidavit claiming of lien against the Lot or

Deeded Home Site of the delinquent Owner by recording a notice (a "Notice of Lien Affidavit") setting forth:

- A. the amount of the claim of delinquency;
- B. the interest that has accrued and the costs of collection, expenses and attorneys' fees that have been incurred;
- C. the legal description and street address of the Lot or Deeded Home Site against which the lien is claimed; and
- D. The name of the Owner thereof.

Such Notice of Lien Affidavit shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The Notice of Lien Affidavit shall continue until the amounts secured thereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien Affidavit have been fully paid or satisfied, the Association shall execute and record a notice releasing the Notice of Lien Affidavit upon payment by the Owner of a reasonable fee as fixed by the Board to cover the preparation and recordation of the release of such Notice of Lien Affidavit.

Section 7.7 Non-judicial Foreclosure

Nothing in these First Amended Restrictions shall allow, provide for, or permit foreclosure of the Assessment lien by non-judicial means.

Section 7.8 No Effect of Violation on Rights of First Mortgagees

No violation by an Owner of the provisions of these First Amended Restrictions or any amendment of these First Amended Restrictions shall affect the lien of any first mortgagee presently or in the future placed of record or otherwise affect the rights of such first mortgagee under any such mortgage or holder of any such lien or beneficiary of such Mortgage ("First Mortgagee"); and any such mortgage or lien may be enforced in accordance with its terms, subject, nevertheless, to the provisions contained in these First Amended Restrictions.

Section 7.9 Priority of Mortgagee over Assessments

The liens described in these First Amended Restrictions and the superior title herein reserved shall be subordinate to the liens of any First Mortgagee. Each First Mortgagee who obtains title to a Lot or Deeded Home Site pursuant to the remedies provided for in the mortgage or by judicial foreclosure shall take title to the Lot or Deeded Home Site free and clear of any claims for unpaid Assessments or charges against such Lot or Deeded Home Site that accrued before the time such first mortgagee acquired title to such Lot or Deeded Home Site. No such sale or transfer shall relieve such first mortgagee acquiring title to a Lot or Deeded Home Site from liability for any Assessment thereafter becoming due or from the lien thereof or from compliance with these First Amended Restrictions. Any mortgage, sale or transfer of a Lot or Deeded Home Site shall not affect the Association's lien for Assessments.

ARTICLE 8. GENERAL PROVISIONS

Section 8.1 Invalidation

Invalidation of any term or provision of these First Amended Restrictions by judgment of any court or otherwise shall in no way affect any other provision, which shall remain in full force and effect, except as to any terms and provisions which are invalidated.

Section 8.2 Grammar

The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations, other entities or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.

Section 8.3 Headings

The headings to sections of these First Amended Restrictions are for convenience only and shall not be used to construe, interpret or limit the meaning of any terms or provisions hereof.

Section 8.4 Application of Restrictions

The terms and provisions of these First Amended Restrictions shall apply to, be binding upon, and inure to the benefit of the Association, all Owners of Lots and Deeded Home Sites or any other property located within the Subdivision, and their successors and assigns, and all occupants of any Single Family Residence or other Improvement in the Subdivision.

Section 8.5 Existing Non-conforming Improvements

A. Non-conforming Improvements in existence at the time of filing these First Amended Restrictions in the Official Public Records of Real Property of Montgomery County, Texas shall be permitted to continue, excluding those Non-conforming Improvements that are currently under litigation or where the Board has served notice of a non-conformance to the Owner. Such Non-conforming Single Family Residence and/or Improvements shall not, however, constitute a Variance to these First Amended Restrictions. The existing non-conformance shall not be a basis for a Variance with regard to any other Lots, Deeded Home Sites or other Non-conforming Single Family Residence and/or Improvements in the Subdivision.

B. In the event any replacement, alteration, reconstruction, remodeling or rebuilding of any Non-conforming Single Family Residence and/or Improvement is undertaken after the recording hereof, it shall comply completely with the terms of these First Amended Restrictions, unless a new Variance application has been submitted and approved by the Board.

Section 8.6 Notice of Sale

In the event an Owner sells his Lot or Deeded Home Site, the acquiring Owner shall provide the Association's Secretary, in writing, the names, address, email address, and phone numbers of the new Owner of the Lot or Deeded Home Site. Until such notice is furnished, the Association shall not be held responsible for incorrect notices and all

notices provided by the Association to the address of the last known Owner shall be deemed to have been properly delivered. The new Owner of the Lot or Deeded Home Site shall pay a bookkeeping set-up fee as described in the most current version of the Rancho Escondido Community Improvement Association "General Policies" on file with the Official Public Records of Real Property of Montgomery County.

