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DECLARATION OF RESTRICTIVE COVENANTS

STATE OF TEXAS
COUNTY OF BEXAR

KNOW ALL MEN BY THESE PRESENTS:

THAT, PALOMA PROPERTIES, INC., a Texas corporation, (Declarant) being the owner of that certain subdivision known as North Castle Hills, Unit 2, according to the plat of said subdivision recorded in Volume 7800, pages 96-97 of the Deed and Plat Records of Bexar County, Texas, (hereinafter called the subdivision), and desiring to create and carry out a uniform plan for the improvement, development and sale of the subdivided lots situated in the subdivision, does hereby adopt and establish the following restrictions and covenants to run with the land and to apply in the use, occupancy, and conveyance of all subdivided lots therein, and each contract or deed which may be executed, delivered and accepted subject to the following restrictions and covenants (the headings being employed for convenience only and not to be controlling over content):

I.

USE OF LAND

All lots in the subdivision shall be known and described as single-family residential lots. No structure shall be erected, placed, altered or permitted to remain on any residential lot in said subdivision other than one detached single-family dwelling, and a private garage, servant's quarters, storage or utility room or such outbuildings as are customarily appurtenant to dwellings. At the time of the erection of a dwelling on any lot, an attached or detached garage sufficient to store two (2) cars shall be erected thereon; provided, however, that no garage, servant's quarters, storage or utility room shall be erected on any lot until after or coincidental with the building of a dwelling thereon, and in keeping with these restrictions, said garage, servant's quarters, storage or utility room shall not face the street.

No building previously constructed elsewhere shall be moved on any lot in the subdivision. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other

outbuildings shall be used on any lot at any time as a residence, either temporarily or permanently.

No noxious or offensive activity shall be carried out on any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

II.

LOT AREA AND FRONTAGE

Every dwelling erected on any lot shall present good frontage on the street on which said lot fronts. Dwellings on corner lots shall have presentable frontage on all streets upon which the particular corner abuts. No building shall be erected, placed or altered on any building lot which has an area of less than 12,000 square feet and a width of less than 100 feet at the minimum setback line; except any individual lot, as subdivided and delineated on the subdivision plat, any be used as a building lot irrespective of the above requirements. No lot shall be resubdivided into building lots any one of which shall have a width of less than 100 feet at the front property line.

III.

ARCHITECTURAL CONTROL

No building, fence or other structure shall be erected, place or altered on any lot in the subdivision until the plans and specifications for such building, fence or other structure and a plat showing the location of such building, fence or other structure shall have been approved in writing as to the quality of workmanship and materials, conformity and harmony of exterior design with existing structures in the subdivision and as to the location with respect to topography and finished ground elevation by an architectural committee composed of W. Guy Shown, Jr., John M. Schaefer, John W. Coates and Sam H. Schaefer, all of San Antonio, Texas, or a representative designated by a majority of the members of said committee. In the event of the death or resignation of any member of said committee, the remaining member or members

shall have full authority to approve and disapprove such plans and specifications and plat, and authority to designate a successor committee member or members with like authority.

In the event said committee or its designated representative fails to approve or disapprove any plans and specifications or plat within thirty (30) days after the same have been submitted to it, or in the event no suit to enjoin the erection or alteration of such building, fence or structure has been commenced prior to the completion thereof such approval shall not be required and this covenant shall be deemed to be fully complied with. The committee shall have the express authority to perform fact finding functions hereunder and shall have the power to construe and interpret any covenant herein that may be vague, indefinite, uncertain or capable of more than one construction. The powers and duties of the committee and of its designated representative and the requirements of this covenant shall cease on and after January 1, 2010; provided that at such time the then record owners of a majority of the lots in the subdivision shall have the power, through a duly recorded instrument, to extend the operation of this covenant for any additional length of time, and in connection with such extension shall have the power to remove any committee member or members and replace them with other members or to withdraw from the committee any of its powers and duties. The architectural control committee shall not be entitled to any compensation for services rendered pursuant to this covenant.

