

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR PECAN VALLEY RANCH, PHASE ONE,
SMITH COUNTY, TEXAS**

WHEREAS, The Hines Land Group, Ltd., A Texas Limited Partnership, hereinafter called the "Declarant," is the owner of all that certain real property located in Smith County, Texas, described as follows:

All that certain real property located in the city of Bullard, Smith County, Texas, known as Pecan Valley Ranch, Phase One, comprising all of Tracts One (1) through Fifty-Two (52) of said subdivision as recorded in Cabinet D, and Slide 144-D, of the Official Public Records of Smith County, Texas.

It is hereby declared that all of the property described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and shall be binding on all parties having any right, title, or interest in or to the above described property or any part thereof, and their heirs, successors, and assigns, and which easements, restrictions, covenants, and conditions shall inure to the benefit of each owner thereof.

ARTICLE ONE

DEFINITIONS

Owner

1.01 "Owner" shall refer to the record owner, whether one or more persons or entities, of the fee simple title to any Tract, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Property

1.02 "Property" shall refer to that certain real property known as Pecan Valley Ranch, Phase One, a subdivision in Smith County, Texas, hereinabove described.

Tract

1.03 "Tract" shall refer to any of the plots of land in Pecan Valley Ranch, Phase One, shown upon the plat and subdivision map recorded in Cabinet D, and Slide 144-D Official Public Records of Smith County, Texas. The term "Tract" shall not include the common areas nor any other reserves shown on the said map or plat, if any.

Declarant

1.04 "Declarant" shall refer to The Hines Land Group, Ltd., a Texas Limited Partnership, its successors and assigns.

Wildlife Management Area

1.05 "Wildlife Management Area" shall refer to the Property as operated in compliance with the Wildlife Management Plan developed for the Property by Declarant.

Wildlife Management Committee

1.06 "Wildlife Management Committee" shall refer to the Committee appointed by Declarant to carry out the duties and enforce compliance with the Wildlife Management Area guidelines as set out in Article Six.

Homeowner's Association

1.07 "Homeowner's Association" shall refer to an association of Owners, membership in which is open to and required of all Owners.

Architectural Control Committee

1.08 "Architectural Control Committee" shall refer the Committee appointed by Declarant to carry out the duties and enforce the Architectural Controls as set out in Article Seven.

ARTICLE TWO

PURPOSE

2.01 The Property is hereby encumbered by the covenants, conditions, and restrictions hereinafter set forth to insure the best and highest use and the most appropriate development and improvement of each Tract within the Property for residential purposes; to further and preserve the use of the Property as a whole, as a Wildlife Management Area; to protect the Owners of Tracts against the improper use of surrounding Tracts; to preserve, so far as practicable, the natural beauty of the Property; to guard against the erection of poorly designed or poorly proportioned structures of improper or unsuitable materials; to encourage and secure the erection of attractive, appropriately located improvements on each Tract; to prevent haphazard and inharmonious improvement of the Tracts; to secure and maintain the proper use of easements within the Property; to preserve the lines of sight and views from the Tracts and the Property; and, in general, to provide for development of the highest quality to enhance the value of the investment made by the Owners in purchasing Tracts in the subdivision.

ARTICLE THREE

DEVELOPMENT OF THE PROPERTY

Development by Declarant

3.01 Declarant may resubdivide, replat or amend any plats of the Property or any Tracts owned by Declarant, so long as any such resubdivision, replat or amending plat does not attempt to amend or remove any of the Pecan Valley Ranch Restrictions. Declarant shall have the right to develop the Property in accordance with the plats of the Property and applicable governmental requirements, including the right, without limitation, to excavate, grade and construct streets, utilities, drainage and water quality facilities and other Improvements required for the development of the Property.

Addition of Land

3.02 Declarant hereby reserves to itself and shall hereafter have the right, but not the obligation, at any time and from time to time, in its sole and absolute discretion, and without notice to or the approval of any party or Person whomsoever or whatsoever (except as provided below), to impose this Declaration or a substantially similar Declaration upon additional Property adjacent, contiguous or nearby to the Property. Declarant may, at any time and from time to time, add any other lands to the Property, and upon such addition, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall apply to the added land, and the rights, privileges, duties and liabilities of the Persons subject to this Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration, unless such supplemental Declaration shall provide for changes to the Declaration to deal with the unique character or Declarant's overall development plans for the added Property. In order to add lands to the Property hereunder, Declarant shall be required only to record in the Official Public Records of Smith County, Texas, a notice of addition of land (in the form of a Supplemental Declaration) containing the following provisions:

- (A) A reference to this Declaration, which reference shall state the book and page numbers of the Smith County Official Public Records wherein this Declaration is recorded;
- (B) A statement that all of the provisions of this Declaration shall apply to the added land;
- (C) A legal description of the added land; and
- (D) Any covenants, conditions or restrictions that are different or unique to the added land.

Withdrawal of Land

3.03 Declarant may, at any time and from time to time, reduce or withdraw areas owned by Declarant from the Property, and upon such withdrawal, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall no longer apply to those lands withdrawn. In order to withdraw land from the Property hereunder, Declarant shall be required only to record in the Official Public Records of Smith County, Texas, a notice of withdrawal of land containing the following provisions:

- (A) A reference of this Declaration, which reference shall state the book and page numbers of the Smith County Official Public Records wherein this Declaration is recorded;
- (B) A statement that the provisions of this Declaration shall no longer apply to the withdrawn land; and
- (C) A legal description of the withdrawn land, including any plats thereto.

ARTICLE FOUR**ASSESSMENTS**

4.01 Every owner of a Tract within the Property is obligated to pay its prorata share of the expenses of complying with the Wildlife Management Plan and/or maintaining roadsides, streets, entrance way, hiking and jogging trails and any other improvements, including deposits to a reserve fund established in accordance with a separate budget to be prepared by the Homeowner's Association for future repairs and maintenance. Such payment is to be made in the form of general and special assessments that are secured by a continuing lien upon the property against which the assessment is made. Any assessments that are not paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date (as specified by Declarant or the Board of Directors of the Homeowner's Association), the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Declarant or Homeowner's Association may bring an action at law against the Owner personally obligated to pay the same, or for foreclosure of the lien against the Tract and interest of the responsible Owner, such action to also include costs and reasonable attorney's fees of any such action. No owner shall otherwise escape liability for the assessments provided for herein by non-use of the Property or abandonment of his Tract. The initial general assessment shall be paid for each tract, prorated for partial year's ownership. In the event an Owner owns more than one Tract, that Owner's assessment for each additional Tract shall equal 60% of the full assessment for a single tract. Declarant is exempt from paying assessments.

Due Date of Assessments

4.02 General and special assessments shall be due and payable on the date declared due by Declarant or the Board of Directors levying such assessments.

General Assessments

4.03 The Declarant or the Board of Directors of the Homeowner's Association shall annually establish and approve an operating budget and determine the amount to be deposited in a reserve fund for future repairs and maintenance and shall fix the general assessment at an amount sufficient to satisfy the cash requirements of such budget. Declarant shall give written notice to each Owner of any change in the general assessment.

Special Assessments

4.04 In addition to the general assessments authorized above, the Declarant or Homeowner's Association, upon approval by majority vote of the eligible votes of a quorum of members attending (in person or by proxy) a meeting called to consider such assessment, may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any compliance with the Wildlife Management Plan and/or deposits to a reserve fund established for future repairs and maintenance.

Subordination of Assessment Lien

4.05 The lien securing payment of the assessments and charges provided for herein shall be subordinate to the lien of any mortgage or mortgages granted or created by the Owner of any tract to secure the payment of monies advanced and used for the purpose of purchasing and/or improving such tract. Sale or transfer of any tract pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such tract, and the Owner thereof, from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE FIVE

**PECAN VALLEY RANCH
HOMEOWNERS ASSOCIATION**

Creation

5.01 Declarant shall cause to be formed a Homeowner's Association (sometimes herein called the "Association") which shall be called Pecan Valley Ranch Homeowner's Association. The Owners shall constitute the Association. Each owner of a land tract, including Declarant, shall automatically be a member of the Association. The Association membership shall be appurtenant to ownership of a tract. Ownership of a tract is the sole criterion for membership in the Association.

Transfer of Membership

5.02 Association membership can be transferred to the grantee of a conveyance of a tract in fee. Membership shall not be assigned, pledged or transferred in any other way. Any attempt to make

a prohibited transfer shall be void.

Management of Association

5.03 The Association shall be incorporated as a non-profit corporation. The Association shall be managed by the Corporation's Board of Directors pursuant to the procedures set forth in the Association's Articles of Incorporation and Bylaws, subject to this Declaration. The initial board of directors shall be appointed by Declarant. Terms of directors shall be staggered in accordance with the Association's Bylaws.

Membership Voting, Elections, and Meetings

5.04 Each owner shall have one vote. There shall be at least one meeting of the membership each year. The first such meeting shall be held in January, 2003, following proper written notice to all property owners of the time and place for such meeting. Declarant shall have three (3) votes for each tract of property that it owns until such time that Declarant no longer owns any right, title or interest in and to the Property. Pursuant to the Association's Bylaws, the initial board of directors shall be appointed by Declarant, which number shall not exceed twelve (12). Declarant shall retain the right to appoint five (5) of the twelve (12) directors until such time as Declarant no longer owns any right, title or interest in and to the Property. At the initial meeting, the Owners shall vote on any matters the Board chooses to place before the membership, and discuss any matter of Association business that the Board or any Owner wishes to bring before the entire membership.