Section 8.7 Limitation of Liability

Neither the Association, the Board, the Committee, any member of a duly constituted committee of the Association and/or the Board, or any officer, agent, or employee of any of the same acting within the course and scope of their respective duties shall be liable to any person(s) for any reason(s) or for any failure to act if the action(s) or failure to act was in good faith and without malice.

Section 8.8 Signatories

The undersigned are Owners of Lots, or Deeded Home Sites in the Subdivision. By their signature hereon, the undersigned represent that they own the Lot or Deeded Home Site described next to their name and that they are executing these First Amended Restrictions in consideration of the mutual benefits to be derived by their property and the other property in the Subdivision.

Section 8.9 Multiple Counterparts

These First Amended Restrictions may be executed in multiple counterparts. It shall not be required that all Owners sign the same counterpart. Each Owner shall be bound by these First Amended Restrictions upon the recording of these First Amended and Restated Restrictions in the Official Public Records of Real Property of Montgomery County, Texas. After all such counterparts have been executed, the undersigned singularly and collectively, authorize the Board of the Association to remove all pages containing signatures from the various counterparts and attach such signature pages to one complete copy of these First Amended Restrictions for the purpose of recording the same in the Official Public Records of Real Property of Montgomery County, Texas.

Section 8.10 Notices

Any statement, notice, or other communication provided or permitted to be given hereby shall be in writing and shall be deemed sufficiently given or rendered if hand delivered, or delivered or deposited in the United States Mail, addressed to the Owner's Lot or Deeded Home Site, or at such other address as such Owner shall designate from time to time by written notice to the Association.

Section 8.11 Approval

Upon obtaining the signatures of the Owners of at least seventy-five per cent (75%) of the real property, as specified in Section 204.005 of the current Texas Property Code, these First Amended Restrictions shall be deemed approved and shall be effective upon filing in the Official Public Records of Real Property of Montgomery County, Texas. (See Section 2.20 for voting rights of Owners).

In the event any court, by final judicial order, finds that these First Amended Restrictions shall be deemed to have not been properly approved or that they should be removed, cancelled, or set aside for any reason whatsoever, then, in that event, the Original

Restrictions shall continue to apply to the Rancho Escondido Subdivision along with any amendments thereto.

Section 8.12 Management of the Association

The Association shall be managed by the Board in accordance with the Articles of Incorporation and Bylaws, which may be amended from time to time in accordance with the provisions set forth in such instruments or, in the absence of such provisions, in accordance with the applicable statutory provisions for the State of Texas.

Section 8.13 Judicial Review

Any act or thing done by any Director, Officer, or Committee member taken in furtherance of the purposes of the Association, and accomplished in conformity with the procedures set forth in these First Amended Restrictions, Articles of Incorporation, the laws of the State of Texas, and/or the By-laws, shall be reviewed under the standard of the Business Judgment Rule as established by the common law of Texas, and such act or thing done shall not be a breach of duty on the part of the Director, Officer, Committee member, or members of other committees of the Board if they have been done within the exercise of their discretion and judgment.

Section 8.14 Security

NEITHER THE ASSOCIATION, ITS DIRECTORS, OFFICERS, NOR BOARD MEMBERS (COLLECTIVELY "THE ASSOCIATION") SHALL IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY WITHIN THE SUBDIVISION. NEITHER SHALL THE ASSOCIATION BE RESPONSIBLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY NOR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY LOT OR DEEDED HOME SITE, ACKNOWLEDGE THAT THE ASSOCIATION DOES NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY LOT OR DEEDED HOME SITE ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION IS NOT AN INSURER AND THAT EACH OWNER AND OCCUPANT OF ANY DWELLING ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO DWELLINGS AND TO THE CONTENTS OF DWELLINGS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION HAS MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER OR OCCUPANT RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE SUBDIVISION.