IV.

SIZE OF DWELLING

No dwelling shall be permitted on any lot at a cost of less than \$50,000.00 based on cost levels prevailing on the date these covenants are recorded, it being the intention and purpose of the covenant to assure that all dwellings shall be of a quality or workmanship and materials substantially the same or better than that which be produced on the date these covenants are recorded at the minimum cost stated herein for the permitted dwelling size. The minimum ground floor area of the main structure of any dwelling erected, placed or permitted to remain on any single-family residential lot, exclusive of open porches, terraces, garages and detached accessory buildings, shall be 2,000 square feet for a one-story dwelling, the minimum ground floor area of a dwelling of more than one-story shall be 1,500 square feet and the total living area of such dwelling not less than 2,000 square feet.

All footings, piers and foundations of the main residence on all lots in the subdivision shall be of concrete or masonry construction.

V.

OUTBUILDING REQUIREMENTS

Every outbuilding, except a greenhouse or metal storage building, shall correspond in style and architecture to the dwelling to which it is appurtenant, and shall be of the same exterior materials, both walls and roof, as such dwelling. No outbuilding shall exceed the dwelling to which it is appurtenant in height or number of stories.

VI.

BUILDING LOCATION

No building shall be located on any lot nearer than 20 feet to the front property line. With written approval of the architectural control committee, any building may be located further back from the front property line where, in the opinion of said committee, the proposed location of the building will add to the appearance or value of other properties. No such resident building shall be located nearer than 5 feet to an interior lot side property line, and all properties shall have a total side yard and distance between houses of 15 feet minimum, except a detached garage or other permitted accessory building located 70 feet or more from the front property line shall not be located nearer than 3 feet to any side interior lot property line. For the purpose of the covenant, eaves, steps, brick or masonry lugs or open terraces shall not be considered as a part of the building; provided, however, this shall not be construed to permit any encroachment on another lot or on a street.

VII.

DRIVEWAYS, WALLS, FENCES, PLANTINGS

All driveways in the subdivision shall be surfaced with concrete, asphalt or other similar substances. All driveways on lots facing generally north or south shall be placed on the west side of the lots, and all driveways on lots facing generally east or west shall be placed on the north side of the lots, except with written approval of the architectural control committee; a driveway may be permitted other than above where, in the judgment of the said committee, this proposed location will add to the appearance and value of the property and will not detract from the appearance or value of other properties.

No fence, wall or hedge shall be erected, placed or altered on any lot nearer to the street than the front wall line of the respective house, except retaining walls of not over 6 inches above lot grade shall be permitted. The above may be changed with approval of the architectural control committee as in the case of decorative walls or fences which are part of the architectural design of the house. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points 25 feet from the intersection of the street lines; or in the case of a rounded property corner, from the intersection of the street lines extended. The same sight line limitations shall apply on any lot within 10 feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distance of each intersection unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

VIII.

SIGNS

No sign of any kind shall be displayed to the public view on any residential lot, except one sign of size not more than 5 square feet advertising the property for sale or rent, or signs used by a builder advertising the property during construction and sale period.

IX.

OIL AND MINING OPERATIONS

No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any lot.

X.

MISCELLANEOUS PROVISIONS

No boat, trailer, camper or similar vehicle shall be parked for storage in the driveway or yard in front of the wall line of the respective house.

No tank for the storage of oil or other fluids may be maintained on any of the lots above the surface of the ground.

Grass, weeds and vegetation on each lot sold shall be kept mowed at regular intervals, and drainage areas over and across any part of a lot shall be kept clean and open so as to maintain the same in a neat and attractive manner. Trees, shrubs, vines and plants which die shall be promptly removed from the property. Until a home or residence is built on a lot, Declarant may, at its option, have the grass, weeds and vegetation cut when and as often as the same is necessary in its judgment, and have dead trees, shrubs and plants removed from the property and the owner or buyer under contract of such lot shall be obligated to reimburse Declarant for the cost of such work.