Duties and Powers of Board

5.05 Through its Board, the Association shall have the following powers and duties:

- (A) To adopt rules and regulations to implement this Declaration and the Association's Bylaws.
- (B) To enforce this Declaration, the Bylaws, its rules and regulations.
- (C) To elect officers of the Board and select members of the Architectural Control Committee when that power devolves to the Board.
- (D) To delegate its powers to committees, officers, or employees.
- (E) To prepare a balance sheet and operating income statement for the Association and deliver a report to the membership at its annual meeting.
- (F) To establish and collect regular assessments to defray expenses attributable to the Association's duties, to be levied against each owner. Declarant shall be exempt from any and all assessments and/or dues.
- (G) To determine the amount to be deposited in a reserve fund for future repairs and maintenance and to establish a general assessment in an amount sufficient to satisfy the cash requirements of the budget.
- (H) To establish and collect special assessments for capital improvements and other purposes.
- (I) To file liens against lot owners because of non-payment of assessments duly levied and to foreclose on those liens.
- (J) To receive complaints regarding violations of this Declaration, the Bylaws, or

- the rules and regulations.
- (K) To hold hearings to determine whether to discipline owners who violate this Declaration, the Bylaws, or the rules and regulations.
 - (L) To give reasonable notice to all owners of all annual meetings of the membership and all discipline hearings.
 - (M) To hold regular meetings of the Board at least quarterly.
 - (N) To enforce compliance with the Wildlife Management Plan as set forth in Article Three of this Declaration.
 - (O) To establish and enforce reasonable rules and regulations regarding the maintenance, upkeep and mowing of roadsides.

5.06 No less than three members of the Board of Directors of the Homeowner's Association shall constitute the membership of the Wildlife Management Committee and of the Architectural Control Committee, as initially appointed thereto by Declarant and thereafter as elected by the Board of Directors in accordance with applicable provisions of these Declarations.

ARTICLE SIX

WILDLIFE MANAGEMENT AREA

6.01 The Property shall be operated as a Wildlife Management Area. All Tracts shall be improved, used, and maintained as an integral part of the Wildlife Management Area in compliance with the Wildlife Management Plan developed by the Declarant.

6.02 Declarant shall designate and appoint an initial Wildlife Management Committee consisting of three (3) or more persons, which committee shall serve to maintain the Property as a Wildlife Management Area. If the committee consists of three (3) or more persons, one-half or more of the members may act for the committee. Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to designate and appoint the Wildlife Management Committee to the Homeowner's Association. The Wildlife Management Committee shall be chosen from among the members of the Board of Directors of the Homeowner's Association.

6.03 All buildings, fences, driveways or other structures shall be constructed and maintained in accordance with the Wildlife Management Plan. In order to assure that all construction of buildings, fences, driveways and other structures complies with the Wildlife Management Plan, all plans and specifications relating to the construction of such structures shall be submitted to the Wildlife Management Committee for review and approval in writing. Approval of this Committee shall not be unreasonably withheld.

6.04 In the event that any plans and specifications are submitted to the Wildlife Management Committee as provided herein, and such Committee shall fail either to approve or reject such plans and specifications for a period of Thirty (30) days following such submission, approval by the Committee shall not be required, and full compliance with this Article shall be deemed to have been had.

6.05 Each Tract shall be subject to the rules and regulations of Pecan Valley Ranch Homeowners Association concerning the operation of the Property as a Wildlife Management Area. Each Owner of a Tract agrees to make application acceptable to Declarant for his/her Tract to become a Wildlife Management Area.

6.06 In the event an Owner of any Tract shall fail to maintain his/her premises and the improvements thereon in a manner consistent with the Wildlife Management Plan, the Declarant or the Wildlife Management Committee shall have the right to enter upon said Tract and to bring the Tract into compliance with the Wildlife Management Plan at the expense of the Owner. Declarant or the Wildlife Management Committee shall also have the authority to enforce these covenants by legal action. However, prior to entering said Tract the Declarant or Committee shall provide thirty (30) days written notice of the needed work to bring the Tract into compliance with the Wildlife Management Plan.

6.07 Each Owner shall pay a fee ("Fee") per year per Tract to the Pecan Valley Ranch Homeowner's Association for the purpose of compliance with the Wildlife Management Plan. In the event an Owner owns more than one Tract, the first tract shall bear the full fee and each additional tract shall bear a fee equal to 60% of the Fee at that time. Fees may be increased or decreased by only upon majority vote of the Homeowner's Association upon written notice to each Owner. Fees shall be due and payable on January 1 of each year or when an Owner purchases a Tract, for the upcoming year. Fees shall be prorated for partial years' ownership.

In the event an Owner does not pay the Fee timely, Declarant may charge interest on the unpaid portion of the fee until paid at the highest rate allowed by law. In the event an Owner refuses to pay the Fee(s), Declarant or the Homeowner's Association may foreclose on Owner's Tract(s) with unpaid Fees and/or sue Owner for collection of the Fee(s). Owner shall be liable for all reasonable attorneys fees and expenses incurred by Declarant or the Homeowner's Association in the collection of the Fee(s). Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to collect Fees to the Homeowner's Association.

ARTICLE SEVEN

ARCHITECTURAL CONTROL

Architectural Control Committee

7.01 Declarant shall designate and appoint an initial Architectural Control Committee consisting of three (3) or more persons, which committee shall serve at the pleasure of the Declarant. If the committee consists of three (3) or more persons, one-half or more of the members may act for the committee. Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to designate and appoint the Architectural Control Committee to the Homeowner's

Association. The Architectural Control Committee shall be chosen from among the members of the Board of Directors of the Homeowner's Association.

Approval of Plans and Specifications

7.02 No building, fence, wall, culvert, driveway, parking space, mailbox, enclosure or other structure shall be commenced, erected, materially altered, or maintained upon the Property, nor shall any exterior addition to, or change or alteration therein, be made, until the plans and specifications showing the nature, kind, shape, color, height, materials and location of the same shall have been submitted to, and approved in writing by, the Architectural Control Committee as to harmony of external design and location in relation to surrounding structures and topography. However, approval by this committee shall not be unreasonably withheld.

Failure of Committee to Act

7.03 In the event that any plans and specifications are submitted to the Architectural Control Committee as provided herein, and such Committee shall fail either to approve or reject such plans and specifications for a period of Thirty (30) days following such submission, approval by the Committee shall not be required, and full compliance with this Article shall be deemed to have been had.

ARTICLE EIGHT

EXTERIOR MAINTENANCE

8.01 In the event an Owner of any Tract shall fail to maintain the premises and the improvements situated thereon in a clean, sanitary, neat, and orderly manner, the Declarant or the Architectural Control Committee shall have the right, through its agents and employees, to enter upon said Tract and to clean, repair, maintain, and restore the Tract and exterior of the buildings and any other improvements erected thereon, all at the expense of the Owner. However, prior to entering said Tract the Declarant or Committee shall provide thirty (30) days written notice of the needed repair or restoration. In the event that Declarant or the Architectural Control Committee is required to pay for repair or restoration of Owner's tract, Owner shall reimburse Declarant or the Architectural Control Committee within thirty (30) days written notice of the amount due and owing ("expense"). If the expense is not paid within (30) days after the date, the expense shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Declarant or Architectural Control Committee may bring an action at law against the Owner personally obligated to pay the same, or for foreclosure of the lien against the Tract and interest of the responsible Owner, such action to also include costs and reasonable attorney's fees of any such action. No owner shall otherwise escape liability for the expenses provided for herein by non-use of the Property or abandonment of his Tract.

ARTICLE NINE

USE RESTRICTIONS

9.01 Each use restriction set forth below may be modified in the future by Declarant as necessary to operate the Property as a Wildlife Management Area. Declarant may, but shall not be

obligated to assign its power to modify these use restrictions to the Homeowner's Association.

Type of Buildings Permitted

9.02 All Tracts shall be used for residential purposes only, and no building shall be erected, altered, placed, or permitted to remain on any Tract other than one single family dwelling not to exceed two (2) stories in height plus any workshops, private garages, barns, and other necessary outbuildings (all such outbuildings not to exceed thirty (30) feet in height), provided, however, that not more than one single family guest house may be erected on a tract in addition to the above. The exterior walls of any residence situated on any tract shall consist of not less than eighty percent (80%) brick, stone, cedar, or other similar construction; provided, however, that all construction shall be of materials designed and manufactured for finished exterior use on site built residence structures of average or better quality. All non-masonry exterior construction on any residence or other building must be painted, stained or otherwise appropriately finished or treated.

Minimum Floor Area and Exterior Walls

9.03 Any single story residence constructed on Tracts one (1) thru thirteen (13), twenty (20) thru twenty-four (24), thirty-two (32) thru thirty-eight (38), and forty-eight (48) thru fifty-two (52) must have a floor living area of not less than one thousand eight hundred fifty (1,850) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports and garages; any residence two (2) stories in height must have a floor living area of not less than two thousand (2000) square feet exclusive of open or screened porches, terraces, patios, driveways, carports, and garages.

Any single story residence constructed on Tracts fourteen (14) thru nineteen (19), twenty-five (25) thru thirty-one (31), and thirty-nine (39) thru forty-seven (47), must have a floor living area of not less than two thousand two hundred (2,200) square feet, exclusive of opened or screened porches, terraces, patios, driveways, carports, and garages; any residence two (2) stories in height must have a floor living area of not less than two thousand four hundred (2,400) square feet exclusive of opened or screened porches, terraces, patios, driveways, carports, and garages.

Any residence situated on any Tract must have a minimum width of not less than forty (40) feet, exclusive of carports, porches of any kind, awnings, roof overhangs, and the like.

Landscaping

9.04 Prior to construction of any dwelling on a Tract, the lot owner must have a landscape plan approved by the Architectural Control Committee. Such plan must provide for the front and side yards to be sodded or otherwise completely covered in all areas where grass is planned and for some shrubbery in the front yard. The approved landscape must be installed within ninety (90) days of completion or occupancy of the residence, whichever occurs first.

Garages

9.05 Every dwelling on a Tract shall have either an attached or detached garage with the capacity to hold at least two (2) automobiles. Said garage shall not front or open onto a street unless

the lot is a corner lot and the garage fronts on a street other than the street which the residence fronts, or unless otherwise approved by the Architectural Control Committee.