Section 8.15 Occupants Bound

All provisions of the Dedicatory Instruments (as same is defined in the Texas Property Code), shall also apply to all residents, tenants, lessees, guests, and invitees of

any dwelling or Lot (collectively referred to herein as “Occupants”). Every Owner shall cause all Occupants to comply with these First Amended Restrictions, and every Owner shall be responsible for all violations, losses, or damages caused by an Occupant, notwithstanding the fact that such Occupant is fully liable and may be sanctioned for any violation. In addition to all other remedies available to the Association in the event of a violation by an Occupant, the Association may require that the Occupant be removed from and not allowed to return to the Subdivision and/or that any lease, agreement or permission given allowing the Occupant to be present be terminated.

The undersigned have executed these First Amended Restrictions as of the dates indicated to be effective upon the date it is filed in the Official Public Records of Real Property of Montgomery County, Texas.

SIGNATURE PAGES FOLLOW

Summary of Joinder and Consent Approving Deed Restrictions

| <i>Due to Space Limitation on Website, this summary included.</i> | | | | | |
|---|-------------------------|---------------------|---------------------|--|----------------|
| <i>Actual Joinder and Consent Forms available in original document.</i> | | | | | |
| Section | Lot | Owner Name | Acres | | YES VOTE |
| 1 | 1 | Newman | 0.6900 | | 0.6900 |
| 1 | 2 | Reiter | 0.5100 | | 0.5100 |
| 1 | 3 | Patrick | 0.5100 | | 0.5100 |
| 1 | 4 | DesAutels | 0.8000 | | 0.8000 |
| 1 | 5 | Pohoski | 0.6486 | | 0.6486 |
| 1 | 6 & 1/4 of 7 | McRae | 0.6389 | | 0.6389 |
| 1 | 8 & 1/2 OF 7 & 1/2 OF 9 | Leslie | 0.8120 | | 0.8120 |
| 1 | 9 & 1/4 of 8 | Click | 0.7900 | | 0.7900 |
| 1 | 10 | Dunlap Family Trust | 0.5300 | | 0.5300 |
| 1 | 11 | Irwin | 0.5100 | | 0.5100 |
| 1 | 14 | J. Siedhoff | 0.5100 | | 0.5100 |
| 1 | 17 & 1/2 of 16 | Snider | 0.7253 | | 0.7253 |
| 1 | 18 | Vienneau | 0.5104 | | 0.5104 |
| 1 | 19 | G. Hobbs | 0.5130 | | 0.5130 |
| 1 | 20 | Maier | 0.5100 | | 0.5100 |
| 1 | 21 | Kuzmech | 0.5100 | | 0.5100 |
| 1 | 22 | Waites & Greisinger | 0.5100 | | 0.5100 |
| 1 | 24 | K. Siedhoff | 0.5100 | | 0.5100 |
| 1 | 25 | Lackey | 0.5100 | | 0.5100 |
| 1 | 26 | Carnes | 0.5100 | | 0.5100 |
| 1 | 27 | Paollucci | 0.5900 | | 0.5900 |
| 1 | 28 | Haymon | 0.6300 | | 0.6300 |
| 1 | 30 | Keller | 1.2400 | | 1.2400 |
| 1 | 32 | Bertrand | 0.8027 | | 0.8027 |
| 1 | 33 | Hoover | 0.5800 | | 0.5800 |
| 1 | 36 | Scott | 0.7970 | | 0.7970 |
| 2 | 1 | J. Siedhoff | 0.4600 | | 0.4600 |
| 2 | 3 | Shaw | 0.3420 | | 0.3420 |
| 2 | 4 & 5 | Evans | 0.6920 | | 0.6920 |
| 2 | 19 | Vatne | 0.2760 | | 0.2760 |
| 2 | 21 | Sullivan | 0.2800 | | 0.2800 |
| 2 | 22 | Fenton | 0.3480 | | 0.3480 |
| 2 | 23 | Simpson | 0.3510 | | 0.3510 |
| 2 | 24 | Robinson | 0.4380 | | 0.4380 |
| TOTALS ACREAGE SECTION 2 | | | 7.1740 | | 3.1870 |
| TOTALS ACREAGE SECTION 1 | | | 22.2619 | | 16.3979 |
| TOTAL OF COMMON AREA | | | 10.0741 | | 10.0741 |
| TOTALS COMPLETE SUBDIVISION | | | 39.5100 | | 29.6590 |
| | | | 75% Figure = | | 75.1% |

FOR PURPOSES OF JOINDER AND CONSENT:
RANCHO ESCONDIDO COMMUNITY IMPROVEMENT ASSOCIATION REOPENS OFFICE

Name: R.E.C.I.A. Common Area Section Lot(s)

Representing: Acres of Commonly held property

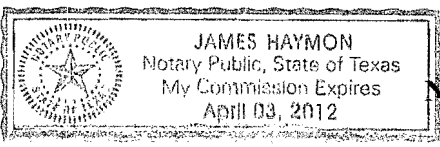
Printed Name:

Signature: *[Handwritten Signature]*

Date Signed: May 1 2009

STATE OF TEXAS
COUNTY OF MONTGOMERY

Sworn to (or affirmed) and subscribed before me this 1st day of MAY, 2009.