No animals, livestock or fowl of any kind shall be raised, bred or kept on any lot, except that dogs, cats, or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes.

No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage and other waste material shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

All equipment or fixtures of a permanent or stationary

nature situated or affixed upon a lot, including but not limited to swimming pool filters and other accessories, heating and air conditioning units, water softeners, etc., mechanical or otherwise, that are readily visible from a public street shall be concealed and screened from public view by a structural fence of a height no less than the height of such equipment or fixtures.

XI.

TERMS

These covenants are to run with the land and shall be binding on all parties and persons claiming under them for a period of thirty (30) years from the date the same are recorded, after which time said covenants shall automatically be extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots in the subdivision controlled by these covenants has been recorded agreeing to change said covenants in whole or in part

XII.

ENFORCEMENT

If the parties hereto, or any of them, or their heirs, successors, lessees, or assigns shall violate or attempt to violate any other covenants herein contained, it shall be lawful for any person or persons owning real property situated in the subdivision controlled by these covenants to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants and either to prevent him or them from so doing or to recover damages for such violations. Declarant, for itself, its successors or assigns, reserves the right to enforce these restrictive covenants, though it may have previously sold and conveyed all subdivided lots in the subdivision, controlled by these covenants. The reservation of this right of enforcement shall not create an obligation of any kind to enforce same.

XIII.

PARTIAL INVALIDITY

The invalidation of any one of these covenants by judgment or court order shall in nowise affect any of the other provisions, which shall remain in full force and effect.

EXECUTED this 24th day of September 1976.

(Above document was signed by the President and Secretary of Paloma Properties, Inc. and was notarized first on the 24th day of September 1976 and was recorded in Volume 7919, pages 719-728 of the Deed Records of Bexar County, Texas on the 29th day of September, 1976. Subsequent amendments to these Covenants exist. The amended sections are represented by shading and the Amendments to these Covenants are presented below.)

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AMENDMENT TO
DECLARATION OF RESTRICTIVE COVENANTS

THE STATE OF TEXAS
COUNTY OF BEXAR

WHEREAS, by Declaration of Restrictive Covenants, dated on or about August 30, 1976, and recorded in Volume 7919, pages 719-728 of the Deed Records of Bexar County, Texas, reference to which record is here made for all purposes, PALOMA PROPERTIES, INC., a Texas corporation, (hereinafter called "Declarant") subjected certain real property described in said declaration to certain restrictions; and

WHEREAS, FUTURE PROPERTIES, INC., a Texas corporation, has heretofore become an owner of a portion of the property described in the aforesaid declaration (hereinafter called "Future"); and

WHEREAS, Declarant and Future being the owners of all of the property described in the aforesaid declaration hereby declare that the aforesaid declaration shall be amended as follows:

The first paragraph of article I, entitled Use of Land, shall hereinafter read as follows:

« All lots in the subdivision shall be known and described as single-family residential lots. No structure shall be erected, placed, altered or permitted to remain on any residential lot in said subdivision other than one detached single-family dwelling, and a private garage, servant's quarters, storage or utility room or such out-buildings as are customarily appurtenant to dwellings. At the time of the erection of a dwelling on any lot, at attached or detached garage sufficient to store two (2) cars shall be erected thereon; provided, however, that no garage, servant's quarters, storage or utility room shall be erected on any lot until after or coincidental with the building of a dwelling thereon, and in keeping with these restrictions, said garage, servant's quarters, storage or utility room shall not face the street upon which the front door of the main dwelling faces. »

As hereby amended, the aforesaid Declaration of Restrictive Covenants is hereby ratified and affirmed for all purposes.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands the 31st day of December 1976.

(Above document was signed by the President and Secretary of Paloma Properties, Inc. and was notarized first on the 31st day of December 1976. It was subsequently notarized on the 20th day of January 1977 and was recorded in Volume 8005, pages 524-526 of the Deed Records of Bexar County, Texas on the 1st day of Feb., 1977.)