Setbacks

9.06 No building shall be located on any of the Tracts nearer to the front lot line than fifty (50) feet, or nearer than fifty (50) feet to any side street line; except, however, minor variations of the minimum set-back line shall be permitted to allow for preservation and utilization of existing trees or views. No building shall be located nearer than fifteen (15) feet to an interior Tract line. No dwelling shall be located on any of the interior Tracts nearer than twenty (20) feet to the rear Tract line. For the purposes of this covenant, eaves, steps, and open porches shall not be considered as a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a Tract to encroach upon any other Tract, provided, however that this provision shall not apply to interior Tract boundary lines between contiguous Tracts having a common owner.

A variance may be permitted if a land tract makes the above setbacks unworkable, but only after the Architectural Control Committee approves such variances.

Resubdivision

9.07 A Tract owner may subdivide or resubdivide a Tract into no more than two (2) separate Tracts; provided, however, such resubdivision complies with applicable law and resubdivision regulations. No Tract may be subdivided or resubdivided in such a manner that the smallest Tract remaining after the subdivision or resubdivision is smaller in area than one acre, with a front Tract line of no less than one hundred fifty (150) feet. Other resubdivisions of a Tract may be possible with the express written consent of Declarant. No tract may be resubdivided unless there is an available water meter for both tracts of land.

Easements

9.08 Each Owner covenants to provide and hereby grants easements and rights-of-way for existing utility lines and roadways, whether of record or not; easements and rights-of-way shown on the plat of Pecan Valley Ranch; other easements and rights-of-ways, if any, shown in the records of the County Clerk of Smith County, Texas; and easements for installation and maintenance of utilities and drainage facilities, ten (10) feet in width, along and inside of all Tract boundary lines.

Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage, or interfere with, or change the direction of flow of drainage facilities in the easements. The easement area of each Tract and all improvements thereon shall be continuously maintained by the owner of such Tract, except for improvements for whose maintenance a public authority or utility company is responsible.

Noxious or Offensive Activities Prohibited

9.09 No noxious or offensive activities shall be allowed on the Property; nor shall anything be done thereon which may become an annoyance, danger or nuisance to the neighborhood, including

hunting, which is not in compliance with the provisions of the Wildlife Management Plan, on any size tract. In addition to applicable federal, state and local law, any and all hunting rules and regulations shall be promulgated and enforced by the Wildlife Management Committee on a yearly basis, and no hunting in violation of said rules and regulations shall be tolerated.

Prohibited Residential Uses

9.10 No travel trailer, camping vehicle, basement, tent, shack, garage, barn, or other outbuilding erected or situated on any Tract shall at any time be used as a residence temporarily or permanently, nor shall any structure of a temporary character be used as a residence; provided, however, that nothing herein shall prohibit the temporary occupancy of a tent, camping vehicle, or travel trailer which is not permanently situated on a Tract. For purposes of this provision, temporary occupancy shall mean a period of occupancy not longer than forty-five (45) days including any periods of vacancy which commence after the start of the period of occupancy and which are shorter than ten (10) days in length.

No house trailer, modular home, mobile home, double wide home, or similar manufactured residence structure, shall be erected, parked, or otherwise situated on any Tract for any reason.

No used structure shall be moved on any Tract without the express written consent of the Declarant and the Architectural Control Committee.

Fencing

9.11 No barbed wire, hog wire, chain link, chicken wire, goat wire, solid privacy, or similar type fence shall be erected on any Tract within a one hundred fifty (150) feet of the front or side lines of any street, road, or highway, without the written consent of Declarant or the Architectural Control Committee. Any fencing within one hundred fifty (150) feet of any street, road or highway shall be of a decorative nature and Owner shall submit plans for such fencing to Declarant or the Architectural Control Committee for approval prior to construction. All fences shall be constructed with new materials.

Mailboxes

9.12 All mailboxes and support poles at streets for United States mail delivery must be enclosed with material such as stone or brick; not less than two foot by two foot square in designated street location approved by Declarant, Smith County, City of Bullard and United States Post Office.

Radio and Television Antennae

9.13 Any radio and/or television antenna or satellite disk erected on any Tract shall not exceed by more than thirty (30) feet in height above the highest part of the roof of the highest building on the Tract and shall not be located forward of the principal dwelling erected on the Tract.

Manufacturing and Commercial Activity

9.14 No manufacturing or commercial enterprise or enterprises of any kind for profit shall be maintained on or in front of any Tract nor shall such property in any way be used for other than strictly residential purposes. This restriction shall not be construed, however, as preventing the growing of crops or the raising of animals (except as hereinafter provided) which are removed from the Property before sale or which are sold for delivery elsewhere than on the Property, nor shall it be construed as preventing the practice, by a person actually residing on a Tract, of architecture, accountancy, engineering, computer programming, counseling, individualized teaching or tutoring, general or specialized consulting, or of similar or analogous professions or skills; provided, however, that no sales of goods of any kind shall be permitted to be made on any Tract except sales which are only occasional and which are merely incidental to the residential or other permitted use of the Property (a non-commercial garage sale, for example) and, further provided, that not more than one non-resident employee may be employed on any Tract at any one time; and, further provided, that nothing herein shall prohibit an artist or craftsman actually residing on a Tract from producing art or craft objects which are removed from the Property before the sale. This provision shall not preclude Declarant from engaging in commercial activity related to the development, construction and sale of the Property, and Declarant may construct and maintain such facilities as may be reasonably necessary or convenient for such development, construction and sale, including but not limited to, sales offices, construction headquarters, storage areas, model units, etc. No sign of any kind shall be permitted to identify such practice, profession or skill on any tract except those described and more fully set out in Article 9.19.

Compliance with Law

9.15 No building or other structure shall be erected or situated on any Tract except in compliance with applicable building and use codes, zoning laws, and other laws and regulations applicable to the Property.

Rubbish, Trash and Garbage

9.16 No Tract shall be used or maintained as a dumping ground for rubbish or trash and no garbage or other waste shall be kept except in sanitary containers. All incinerators or other equipment for the storage and disposal of such materials shall be kept in a clean and sanitary condition. No trash burning will be permitted on any tract of land.

Sewage Disposal

9.17 No individual sewage disposal system shall be permitted on any Tract unless the system is designed, located, and constructed in accordance with the requirements, standards, and recommendations of any state, county, municipal, or other governmental subdivision or agency having lawful authority pertaining thereto. Approval of the system as installed shall be obtained from that authority.

Clothes Drying Facilities

9.18 Outside clothes lines or other facilities for drying clothes or airing clothes shall not be erected, placed or maintained on any Tract unless they are concealed in such a manner so as not to be

visible from streets or from access roads.

Water Supply

9.19 No individual water supply system shall be permitted on any Tract unless the system is located, constructed, and equipped in accordance with the requirements, standards, and recommendations of any state, county, municipal, or other governmental subdivision or agency having lawful authority pertaining thereto. Approval of the system as installed shall be obtained from that authority.

Dams

9.20 Dams may be built on creeks or natural waterways only if:

- (1) Written permission is obtained from owners of land adjacent to such waterways on both sides;
- (2) Such dam will not be built so as to back water upon or inundate the land of another owner, unless a written easement is obtained from such other owner;
- (3) Such dam will not cause the flooding of any roadway;
- (4) Necessary and proper governmental permits are obtained; and
- (5) Such dam is approved in writing by the Wildlife Management Committee as consistent with the Wildlife Management Plan.

Signs

9.21 No signs shall be permitted on unimproved tracts except to identify the tract by legal description. General contractors and sub-contractors may each post one sign on tracts upon which homes are under construction. Owners of improved property (property with a home built on it) or builders, investors or their authorized agent who have constructed "spec homes" may post one sign on the improved property indicating the property is available for purchase. No signs with the words "For Sale" or "Sale" will be permitted. All signs must be of professional quality and must be approved in advance by the Architectural Control Committee.

Water Runoff

9.22 Nothing shall be erected, placed, maintained, done or permitted to remain on any Tract which interferes with surface water runoff in such manner as to cause such water runoff to be diverted across any other Tract or which causes flooding or erosion to any other Tract or to any street or ditch.

Clearing and Burning

9.23 Clearing may be done by Owner provided that no hardwood trees are removed without the Wildlife Management Committee and Declarant's approval and when said clearing is not in violation of any local, State or Federal laws.

Brush and removed trees may be burned only if it is not in violation of any local, State, or

Federal laws; the local fire department has no burning ban in effect at that time; it is done during damp weather with low winds, and there is a cleared area around the brush or trees to be burned. A bulldozer or local fire department surveillance is required at the burning sight.

Sight Distance at Intersections

9.24 No fence, wall hedge, or shrub planting that obstructs sight lines at elevations between two (2) and six (6) feet above the roadway shall be placed or permitted to remain on any corner (tract within the triangular area formed by the street property lines and a line connecting them at points thirty (20) feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Tract within (10) feet from the intersection of a street property line with the edge of a driveway or alley. No tree shall be permitted to remain within such distances of intersections unless the foliage line is maintained to meet the sight-line requirements set forth above.

Pollution

9.25 All springs, creeks, ponds, stock tanks, ditches, and gullies, and any water on any Tract shall be kept free of trash, rubbish, garbage, waste, effluent from sewage disposal systems or other waste disposal systems, and all other forms of pollution by the Owner of the Tract.

Animals

9.26 All livestock, dogs, and poultry must be kept penned or fenced-in at all times or must be individually tethered or leashed. No stable, barn, shed, or sty in which livestock are housed or fed; no livestock feeding trough, bin or station; no poultry house, coop or yard; no dog kennel; and no cattery shall be erected, used or maintained on any tract at any time for any purpose within twenty-five (25) feet of the boundary line of any other Tract. For purposes of the provisions of this Article, the Owner of more than one Tract shall treat all contiguously owned Tracts or parts thereof as if constituting a single Tract. As used herein, the term "livestock" shall include horses, mules, donkeys, calves, heifers, sheep, goats, llamas, and similar animals and ostriches, emus, and similar birds; and the term "cattle" shall include cows, bulls, steers, oxen, bison, calves and heifers. In addition to the numbers of animals, livestock, and poultry otherwise permitted to be kept or maintained on any tract, the natural offspring of such animals, livestock, and poultry may be temporarily kept or maintained for the period of time during which such offspring are normally dependent on a parent for feeding, nurturing, or protection. Except as otherwise provided herein, no animals, livestock, or poultry of any kind shall be raised, bred, kept, or maintained on any Tract at any time for any purpose in violation of the following rules and limitations:

- A. No more than five (5) dogs may be raised, bred, kept or maintained on any Tract.
- B. No more than five (5) cats may be raised, bred, kept or maintained on any Tract.
- C. No more than one head of swine may be raised, bred, kept or maintained on any Tract.
- D. No more than one head of cattle may be raised, bred, kept or maintained on any Tract for each one (1) acre in size of the Tract.
- E. Not more than one (1) head of livestock and ten (10) head of poultry per acre may be raised, bred, kept or maintained on any Tract for each acre in size of the Tract.