Notary Seal: 

Notary Public-State of Texas *[Handwritten Signature]*

THIS SIGNATURE PAGE TO BE ATTACHED TO THE MASTER COPY OF THE FIRST AMENDED AND RESTATED RESTRICTIONS AND COVENANTS APPLICABLE TO RANCHO ESCONDIDO SUBDIVISION.

THIS DOCUMENT WILL BE FILLED IN THE MONTGOMERY COUNTY CLERK'S REAL PROPERTY RECORDS.

**R.E.C.I.A.
Attention: Secretary/Treasurer
9600 Rancho Drive
Willis, Texas 77318**

**PETITION MODIFYING RESTRICTIONS
PURSUANT TO TEXAS PROPERTY CODE, SECTION 204.005 *et seq.*
FOR RANCHO ESCONDIDO
A SUBDIVISION IN MONTGOMERY COUNTY, TEXAS**

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

WHEREAS, the property affected by this petition is the Rancho Escondido subdivision located in Montgomery County, Texas, as the same appears upon the Plat of said addition recorded in Cabinet C, Sheet 72, of the Map Records of Montgomery County Texas ("Section I") and in Cabinet C, Sheet 166B of the Map Records of Montgomery County Texas ("Section II").

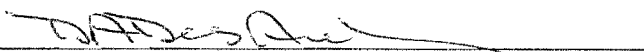
WHEREAS, Tex. Property Code, Section 204.005 *et seq.*, provides that a property owners association has the authority to approve and circulate a petition relating to the modification of existing restrictions; and

WHEREAS, Tex. Property Code, Section 204.005 *et seq.*, provides that a petition to modify existing restrictions that has been approved and circulated by a property owners association is effective if the petition is approved by the owners, excluding lienholders, contract purchasers, and the owners of mineral interest of at least seventy five percent (75%) of the real property in the subdivision; and

NOW THEREFORE, the Rancho Escondido Community Improvement Association, Inc. acting through its Board of Directors, has approved the attached First Amended and Restated Restrictions and Covenants Applicable to Rancho Escondido Subdivision and hereby approves its circulation as a petition pursuant to Texas Property Code, Section 204.005 *et seq.*

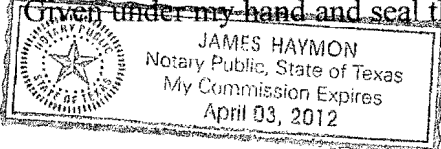
EXECUTED this the 1 day of May, 2009.

**RANCHO ESCONDIDO COMMUNITY
IMPROVEMENT ASSOCIATION, INC.**


Print Name: DAVID DESARDELES
Print Title: President RECLIA

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

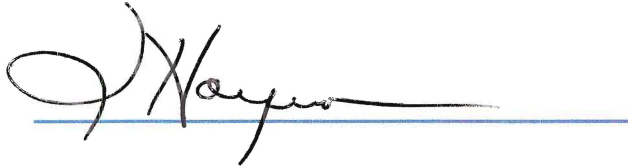
BEFORE ME, a notary public, on this day personally appeared DAVID DEARUS, known to me to be the person whose name is subscribed on the foregoing instrument and, being by me first duly sworn and declared that he executed same in the capacity and consideration therein expressed.

~~Given under my hand and seal~~ this the 1ST day of MAY, 2009.
 J. Haymon
Notary Public – State of Texas

R:\2409 Rancho\001\Petition.doc

The attached "First Amended and Restated Restrictions and Covenants Applicable to Rancho Escondido Subdivision" were filed with the Montgomery County Clerk's Office in their real property records under their recording number **2009-036937** on May 1, 2009 at 4:18 PM.

This filing attested to by: Jim Haymon, Secretary/Treasurer of the Rancho Escondido Community Improvement Association, Incorporated.



Jim Haymon

Corporate Seal