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AMENDMENT NO. 2 TO

DECLARATION OF RESTRICTIVE COVENANTS

THE STATE OF TEXAS

COUNTY OF BEXAR

WHEREAS, by Declaration of Restrictive Covenants, dated on or about August 30, 1976, and recorded in Volume 7919, pages 719-728 and Amendment, dated on or before December 31, 1976, and recorded in Volume 8005, pages 524-526 of the Deed Records of Bexar County, Texas, reference to which record in here made for all purposes, PALOMA PROPERTIES, INC., a Texas corporation, (hereinafter called "Declarant") subjected certain real property described in said declaration to certain restrictions, and

WHEREAS, FUTURE PROPERTIES, INC., a Texas corporation, has heretofore become an owner of a portion of the property described in the aforesaid declaration (hereinafter called "Future"); and

WHEREAS, Declarant and Future being the owners of all of the property described in the aforesaid declaration hereby declare that the aforesaid declaration shall be amended as follows:

The first paragraph of Article III, entitled

Architectural Control, shall hereinafter read as follows:

"No building, fence or other structure shall be erected, placed or altered on any lot in the subdivision until the plans and specifications for such building, fence or other structure and a plat showing the location of such building, fence or other structure shall have been approved in writing as to the quality of workmanship and materials, conformity and harmony of exterior design with existing structures in the subdivision and as to the location with respect to topography and finished grade

elevation by an architectural committee comprised of W.Guy Shown, Jr., John M. Schaefer, John M. Coates and Sam H. Schaefer, all of San Antonio, Texas, or a representative designated by a majority of the members of said committee. In the event of the death or resignation of any member of said committee, the remaining member or members shall have full authority to approve or disapprove such plans and specifications and plat, and authority to designate a successor committee member or members with like authority. For purposes of continuity of said committee, the architectural control committee chairman shall be the individual elected as the North Castle Hills Homeowners (NCHHA) Association Architectural Committee Chairman by the North Castle Hills Subdivision (NCHS) property owners. Membership in said committee may include property owners in NCHS and active members of NCHHA. Election of the NCHHA Architectural Committee Chairman occurs at the annual meeting of the Association held in May or June of each year. All NCHS property owners shall be invited to this meeting for purposes of voting for this individual. In the event said committee or its designated representative fails to approve or disapprove any plans and specifications or plat within thirty (30) days after the same have been submitted to it, or in the event no suit to enjoin the erection or alteration of such building, fence or structure has been commenced prior to the completion thereof, such approval shall not be required and this covenant shall be deemed to be fully complied with. The committee shall have the express authority to perform its fact finding function hereunder and shall have the power to construe and interpret this covenant herein that may be vague, indefinite, uncertain or capable of more than one construction. The powers and duties of the committee and of its designated representative and the requirements of this covenant shall run concurrently with the terms of these covenants; provided that at any time the then record owners of a majority of the lots in the subdivision shall have the power, through a duly recorded instrument, to remove any committee member or members and replace them with other members or to withdraw from the committee any of its powers or duties. The architectural control committee shall not be entitled to any compensation for services rendered pursuant to this covenant."

As hereby amended, the aforesaid Declaration of Restrictive Covenants is hereby ratified and affirmed for all purposes.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this 12th day of November 2010.

(Above document was signed by the President and Treasurer of North Castle Hills Homeowners Association Inc. and was notarized first on the 12th day of November 2010. It was subsequently filed in File Number Sequence under number LTI-81-20100204257-1 and was duly recorded in the Official Public Record of Real Property of Bexar County, Texas on November 12, 2010.)

PROPOSED AMENDMENT NO. 3

TO

DECLARATION OF RESTRICTIVE COVENANTS

STATE OF TEXAS §

COUNTY OF BEXAR §

§

KNOW ALL MEN BY THESE PRESENTS:

This is the Third Amendment to the Declaration of Restrictive Covenants (the “Amendment”) for North Castle Hills subdivision (“Association”).