- F. No lions, tigers, panthers, bears, or similar animals may be raised, bred, kept or maintained on any Tract.
- G. No animals, livestock, or poultry of any kind shall be raised, bred, kept, or maintained on any Tract in such manner as to cause a safety or health risk or hazard to humans or other animals, livestock, or poultry or in such manner as to cause a noise, odor or other nuisance.
- H. Any livestock or cattle kept or raised in excess of three per five acres must be penned and fed in stalls or corrals unless circumstances are approved with express written consent of Declarant.

Prohibited Use and Items

9.27 No wrecked, junked, broken down, or inoperative automobile, truck, bus, motorcycle, or other motor vehicle, boat, or trailer, or any part thereof, shall be placed or parked or be permitted to remain on or in front of any Tract so as to be visible from any street or highway or from any adjacent Tract.

No part of any Tract shall be used or maintained as a place for the acquisition, storage, processing, disposition, or sale of junk, used goods, or bulk materials or goods.

No oil or gas well drilling, oil or gas development operations, oil refining, quarrying, gravel pits, or mining operations of any kind shall be permitted on a Tract, nor shall oil wells, gas wells, tanks, tunnels, mineral excavations, or shafts be permitted on any Tract without the express written consent of Declarant. No derrick or other structure designed for use in boring for oil, natural gas, or other minerals shall be erected, maintained, or permitted on any Tract without the express written consent of Declarant.

Autos, Trucks, Buses and Trailers

9.28 No motor homes, recreational house trailers, horse or cattle trailers, truck campers, boats, boat trailers and other recreational vehicles shall be parked openly in the street or visible from the street. No motorized vehicle of any kind shall be operated in any manner that is dangerous, noisy, or creates nuisance in the opinion of the Homeowner's Association or Declarant.

Parking on the street for periods in excess of eight (8) hours shall not be permitted.

Driveways

9.29 Driveways shall be constructed of concrete, minimum 4" reinforced with #3 bars 18" center to center with expansion joints max 20' spacing or asphalt paving, minimum 6" compacted road gravel and 1 1/2" hot mix asphaltic concrete for not less than one hundred and fifty (150) feet from any public road or right-of-way. Beginning at a minimum distance of one hundred and fifty (150) feet from any public road or right-of-way, driveways may be constructed of any customary road material. Driveway culverts must be no less than 12 inches in diameter unless otherwise approved by the Architectural Control Committee. Culvert pipe must be Galvanized Corrugated Metal (GCM) or concrete pipe. Plastic or PVC of any kind shall not be permitted in any application as a drain pipe

under a driveway, whether the location of that pipe is in the public right-of-way or on private property.

Secondary driveways, such as those leading to barns, workshops, etc., are exempt from this restriction as long as they do not adjoin public dedicated roadways.

Electrical Service

9.30 All electrical service must be run to the various service areas (houses, garages, barns, shops, etc.) underground. No above ground electrical poles shall be permitted unless special written approval is granted in advance by the Declarant and the Architectural Control Committee.

Construction Completion

9.31 Exterior and interior construction of all structures must be completed within twelve (12) months from the date of written approval of plans by the Architectural Control Committee unless an extension is granted by said committee.

ARTICLE TEN

GENERAL PROVISIONS

Enforcement

10.01 The Declarant, any Owner, or the Homeowner's Association shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations now or hereafter imposed by the provisions of this Declaration. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Severability

10.02 Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, and all other provisions shall remain in full force and effect. To the extent that any provision of this Declaration conflicts with, or cannot be reconciled with, any applicable loan regulation, rule or guideline of the Farmers Home Administration or Veterans Administration, such regulation, rule or guideline shall control. In such an instance, the remaining provisions of this Declaration shall be unaffected and shall remain in full force and effect.

Duration and Amendment

10.03 The covenants, conditions, and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforceable by the Declarant, the Owner of any Tract subject to this Declaration, or an association of Owners of Tracts subject to this Declaration, and their respective legal representatives, heirs, successors, and assigns, and, unless amended as provided herein, shall be effective for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years. The covenants, conditions, and restrictions of this Declaration may be amended

during the first thirty (30) year period by an instrument signed by the Owner or Owners of not less than sixty-six and two-thirds percent (66 2/3 %) of the Tracts and thereafter by an instrument signed by the Owner or Owners of not less than fifty-one percent (51%) of the Tracts. This Declaration may be amended from time to time by Declarant in accordance with the terms and provisions hereof until such time as Declarant no longer holds any right, title or interest in and to the Property. Notwithstanding anything to the contrary in this Declaration, the Declarant may at any time amend this Declaration or the Bylaws by instrument duly signed, acknowledged and filed for record, for (i) the sole purpose of having the Declaration comply with financing eligibility requirements of the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration, Federal Housing Administration, or comparable federal or state agencies, or (ii) any other purpose deemed by Declarant to be reasonable, necessary or convenient to complete Declarant's development plan for the Subdivision or any portion hereof. At such time as Declarant no longer owns a Lot in the Subdivision, the provisions of this Section 10.03 shall terminate. No amendment shall be effective until recorded in the Real Property Records of Smith County, Texas, nor until the approval of any governmental regulatory body which is required shall have been obtained. Until January 1, 2005, Declarant may amend this Declaration of Covenants, Conditions and Restrictions to eliminate or modify the Wildlife Management Area Provisions, provided however that no modifications shall be more restrictive than those provided herein.

Declarant not Liable

10.04 Effective as of the date Declarant conveys all of its rights, title and interest in and to the Property and no longer holds any interest in and to the Property or any Property thereafter added pursuant to Article Three, Declarant shall be deemed to have assigned all its rights, benefits and obligations as Declarant hereunder to the Association. Declarant shall then be relieved of the performance of any further duty or obligations hereunder, and the Association and its Board shall then be obligated to perform all such duties and obligations of the Declarant with the necessity of any further writing of assignment of such rights and obligations by the Declarant. **DURING THE TERM OF THIS DECLARATION AND THEREAFTER, NEITHER DECLARANT NOR THE PARTNERS, OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES AND AGENTS OF IT SHALL BE LIABLE FOR DAMAGES OR OTHERWISE TO ANY OWNER OF ANY PROPERTY RELYING ON THESE RESTRICTIONS FOR REASON OF THEIR UNENFORCEABILITY OR BY REASON OF DECLARANT'S ENFORCEMENT OR NONENFORCEMENT THEREOF, IN ADDITION, DURING THE TERM OF THE DECLARATION AND THEREAFTER, EACH OWNER AGREES THAT HE WILL NOT BRING ANY ACTION OR SUIT AGAINST DECLARANT OR THE PARTNERS, OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES AND AGENTS OF IT, TO RECOVER ANY SUCH DAMAGES, AND HEREBY RELEASES ALL CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST DECLARANT ARISING OUR OF OR IN CONNECTION WITH ANY DECISION, ACTION, JUDGMENT, NEGLIGENCE, ENFORCEMENT ACTION OR ANY OTHER ACT OR OMISSION BY DECLARANT IN CONNECTION WITH THE ENFORCEMENT (OR LACK THEREOF) OF THIS DECLARATION.**

Assignment by Declarant

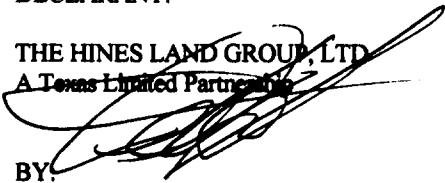
10.05 Notwithstanding any provision in this Declaration to the contrary, Declarant may

in writing filed of record referring to this Declaration by volume and page number, expressly assign in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any other Person or entity and may permit the participation, in whole or in part, by any other Person or entity of any of its privileges, exemptions, rights and duties hereunder. Upon assignment by Declarant of any or all of Declarant's rights, the Declarant shall no longer be liable for performance of such assigned rights provided that the assignee expressly assumes in the recorded assignment the obligations of Declarant that are assigned.

IN WITNESS WHEREOF, Declarant has executed this Amended Declaration as of this the 8th day of May, 2002.

DECLARANT:

THE HINES LAND GROUP, LTD.
A Texas Limited Partnership



BY:

A. W. Hines, Chairman of Hines Development Corporation, General Partner for The Hines Land Group, Ltd.

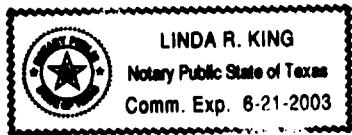
CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS:
COUNTY OF McLENNAN:

This instrument was acknowledged before me on the 8th day of May, 2002 by A.W. Hines, Chairman of Hines Development Corporation, a Texas Corporation and General Partner for The Hines Land Group, Ltd., a Texas Limited Partnership.

Linda R. King
Notary Public
State of Texas

Linda R. King
Notary Printed Name



Return: The Hines Land Group 06.21.03
1690 FM 344 East
Bullard TX 75757
Date Commission Expires

STATE OF TEXAS COUNTY OF SMITH
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the Official Public records of Smith County, Texas.



MAY 9 2002

Judy Carnes
JUDY CARNES
COUNTY CLERK, Smith County, Texas

Declaration of Covenants, Conditions and Restrictions
For Pecan Valley Ranch

Filed for Record in:
SMITH COUNTY, TEXAS
JUDY CARNES, COUNTY CLERK
On May 09 2002
At 9:58am
Receipt #: 230265
Recording: 45.00
Doc/Num : 2002-00021799
Page 19 of 19 Doc/Type : REC
Deputy -Georganna Vickers

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**AMENDED
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR PECAN VALLEY RANCH, PHASE ONE,
SMITH COUNTY, TEXAS**

WHEREAS, The Hines Land Group, Ltd., A Texas Limited Partnership, hereinafter called the "Declarant," is the owner of all that certain real property located in Smith County, Texas, described as follows:

All that certain real property located in Smith County, Texas, known as Pecan Valley Ranch, Phase One, comprising all of Tracts One (1) through Sixty- Seven (67) of said subdivision as recorded in Cabinet D, Slide 146-D, and Slide 166-C, of the Official Public Records of Smith County, Texas.

It is hereby declared that all of the property described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and shall be binding on all parties having any right, title, or interest in or to the above described property or any part thereof, and their heirs, successors, and assigns, and which easements, restrictions, covenants, and conditions shall inure to the benefit of each owner thereof.

ARTICLE ONE

DEFINITIONS

Owner

1.01 "Owner" shall refer to the record owner, whether one or more persons or entities, of the fee simple title to any Tract, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Property

1.02 "Property" shall refer to that certain real property known as Pecan Valley Ranch, Phase One, a subdivision in Smith County, Texas, hereinabove described.

Tract

1.03 "Tract" shall refer to any of the plots of land in Pecan Valley Ranch, Phase One, shown upon the plat and subdivision map recorded in Cabinet D, and Cabinet D, Slide 146-D, and Slide 166-C, Official Public Records of Smith County, Texas. The term "Tract" shall not include the common areas nor any other reserves shown on the said map or plat, if any.

Declarant

1.04 "Declarant" shall refer to The Hines Land Group, Ltd., a Texas Limited Partnership, its successors and assigns.

Wildlife Management Area

1.05 "Wildlife Management Area" shall refer to the Property as operated in compliance with the Wildlife Management Plan developed for the Property by Declarant.

Wildlife Management Committee

1.06 "Wildlife Management Committee" shall refer to the Committee appointed by Declarant to carry out the duties and enforce compliance with the Wildlife Management Area guidelines as set out in Article Six.

Homeowner's Association

1.07 "Homeowner's Association" shall refer to an association of Owners, membership in which is open to and required of all Owners.

Architectural Control Committee

1.08 "Architectural Control Committee" shall refer the Committee appointed by Declarant to carry out the duties and enforce the Architectural Controls as set out in Article Seven.

ARTICLE TWO

PURPOSE

2.01 The Property is hereby encumbered by the covenants, conditions, and restrictions hereinafter set forth to insure the best and highest use and the most appropriate development and improvement of each Tract within the Property for residential purposes; to further and preserve the use of the Property as a whole, as a Wildlife Management Area; to protect the Owners of Tracts against the improper use of surrounding Tracts; to preserve, so far as practicable, the natural beauty of the Property; to guard against the erection of poorly designed or poorly proportioned structures of improper or unsuitable materials; to encourage and secure the erection of attractive, appropriately located improvements on each Tract; to prevent haphazard and inharmonious improvement of the Tracts; to secure and maintain the proper use of easements within the Property; to preserve the lines of sight and views from the Tracts and the Property; and, in general, to provide for development of the highest quality to enhance the value of the investment made by the Owners in purchasing Tracts in the subdivision.

ARTICLE THREE

DEVELOPMENT OF THE PROPERTY

Development by Declarant

3.01 Declarant may resubdivide, replat or amend any plats of the Property or any Tracts owned by Declarant, so long as any such resubdivision, replat or amending plat does not attempt to amend or remove any of the Pecan Valley Ranch Restrictions. Declarant shall have the right to develop the Property in accordance with the plats of the Property and applicable governmental requirements, including the right, without limitation, to excavate, grade and construct streets, utilities, drainage and water quality facilities and other Improvements required for the development of the Property.

Addition of Land

3.02 Declarant hereby reserves to itself and shall hereafter have the right, but not the obligation, at any time and from time to time, in its sole and absolute discretion, and without notice to or the approval of any party or Person whomsoever or whatsoever (except as provided below), to impose this Declaration or a substantially similar Declaration upon additional Property adjacent, contiguous or nearby to the Property. Declarant may, at any time and from time to time, add any other lands to the Property, and upon such addition, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall apply to the added land, and the rights, privileges, duties and liabilities of the Persons subject to this Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration, unless such supplemental Declaration shall provide for changes to the Declaration to deal with the unique character or Declarant's overall development plans for the added Property. In order to add lands to the Property hereunder, Declarant shall be required only to record in the Official Public Records of Smith County, Texas, a notice of addition of land (in the form of a Supplemental Declaration) containing the following provisions:

- (A) A reference to this Declaration, which reference shall state the book and page numbers of the Smith County Official Public Records wherein this Declaration is recorded;
- (B) A statement that all of the provisions of this Declaration shall apply to the added land;
- (C) A legal description of the added land; and
- (D) Any covenants, conditions or restrictions that are different or unique to the added land.

Withdrawal of Land

3.03 Declarant may, at any time and from time to time, reduce or withdraw areas owned by Declarant from the Property, and upon such withdrawal, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall no longer apply to those lands withdrawn. In order to withdraw land from the Property hereunder, Declarant shall be required only to record in the Official Public Records of Smith County, Texas, a notice of withdrawal of land containing the following provisions:

- (A) A reference of this Declaration, which reference shall state the book and page numbers of the Smith County Official Public Records wherein this Declaration is recorded;
- (B) A statement that the provisions of this Declaration shall no longer apply to the withdrawn land; and
- (C) A legal description of the withdrawn land, including any plats thereto.

ARTICLE FOUR

ASSESSMENTS

4.01 Every owner of a Tract within the Property is obligated to pay its prorata share of the expenses of complying with the Wildlife Management Plan and/or maintaining roadsides, streets, entrance way, hiking and jogging trails, common areas, and any other improvements, including deposits to reserve fund established in accordance with a separate budget to be prepared by the Homeowner's Association for future repairs and maintenance. Such payment is to be made in the form of general and special assessments that are secured by a continuing lien upon the property against which the assessment is made. Any assessments that are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date (as specified by Declarant or the Board of Directors of the Homeowner's Association), the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Declarant or Homeowner's Association may bring an action at law against the Owner personally obligated to pay the same, or for foreclosure of the lien against the Tract and interest of the responsible Owner, such action to also include costs and reasonable attorney's fees of any such action. No owner shall otherwise escape liability for the assessments provided for herein by non-use of the Property or abandonment of his Tract. The initial general assessment shall be paid for each tract, prorated for partial year's ownership. In the event an Owner owns more than one Tract, that Owner's assessment for each additional Tract shall equal 60% of the full assessment for a single tract. Declarant is exempt from paying assessments.

Due Date of Assessments

4.02 General and special assessments shall be due and payable on the date declared due by Declarant or the Board of Directors levying such assessments.

General Assessments

4.03 The Declarant or the Board of Directors of the Homeowner's Association shall annually establish and approve an operating budget and determine the amount to be deposited in a reserve fund for future repairs and maintenance and shall fix the general assessment at an amount sufficient to satisfy the cash requirements of such budget. Declarant or the Board of Director's of the Homeowners' Association shall give written notice to each Owner of any change in the general assessment.

Special Assessments

4.04 In addition to the general assessments authorized above, the Declarant or Homeowner's Association, upon approval by majority vote of the eligible votes of a quorum of members attending (in person or by proxy) a meeting called to consider such assessment, may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any compliance with the Wildlife Management Plan and/or deposits to a reserve fund established for future repairs and maintenance.

Subordination of Assessment Lien

4.05 The lien securing payment of the assessments and charges provided for herein shall be subordinate to the lien of any mortgage or mortgages granted or created by the Owner of any tract to secure the payment of monies advanced and used for the purpose of purchasing and/or improving such tract. Sale or transfer of any tract pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such tract, and the Owner thereof, from liability for any assessments thereafter becoming due or from the lien thereof.

Rights-of-Way, Streets, Nature Trails, and Other Common Areas

4.06 All of the Rights-of-Way, Streets, Nature Trails and Other Common Areas shall be initially owned by the Declarant. Declarant has agreed, and does by these presents agree that all such areas will be donated, without consideration, to the Association at such time as the development is sold out in full, or before, at Declarant's discretion. All of such areas are for the use and benefit of the Owners, their guests and invitees, and a license is hereby granted over and across all such areas to the Owners of the Tracts for the use thereof. Such license to use the areas shall be subject to such rules and regulations as promulgated by the Declarant during its ownership of such areas, and thereafter by the Association, from time to time, and as may be reasonable and necessary for the safety and enjoyment of all of the Owners. Notwithstanding anything contained herein to the contrary, it is specifically agreed that the Owners shall at all times have the right to use of all streets for the purpose of providing rights of ingress and egress to and from their Tracts to a publicly dedicated roadway for themselves, their invitees and guest.

ARTICLE FIVE

**PECAN VALLEY RANCH
HOMEOWNERS ASSOCIATION**

Creation

5.01 Declarant shall cause to be formed a Homeowner's Association (sometimes herein called the "Association") which shall be called Pecan Valley Ranch Homeowner's Association. The Owners shall constitute the Association. Each owner of a land tract, including Declarant, shall automatically be a member of the Association. The Association membership shall be appurtenant to ownership of a tract. Ownership of a tract is the sole criterion for membership in the Association.

Transfer of Membership

5.02 Association membership can be transferred to the grantee of a conveyance of a tract in fee. Membership shall not be assigned, pledged or transferred in any other way. Any attempt to make a prohibited transfer shall be void.

Management of Association

5.03 The Association shall be incorporated as a non-profit corporation. The Association shall be managed by the Corporation's Board of Directors pursuant to the procedures set forth in the Association's Articles of Incorporation and Bylaws, subject to this Declaration. The initial board of directors shall be appointed by Declarant. Terms of directors shall be staggered in accordance with the Association's Bylaws.