WHEREAS, a certain instrument entitled Declaration of Restrictive Covenants recorded in Volume 7919, pages 719-728 of the Deed Records of Bexar County, Texas on the 29th day of September, 1976., (“Declaration”).

WHEREAS, a certain instrument entitled amendment to Declaration of Restrictive Covenants recorded in Volume 8005, pages 524-526 of the Deed Records of Bexar County, Texas on the 1st day of Feb., 1977 (“Declaration”).

WHEREAS, a certain instrument entitled Amendment No. 2 to Declaration of Restrictive Covenants under Clerks File No. LT1-81-20100204257-1 recorded in the Real Property Records in Bexar County, Texas, on the 12th day of November 2010 (“Declaration”).

WHEREAS, Owners of Lots in North Castle Hills Homeowners Association, Inc. to which are allocated at least fifty-one percent (51%) of the total votes in the Association by an accumulated vote count, approved this Amendment.

NOW, THEREFORE, the Declaration for North Castle Hills subdivision are amended as follows:

THIRD AMENDMENT DEFINED TERMS

Definitions. The following words and phrases, whether or not capitalized, have specified meanings when used in the Governing Documents, unless a different meaning is apparent from the context in which the word or phrase is used.

- 1. "ACC" means Architectural Control Committee of the Association.*
- 2. "ADU" means Accessory Dwelling Unit.*
- 3. "Applicable Law" means the statutes and public laws, codes, ordinances, and regulations in effect at the time a provision of the Governing Documents is applied and pertaining to the subject matter of the Governing Provision. Statutes and ordinances specifically referenced in the Governing Documents are "Applicable Law" on the date of the Governing Document and are not intended to apply to the Property if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.*
- 4. "Association" means the Association of Owners of all Lots in the Property, initially organized as North Castle Hills Homeowners Association, Inc., a Texas nonprofit corporation.*
- 5. "Board" means the Board of Directors of the Association.*
- 6. "Declarant" means the duly authorized Association Board member signing the Declaration on behalf of the owners of the lots in the subdivision.*

I.

USE OF LAND AND RESTRICTIONS

All lots in the subdivision shall be known and described as single-family residential lots. No structure shall be erected, placed, altered or permitted to remain on any residential lot in said subdivision other than one detached single-family dwelling, and a private garage, **ADU**, storage or utility room or such outbuildings as are customarily appurtenant to dwellings. At the time of the erection of a dwelling on any lot, an attached or detached garage sufficient to store two (2) cars shall be erected thereon; provided, however, that no garage, **ADU**, storage or utility room shall be erected on any lot until after or coincidental with the building of a dwelling thereon, and in keeping with these restrictions, said garage, **ADU**, storage or utility room shall

not face the street upon which the front door of the main dwelling faces.

No building previously constructed elsewhere shall be moved on any lot in the subdivision. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuildings shall be used on any lot at any time as a residence, either temporarily or permanently.

No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Commercial Activity. The Lots and buildings may be used for single-family uses and non-commercial residential uses only; no business or service activity of any kind may be conducted on or from any Lot or from any improvements situated thereon, whether activity be for profit or otherwise. The following criteria are exceptions and indicate that the Lot does not violate this prohibition:

- (i) no exterior sign of commercial activity is present;*
- (ii) the activity usually happens inside the home dwelling, not the garage, yard or driveway;*
- (iii) no additional traffic that would not be occurring normally is created; and*
- (iv) nothing dangerous is present regarding the business.*

Leases. Nothing in this Declaration shall prevent the lease or rental of any Lot and the Improvement thereon by the Owner thereof for residential purposes only, so long as any lease or sublease shall be in writing, for a minimum term of four (4) months or 120 days, and subject to the provisions of the Declaration, Bylaws and Association Rules, as then existing and as may be amended. Within ten (10) days after the execution of any lease or sublease, the Owner shall provide notice to the Board, including the names of the tenants and length of time the lease or sublease is in effect.