Membership Voting, Elections, and Meetings

5.04 Each owner shall have one vote. There shall be at least one meeting of the membership each year. The first such meeting shall be held in January, 2003, following proper written notice to all property owners of the time and place for such meeting. Declarant shall have three (3) votes for each tract of property that it owns until such time that Declarant no longer owns any right, title or interest in and to the Property. Pursuant to the Association's Bylaws, the initial board of directors shall be appointed by Declarant, which number shall not exceed twelve (12). Declarant shall retain the right to appoint five (5) of the twelve (12) directors until such time as Declarant no longer owns any right, title or interest in and to the Property. At the initial meeting, the Owners shall vote on any matters the Board chooses to place before the membership, and discuss any matter of Association business that the Board or any Owner wishes to bring before the entire membership.

Duties and Powers of Board

5.05 Through its Board, the Association shall have the following powers and duties:

- (A) To adopt rules and regulations to implement this Declaration and the Association's Bylaws.
- (B) To enforce this Declaration, the Bylaws, its rules and regulations.
- (C) To elect officers of the Board and select members of the Architectural Control Committee when that power devolves to the Board.
- (D) To delegate its powers to committees, officers, or employees.
- (E) To prepare a balance sheet and operating income statement for the Association and deliver a report to the membership at its annual meeting.
- (F) To establish and collect regular assessments to defray expenses attributable to the Association's duties, to be levied against each owner. Declarant shall be exempt from any and all assessments and/or dues.
- (G) To determine the amount to be deposited in a reserve fund for future repairs and maintenance and to establish a general assessment in an amount sufficient to satisfy the cash requirements of the budget.

- (H) To establish and collect special assessments for capitol improvements and other purposes.
- (I) To file liens against lot owners because of non-payment of assessments duly levied and to foreclosure on those liens.
- (J) To receive complaints regarding violations of this Declaration, the Bylaws, or the rules and regulations.
- (K) To hold hearings to determine whether to discipline owners who violate this Declaration, the Bylaws, or the rules and regulations.
- (L) To give reasonable notice to all owners of all annual meetings of the membership and all discipline hearings.
- (M) To hold regular meetings of the Board at least quarterly.
- (N) To enforce compliance with the Wildlife Management Plan as set forth in Article Three of this Declaration.
- (O) To establish and enforce reasonable rules and regulations regarding the maintenance, upkeep and mowing of roadsides and common areas.

5.06 No less than three members of the Board of Directors of the Homeowner's Association shall constitute the membership of the Wildlife Management Committee and of the Architectural Control Committee, as initially appointed thereto by Declarant and thereafter as elected by the Board of Directors in accordance with applicable provisions of these Declarations.

ARTICLE SIX

WILDLIFE MANAGEMENT AREA

6.01 The Property shall be operated as a Wildlife Management Area. All Tracts shall be improved, used, and maintained as an integral part of the Wildlife Management Area in compliance with the Wildlife Management Plan developed by the Declarant.

6.02 Declarant shall designate and appoint an initial Wildlife Management Committee consisting of three (3) or more persons, which committee shall serve to maintain the Property as a Wildlife Management Area. If the committee consists of three (3) or more persons, one-half or more of the members may act for the committee. Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to designate and appoint the Wildlife Management Committee to the Homeowner's Association. The Wildlife Management Committee shall be chosen from among the members of the Board of Directors of the Homeowner's Association.

6.03 All buildings, fences, driveways or other structures shall be constructed and maintained in accordance with the Wildlife Management Plan. In order to assure that all construction of buildings, fences, driveways and other structures complies with the Wildlife Management Plan, all plans and specifications relating to the construction of such structures shall be submitted to the Wildlife Management Committee for review and approval in writing. Approval of this Committee shall not be unreasonably withheld.

6.04 In the event that any plans and specifications are submitted to the Wildlife Management

Committee as provided herein, and such Committee shall fail either to approve or reject such plans and specifications for a period of Thirty (30) days following such submission, approval by the Committee shall not be required, and full compliance with this Article shall be deemed to have been had.

6.05 Each Tract shall be subject to the rules and regulations of Pecan Valley Ranch Homeowners Association concerning the operation of the Property as a Wildlife Management Area. Each Owner of a Tract agrees to make application acceptable to Declarant for his/her Tract to become a Wildlife Management Area.

6.06 In the event an Owner of any Tract shall fail to maintain his/her premises and the improvements thereon in a manner consistent with the Wildlife Management Plan, the Declarant or the Wildlife Management Committee shall have the right to enter upon said Tract and to bring the Tract into compliance with the Wildlife Management Plan at the expense of the Owner. Declarant or the Wildlife Management Committee shall also have the authority to enforce these covenants by legal action. However, prior to entering said Tract the Declarant or Committee shall provide thirty (30) days written notice of the needed work to bring the Tract into compliance with the Wildlife Management Plan.

6.07 Each Owner shall pay a fee ("Fee") per year per Tract to the Pecan Valley Ranch Homeowner's Association for the purpose of compliance with the Wildlife Management Plan. In the event an Owner owns more than one Tract, the first tract shall bear the full fee and each additional tract shall bear a fee equal to 60% of the Fee at that time. Fees may be increased or decreased by only upon majority vote of the Homeowner's Association upon written notice to each Owner. Fees shall be due and payable on January 1 of each year or when an Owner purchases a Tract, for the upcoming year. Fees shall be prorated for partial years' ownership.

In the event an Owner does not pay the Fee timely, Declarant may charge interest on the unpaid portion of the fee until paid at the highest rate allowed by law. In the event an Owner refuses to pay the Fee(s), Declarant or the Homeowner's Association may foreclose on Owner's Tract(s) with unpaid Fees and/or sue Owner for collection of the Fee(s). Owner shall be liable for all reasonable attorneys fees and expenses incurred by Declarant or the Homeowner's Association in the collection of the Fee(s). Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to collect Fees to the Homeowner's Association.

ARTICLE SEVEN

ARCHITECTURAL CONTROL

Architectural Control Committee

7.01 Declarant shall designate and appoint an initial Architectural Control Committee consisting of three (3) or more persons, which committee shall serve at the pleasure of the Declarant. If the committee consists of three (3) or more persons, one-half or more of the members may act for the committee. Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to designate and appoint the Architectural Control Committee to the Homeowner's Association. The Architectural Control Committee shall be chosen from among the members of the

Board of Directors of the Homeowner's Association.

Approval of Plans and Specification

7.02 No building, fence, wall, culvert, driveway, parking space, mailbox, enclosure or other structure shall be commenced, erected, materially altered, or maintained upon the Property, nor shall any exterior addition to, or change or alteration therein, be made, until the plans and specifications showing the nature, kind, shape, color, height, materials and location of the same shall have been submitted to, and approved in writing by, the Architectural Control Committee as to harmony of external design and location in relation to surrounding structures, topography, and finish grade elevation, among other things. However, approval by this committee shall not be unreasonably withheld.

All dwellings constructed on any portion of Properties shall be designed by and built in accordance with the plans and specifications of a licensed architect or licensed building designer.

Failure of Committee to Act

7.03 In the event that any plans and specifications are submitted to the Architectural Control Committee as provided herein, and such Committee shall fail either to approve or reject such plans and specifications for a period of Thirty (30) days following such submission, approval by the Committee shall not be required, and full compliance with this Article shall be deemed to have been had.

ARTICLE EIGHT

EXTERIOR MAINTENANCE

8.01 In the event an Owner of any Tract shall fail to maintain the premises and the improvements situated thereon in a clean, sanitary, neat, and orderly manner, the Declarant or the Architectural Control Committee shall have the right, through its agents and employees, to enter upon said Tract and to clean, repair, maintain, and restore the Tract and exterior of the buildings and any other improvements erected thereon, all at the expense of the Owner. However, prior to entering said Tract the Declarant or Committee shall provide thirty (30) days written notice of the needed repair or restoration. In the event that Declarant or the Architectural Control Committee is required to pay for repair or restoration of Owner's tract, Owner shall reimburse Declarant or the Architectural Control Committee within thirty (30) days written notice of the amount due and owing ("expense"). If the expense is not paid within (30) days after the date, the expense shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Declarant or Architectural Control Committee may bring an action at law against the Owner personally obligated to pay the same, or for foreclosure of the lien against the Tract and interest of the responsible Owner, such action to also include costs and reasonable attorney's fees of any such action. No owner shall otherwise escape liability for the expenses provided for herein by non-use of the Property or abandonment of his Tract.

ARTICLE NINE

USE RESTRICTIONS

9.01 Each use restriction set forth below may be modified in the future by Declarant as necessary to operate the Property as a Wildlife Management Area. Declarant may, but shall not be obligated to assign its power to modify these use restrictions to the Homeowner's Association.

Type of Buildings Permitted

9.02 All Tracts shall be used for residential purposes only, and no building shall be erected, altered, placed, or permitted to remain on any Tract other than one single family dwelling not to exceed two (2) stories in height plus any workshops, private garages, barns, and other necessary outbuildings (all such outbuildings not to exceed thirty (30) feet in height), provided, however, that not more than one single family guest house may be erected on a tract in addition to the above. The exterior walls of any residence situated on any tract shall consist of not less than eighty percent (80%) brick, stone, or other similar construction: provided, however, that all construction shall be of materials designed and manufactured for finished exterior use on site built residence structures of average or better quality. All non-masonry exterior construction (if any), on any residence or other building must be approved by the Architectural Control Committee.

Minimum Floor Area and Exterior Walls

9.03 Any single story residence constructed on Tracts one (1) thru seven (7), twenty (20) thru twenty-four (24), thirty-two (32) thru thirty-eight (38), and forty-eight (48) thru sixty-seven (67) must have a floor living area of one thousand eight hundred fifty (1,850) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports and garages: any residence two (2) stories in height must have floor living area of not less than two thousand (2,000) square feet exclusive of open or screened porches, terraces, patios, driveways, carports, and garages.

Any single story residence constructed on Tracts eight (8) thru nineteen (19), twenty-five (25) thru thirty-one (31), and thirty-nine (39) thru forty-seven (47), must have floor living area of not less than two thousand two hundred (2,200) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports, and garages: any residence two (2) stories in height must have a floor living area of not less than two thousand four hundred (2,400) square feet exclusive of open or screened porches, terraces, patios, driveways, carports, and garages.

Any residence situated on any Tract must have a minimum width of not less than forty (40) feet, exclusive of carports, porches of any kind, awnings, roof overhangs, and the like.

Landscaping

9.04 Prior to construction of any dwelling on a Tract, the lot owner must have a landscape plan approved by the Architectural Control Committee. Such plan must provide for the front and side yards to be sodded or otherwise completely covered in all areas where grass is planned and for some shrubbery in the front yard. The approved landscape must be installed within ninety (90) days of completion or occupancy of the residence, whichever occurs first.

Garages

9.05 Every dwelling on a Tract shall have either an attached or detached garage with the capacity to hold at least two (2) automobiles. Said garage shall not front or open onto a street unless the lot is a corner lot and the garage fronts on a street other than the street which the residence fronts, or otherwise approved by the Architectural Control Committee.

Setbacks

9.06 No building shall be located on any of the Tracts nearer to the front lot line than fifty (50) feet, or nearer than fifty (50) feet to any side street line; except, however, minor variations of the minimum set-back line shall be permitted to allow for preservation and utilization of existing trees or views. No building shall be located nearer than fifteen (15) feet to an interior Tract line. No dwelling shall be located on any of the interior Tracts nearer than twenty (20) feet to the rear Tract line. For the purposes of this covenant, eaves, steps, and open porches shall not be considered as a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a Tract to encroach upon any other Tract, provided, however that this provision shall not apply to interior Tract boundary lines between contiguous Tracts having a common owner.

A variance may be permitted if a land tract makes the above setbacks unworkable, but only after the Architectural Control Committee approves such variances.

Re-subdivision

9.07 No tract may be re-subdivided without the express written consent of the Declarant.

Easements

9.08 Each Owner covenants to provide and hereby grants easements and rights-of-way for existing utility lines and roadways, whether of record or not; easements and rights-of-way shown on the plat of Pecan Valley Ranch; other easements and rights-of-ways, if any, shown in the records of the County Clerk of Smith County, Texas; and easements for installation and maintenance of utilities and drainage facilities.

Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage, or interfere with, or change the direction of flow of drainage facilities in the easements. The easement area of each Tract and all improvements thereon shall be continuously maintained by the owner of such Tract, except for improvements for whose maintenance a public authority or utility company is responsible.

Noxious or Offensive Activities Prohibited

9.09 No noxious or offensive activities shall be allowed on the Property; nor shall anything be done thereon which may become an annoyance, danger or nuisance to the neighborhood, including hunting, which is not in compliance with the provisions of the Wildlife Management Plan, on any size tract. In addition to applicable federal, state and local law, any and all hunting rules and regulations

shall be promulgated and enforced by the Wildlife Management Committee on a yearly basis, and no hunting in violation of said rules and regulations shall be tolerated.

Prohibited Residential Uses

9.10 No travel trailer, camping vehicle, basement, tent, shack, garage, barn, or other outbuilding erected or situated on any Tract shall at any time be used as a residence temporarily or permanently, nor shall any structure of a temporary character be used as a residence; provided, however, that nothing herein shall prohibit the temporary occupancy of a tent, camping vehicle, or travel trailer which is not permanently situated on a Tract. For purposes of this provision, temporary occupancy shall mean a period of occupancy not longer than forty-five (45) days including any periods of vacancy which commence after the start of the period of occupancy and which are shorter than ten (10) days in length.

No house trailer, modular home, mobile home, double wide home, or similar manufactured residence structure, shall be erected, parked, or otherwise situated on any Tract for any reason.

No used structure shall be moved on any Tract without the express written consent of the Declarant and the Architectural Control Committee.

Fencing

9.11 No barbed wire, hog wire, chain link, chicken wire, goat wire, or similar type fence shall be erected on any Tract. All fencing shall be of a decorative nature and Owner shall submit plans for such fencing to Declarant or the Architectural Control Committee for approval prior to construction. All fences shall be constructed with new materials.

Mailboxes

9.12 All mailboxes and support poles at streets for United States mail delivery must be enclosed with material such as stone or brick; not less than two foot by two foot square in designated street location approved by Declarant, Smith County, City of Bullard and United States Post Office.

Radio and Television Antennae

9.13 Any radio and/or television antenna or satellite dish erected on any Tract shall not exceed by more than thirty (30) feet in height above the highest part of the roof of the highest building on the Tract and shall not be located forward of the principal dwelling erected on the Tract.

Manufacturing and Commercial Activity

9.14 No manufacturing or commercial enterprise or enterprises of any kind for profit shall be maintained on or in front of any Tract nor shall such property in any way be used for other than strictly residential purposes. This restriction shall not be construed, however, as preventing the growing of crops or the raising of animals (except as hereinafter provided) which are removed from the Property before sale or which are sold for delivery elsewhere than on the Property, nor shall it be

construed as preventing the practice, by a person actually residing on a Tract, of architecture, accountancy, engineering, computer programming, counseling, individualized teaching or tutoring, general or specialized consulting, or of similar or analogous professions or skills; provided, however, that no sales of goods of any kind shall be permitted to be made on any Tract except sales which are only occasional and which are merely incidental to the residential or other permitted use of the Property (a non-commercial garage sale, for example) and, further provided, that not more than one non-resident employee may be employed on any Tract at any one time; and, further provided, that nothing herein shall prohibit an artist or craftsman actually residing on a Tract from producing art or craft objects which are removed from the Property before the sale. This provision shall not preclude Declarant from engaging in commercial activity related to the development, construction and sale of the Property, and Declarant may construct and maintain such facilities as may be reasonably necessary or convenient for such development, construction and sale, including but not limited to, sales offices, construction headquarters, storage areas, model units, etc. No sign of any kind shall be permitted to identify such practice, profession or skill on any tract except those described and more fully set out in Article 9.21.

Compliance with Law

9.15 No building or other structure shall be erected or situated on any Tract except in compliance with applicable building and use codes, zoning laws, and other laws and regulations applicable to the Property.

Rubbish, Trash and Garbage

9.16 No Tract shall be used or maintained as a dumping ground for rubbish or trash and no garbage or other waste shall be kept except in sanitary containers. All incinerators or other equipment for the storage and disposal of such materials shall be kept in a clean and sanitary condition. No trash burning will be permitted on any tract of land.

Sewage Disposal

9.17 No individual sewage disposal system shall be permitted on any Tract unless the system is designed, located, and constructed in accordance with the requirements, standards, and recommendations of any state, county, municipal, or other governmental subdivision or agency having lawful authority pertaining thereto. Approval of the system as installed shall be obtained from that authority.

Clothes Drying Facilities

9.18 Outside clothes lines or other facilities for drying clothes or airing clothes shall not be erected, placed or maintained on any Tract unless they are concealed in such a manner so as not to be visible from streets or from access roads.

Water Supply

9.19 No individual water supply system shall be permitted on any Tract unless the system is

located, constructed, and equipped in accordance with the requirements, standards, and recommendations of any state, county, municipal, or other governmental subdivision or agency having lawful authority pertaining thereto. Approval of the system as installed shall be obtained from that authority.

Dams

9.20 Dams may be built on creeks or natural waterways only if:

- (1) Written permission is obtained from owners of land adjacent to such waterways on both sides;
- (2) Such dam will not be built so as to back water upon or inundate the land of another owner, unless a written easement is obtained from such other owner;
- (3) Such dam will not cause the flooding of any roadway;
- (4) Necessary and proper governmental permits are obtained; and
- (5) Such dam is approved in writing by the Wildlife Management Committee as consistent with the Wildlife Management Plan.

Signs

9.21 No signs shall be permitted on unimproved tracts except to identify the tract by legal description. General contractors and sub-contractors may each post one sign on tracts upon which homes are under construction. Owners of improved property (property with a home built on it) or builders, investors or their authorized agent who have constructed "spec homes" may post one sign on the improved property indicating the property is available for purchase. All signs must be of professional quality and must be approved in advance by the Architectural Control Committee.

Water Runoff

9.22 Nothing shall be erected, placed, maintained, done or permitted to remain on any Tract which interferes with surface water runoff in such manner as to cause such water runoff to be diverted across any other Tract or which causes flooding or erosion to any other Tract or to any street or ditch.

Clearing and Burning

9.23 Clearing may be done by Owner provided that no hardwood trees are removed without the Wildlife Management Committee and Declarant's approval and when said clearing is not in violation of any local, State or Federal laws.

Brush and removed trees may be burned only if it is not in violation of any local, State, or Federal laws; the local fire department has no burning ban in effect at that time; it is done during damp weather with low winds, and there is a cleared area around the brush or trees to be burned. A bulldozer or local fire department surveillance is required at the burning sight.

Sight Distance at Intersections

9.24 No fence, wall hedge, or shrub planting that obstructs sight lines at elevations between two (2) and six (6) feet above the roadway shall be placed or permitted to remain on any corner (tract within the triangular area formed by the street property lines and a line connecting them at points thirty (30) feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Tract within (10) feet from the intersection of a street property line with the edge of a driveway or alley. No tree shall be permitted to remain within such distances of intersections unless the foliage line is maintained to meet the sight-line requirements set forth above.

Pollution

9.25 All springs, creeks, ponds, stock tanks, ditches, and gullies, and any water on any Tract shall be kept free of trash, rubbish, garbage, waste, effluent from sewage disposal systems or other waste disposal systems, and all other forms of pollution by the Owner of the Tract.