- (i) Leases and Subleases Prohibited. Leasing of residences other than in strict compliance with the "Leases" section*

herein, including “short term” or vacation rentals, is prohibited.

- (ii) Advertisements. No Home or Lot shall be advertised for lease or sublease for a period less than four (4) months. Further, no Home or Lot shall be advertised or listed on any short term or vacation rental website, media platform or database (e.g. Airbnb, VRBO, Flipkey, HomeAway, Hometogo, etc.)*
- (iii) Any leases or subleases that are prohibited by this Third Amendment, but were not prohibited under the previous Deed Restrictions, shall be allowed to continue their current use until their current City of San Antonio permitted use expires. At that point, renewal of the now prohibited lease or sublease shall not be permitted, and/or the now prohibited lease or sublease will become subject to this Third Amendment and subject to enforcement mechanisms provided in these Deed Restrictions.*

Remedies of the Association for Commercial Activity Noncompliance, including Leases and Subleases. After two written warnings, a penalty of \$500 plus attorneys’ fees for the current calendar year and include a ten (10) percent increase per year for each subsequent calendar year not in compliance will be assessed. Any assessment not paid within thirty (30) days after the due date, the Owner shall be assessed a late charge in the amount of \$100 for the calendar year. The time period for remediation shall be listed in the warning letter(s). Further noncompliance will result in the creation of a lien on the Owner’s property. See Article XIV, Section 5, for explanation and lien collection process.

Garbage and Other Waste. No Lot may be used or maintained as a dumping ground for rubbish, trash, garbage, or other waste, and such substances must not be kept or stored upon any Lot, except bona fide construction materials being used at such a time in the building construction. The garbage and other waste accumulated from normal household operations may be kept temporarily for purposes of ordinary waste collection. All such waste substances being kept on a Lot pending

collection thereof must be kept in sanitary containers with securely closed tops or lids or in plastic bags with the tops thereof securely closed. In anticipation of bulk item and brush pickup days provided by the City of San Antonio, Homeowners may place items for those bulk pickup and brush pickup events in the locations near the curb as determined by the City of San Antonio.

Any such container must be hidden, as much as possible, from public view, except when awaiting collection on a regularly scheduled collection day. The temporary location of such containers pending collection, and the period such containers or bags may be situated at such temporary location, are all subject to the approval of the Architectural Control Committee. All containers, bags, or other equipment for the storage or disposal of waste must be kept in a clean and sanitary condition.

No Lot may be used for burning any rubbish, trash, storage items or any other materials.

Remedies of the Association for Garbage and Other Waste Noncompliance. After two written warnings, the Association may request the City of San Antonio to remediate the issue at the Homeowner's expense. If the City of San Antonio cannot or will not address the issue, the Association will be allowed to remediate the issue at the Homeowner's expense.

III.

ARCHITECTURAL CONTROL

No building, fence or other structure shall be erected, placed or altered on any lot in the subdivision until the plans and specifications for such building, fence or other structure and a plat showing the location of such building, fence or other structure shall have been approved in writing as to the quality of workmanship and materials, conformity and harmony of exterior design with existing structures in the subdivision and as to the location with respect to topography and finished grade elevation by an architectural committee comprised of W. Guy Shown, Jr.,

John M. Schaefer, John M. Coates and Sam H. Schaefer, all of San Antonio, Texas, or a representative designated by a majority of the members of said committee. In the event of the death or resignation of any member of said committee, the remaining member or members shall have full authority to approve or disapprove such plans and specifications and plat, and authority to designate a successor committee member or members with like authority. For purposes of continuity of said committee, the architectural control committee chairman shall be the individual elected as the North Castle Hills Homeowners (NCHHA) Association Architectural Committee Chairman by the North Castle Hills Subdivision (NCHS) property owners. Membership in said committee may include property owners in NCHS and active members of NCHHA. Election of the NCHHA Architectural Committee Chairman occurs at the annual meeting of the Association held in *the fall* of each year *on a date and in a location determined by the Board of Directors*.

. All NCHS property owners shall be invited to this meeting for purposes of voting for this individual. In the event said committee or its designated representative fails to approve or disapprove any plans and specifications or plat within thirty (30) days after the same have been submitted to it, or in the event no suit to enjoin the erection or alteration of such building, fence or structure has been commenced prior to the completion thereof, such approval shall not be required and this covenant shall be deemed to be fully complied with. The committee shall have the express authority to perform its fact-finding function hereunder and shall have the power to construe and interpret this covenant herein that may be vague, indefinite, uncertain or capable of more than one construction. The powers and duties of the committee and of its designated representative and the requirements of this covenant shall run concurrently with the terms of these covenants; provided that at any time the then record owners of a majority of the lots in the subdivision shall have the power, through a duly recorded instrument, to remove any committee member or members and replace them with other members or to withdraw from the committee any of its powers or duties. The architectural control committee shall not be entitled to any compensation for services rendered pursuant to this covenant.

VIII.

SIGNS

No sign of any kind shall be displayed to the public view on any residential lot, except one sign of size not more than *five (5)* square feet advertising the property for sale or rent, or signs used by a builder advertising the property during construction and sale period , *home security signs or signs promoting a school student's achievement or sports participation. Any other sign to be posted must be approved by the Association Board.*

Political Signs. In compliance with State of Texas Law, one or more signs advertising a political candidate or ballot item for an election may be displayed on a homeowner's Lot (1) not more than Ninety (90) days before the date of the election to which the sign relates, (2) not more than one sign for each candidate or ballot item, and (2) shall be removed by the eleventh (11th) day after the election date. All political signage must be ground mounted.

Political signs cannot: (1) threaten the public health or safety; (2) cannot be larger than five (5) square feet; (3) cannot violate county or state law; (4) cannot contain language, graphics, or any display that would be offensive to the ordinary person; and (5) shall not be accompanied by music or other sounds or by streamers or is otherwise distracting to motorists.

If not removed by the eleventh (11th) day after the election the Association Board will provide one written request to homeowner for political sign removal. If this request is not fulfilled within three days of the request, the Association may remove the sign displayed in violation of a restrictive covenant permitted by this section and will not be subject to criminal trespass.

XI.

TERMS

These covenants are to run with the land and shall be binding on all parties and persons claiming under them for a period of thirty (30) years from the date the same are recorded, after which time

said covenants shall automatically be extended for successive periods of ten (10) years unless an instrument *voted on and approved* by a majority of the then owners of the lots in the subdivision controlled by these covenants *and signed by the representatives of the owners on the elected Association Board* has been recorded agreeing to change said covenants in whole or in part

XII.

ENFORCEMENT

If the parties hereto, or any of them, or their heirs, successors, lessees, or assigns shall violate or attempt to violate any other covenants herein contained, it shall be lawful for any person or persons owning real property situated in the subdivision controlled by these covenants to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants and either to prevent him or them from so doing or to recover damages for such violations. Declarant, for itself, its successors or assigns, reserves the right to enforce these restrictive covenants, though it may have previously sold and conveyed all subdivided lots in the subdivision, controlled by these covenants. The reservation of this right of enforcement shall not create an obligation of any kind to enforce same.

The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The remedies afforded by this section are cumulative of and not in lieu of any other enforcement rights available to the Association under these Declarations and under the law. Venue of any legal proceeding brought pursuant to the rights granted by these Declarations shall be in Bexar County, Texas. The prevailing party in any litigation brought pursuant to this Section shall be entitled to recover their reasonable and necessary attorney's fees, court costs and litigation expenses.

All other sections of the Declaration remain in full force and effect.

END OF PROPOSED AMENDMENT NO. 3