Animals

9.26 All livestock, dogs, and poultry must be kept penned or fenced-in at all times or must be individually tethered or leashed. No stable, barn, shed, or sty in which livestock are housed or fed; no livestock feeding trough, bin or station; no poultry house, coop or yard; no dog kennel; and no cattery shall be erected, used or maintained on any tract at any time for any purpose within twenty-five (25) feet of the boundary line of any other Tract. For purposes of the provisions of this Article, the Owner of more than one Tract shall treat all contiguously owned Tracts or parts thereof as if constituting a single Tract. As used herein, the term "livestock" shall include horses, mules, donkeys, calves, heifers, sheep, goats, llamas, and similar animals and ostriches, emus, and similar birds; and the term "cattle" shall include cows, bulls, steers, oxen, bison, calves and heifers. In addition to the numbers of animals, livestock, and poultry otherwise permitted to be kept or maintained on any tract, the natural offspring of such animals, livestock, and poultry may be temporarily kept or maintained for the period of time during which such offspring are normally dependent on a parent for feeding, nurturing, or protection. Except as otherwise provided herein, no animals, livestock, or poultry of any kind shall be raised, bred, kept, or maintained on any Tract at any time for any purpose in violation of the following rules and limitations:

- A. No more than three (3) dogs may be raised, bred, kept or maintained on any Tract.
- B. No more than three (3) cats may be raised, bred, kept or maintained on any Tract.
- C. No swine may be raised, bred, kept or maintained on any Tract.
- D. No more than one head of cattle may be raised, bred, kept or maintained on any Tract for each one and one half (1 ½) acre in size of the Tract.
- E. Not more than one (1) head of livestock and ten (10) head of poultry may be raised, bred, kept or maintained on any Tract for each one and one half (1 ½) acre in size of the Tract.
- F. No lions, tigers, panthers, bears, or similar animals may be raised, bred, kept or maintained on any Tract.
- G. No animals, livestock, or poultry of any kind shall be raised, bred, kept, or maintained on any Tract in such manner as to cause a safety or health risk or hazard to humans or other animals, livestock, or poultry or in such manner as to cause a noise, odor or other

- nuisance; or within one hundred fifty (150) feet of any roadway.
- H. Any livestock or cattle kept or raised in excess of three per five acres must be penned and fed in stalls or corrals unless circumstances are approved with express written consent of Declarant.

Prohibited Use and Items

9.27 No wrecked, junked, broken down, or inoperative automobile, truck, bus, motorcycle, or other motor vehicle, boat, or trailer, or any part thereof, shall be placed or parked or be permitted to remain on or in front of any Tract so as to be visible from any street or highway or from any adjacent Tract.

No part of any Tract shall be used or maintained as a place for the acquisition, storage, processing, disposition, or sale of junk, used goods, or bulk materials or goods.

No oil or gas well drilling, oil or gas development operations, oil refining, quarrying, gravel pits, or mining operations of any kind shall be permitted on a Tract, nor shall oil wells, gas wells, tanks, tunnels, mineral excavations, or shafts be permitted on any Tract without the express written consent of Declarant. No derrick or other structure designed for use in boring for oil, natural gas, or other minerals shall be erected, maintained, or permitted on any Tract without the express written consent of Declarant.

Autos, Trucks, Buses and Trailers

9.28 No motor homes, recreational house trailers, horse or cattle trailers, truck campers, boats, boat trailers and other recreational vehicles shall be parked openly in the street or visible from the street. No motorized vehicle of any kind shall be operated in any manner that is dangerous, noisy, or creates nuisance in the opinion of the Homeowner's Association or Declarant.

Parking on the street for periods in excess of four (4) hours shall not be permitted.

Driveways

9.29 Driveways shall be constructed of concrete, minimum 4" reinforced with #3 bars 18" center to center with expansion joints max 20' spacing or asphalt paving, minimum 6" compacted road gravel and 1 1/2" hot mix asphaltic concrete for not less than one hundred and fifty (150) feet from any public road or right-of-way. Beginning at a minimum distance of one hundred and fifty (150) feet from any public road or right-of-way, driveways may be constructed of any customary road material. Driveway culverts must be no less than 12 inches in diameter unless otherwise approved by the Architectural Control Committee. Culvert pipe must be Galvanized Corrugated Metal (GCM) or concrete pipe. Plastic or PVC of any kind shall not be permitted in any application as a drain pipe under a driveway, whether the location of that pipe is in the public right-of-way or on private property.

Secondary driveways, such as those leading to barns, workshops, etc., are exempt from this restriction as long as they do not adjoin public roadways.

Electrical Service

9.30 All electrical service must be run to the various service areas (houses, garages, barns, shops, etc.) underground. No above ground electrical poles shall be permitted unless special written approval is granted in advance by the Architectural Control Committee.

Construction Completion

9.31 Exterior and interior construction of all structures must be completed within twelve (12) months from the date of written approval of plans by the Architectural Control Committee unless an extension is granted by said committee.

ARTICLE TEN

GENERAL PROVISIONS

Enforcement

10.01 The Declarant, any Owner, or the Homeowner's Association shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations now or hereafter imposed by the provisions of this Declaration. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Severability

10.02 Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, and all other provisions shall remain in full force and effect. To the extent that any provision of this Declaration conflicts with, or cannot be reconciled with, any applicable loan regulation, rule or guideline of the Farmers Home Administration or Veterans Administration, such regulation, rule or guideline shall control. In such an instance, the remaining provisions of this Declaration shall be unaffected and shall remain in full force and effect.

Duration and Amendment

10.03 The covenants, conditions, and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforceable by the Declarant, the Owner of any Tract subject to this Declaration, or an association of Owners of Tracts subject to this Declaration, and their respective legal representatives, heirs, successors, and assigns, and, unless amended as provided herein, shall be effective for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years. The covenants, conditions, and restrictions of this Declaration may be amended during the first thirty (30) year period by an instrument signed by the Owner or Owners of not less than sixty-six and two-thirds percents (66 2/3%) of the tracts and thereafter by an instrument signed by the Owner or Owners of not less than fifty-one percent (51%) of the Tracts. This Declaration may be amended from time to time by the Declarant in accordance with the term and provisions hereof until such time as Declarant no longer holds any right, title or interest in and to the Property.

Notwithstanding anything to the contrary in this Declaration, the Declarant may at anytime amend this Declaration or the Bylaws by instrument duly signed, acknowledged and filed for record, for (i) the sole purpose of having the Declaration comply with financing eligibility requirements of the Federal Home Loan Mortgage Corporation, Federal National Mortgage, Veteran's Administration, Federal Housing Administration, or comparable federal or state agencies, or (ii) any other purpose deemed by the Declarant to be reasonable, necessary or convenient to complete Declarant's development plan for the Subdivision or any portion hereof. At such time as Declarant no longer owns a lot in the Subdivision, the provisions of this Section 10.03 shall terminate. No amendment shall be effective until recorded in the Real Property Records of Smith County, Texas, nor until the approval of any governmental regulatory body which is required shall have been obtained. Until January 1, 2005, Declarant may amend this Declaration of Covenants, Conditions and Restrictions to eliminate or modify the Wildlife Management Area Provisions, provided however that no modifications shall be more restrictive than those provided herein.

Declarant not Liable

10.04 Effective as of the date Declarant conveys all of its rights, title and interest in and to the Property and no longer holds any interest in and to the Property or any Property thereafter added pursuant to Article Three, Declarant shall be deemed to have assigned all its rights, benefits and obligations as Declarant hereunder to the Association. Declarant shall then be relieved of the performance of any further duty or obligations hereunder, and the Association and its Board shall then be obligated to perform all such duties and obligations of the Declarant with the necessity of any further writing of assignment of such rights and obligations by the Declarant. **DURING THE TERM OF THIS DECLARATION AND THEREAFTER, NEITHER DECLARANT NOR THE PARTNERS, OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES AND AGENTS OF IT SHALL BE LIABLE FOR DAMAGES OR OTHERWISE TO ANY OWNER OF ANY PROPERTY RELYING ON THESE RESTRICTIONS FOR REASON OF THEIR UNENFORCEABILITY OR BY REASON OF DECLARANT'S ENFORCEMENT OR NONENFORCEMENT THEREOF, IN ADDITION, DURING THE TERM OF THE DECLARATION AND THEREAFTER, EACH OWNER AGREES THAT HE WILL NOT BRING ANY ACTION OR SUIT AGAINST DECLARANT OR THE PARTNERS, OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES AND AGENTS OF IT, TO RECOVER ANY SUCH DAMAGES, AND HEREBY RELEASES ALL CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST DECLARANT ARISING OUT OF OR IN CONNECTION WITH ANY DECISION, ACTION, JUDGMENT, NEGLIGENCE, ENFORCEMENT ACTION OR ANY OTHER ACT OR OMISSION BY DECLARANT IN CONNECTION WITH THE ENFORCEMENT (OR LACK THEREOF) OF THIS DECLARATION.**

Assignment by Declarant

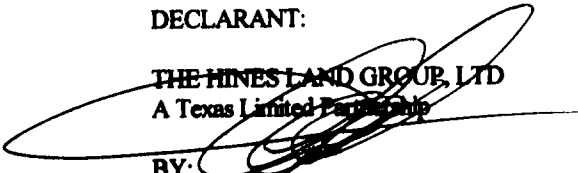
10.05 Notwithstanding any provision in this Declaration to the contrary, Declarant may in writing filed of record referring to this Declaration by cabinet and slide, expressly assign in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any other Person or entity and may permit the participation, in whole or in part, by any other Person or entity of any of its privileges, exemptions, rights and duties hereunder. Upon assignment by Declarant of any or all of Declarant's rights, the Declarant shall no longer be liable for performance of such assigned rights provided that the assignee expressly assumes in the recorded assignment the obligations of Declarant

that are assigned.

IN WITNESS WHEREOF, Declarant has executed this Amended Declaration as of this the 17th day of October, 2002.

DECLARANT:

THE HINES LAND GROUP, LTD
A Texas Limited Partnership

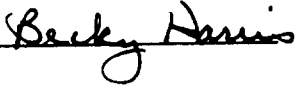


BY: A.W. Hines, Chairman of Hines Development Corporation, General Partner for The Hines Land Group, Ltd.

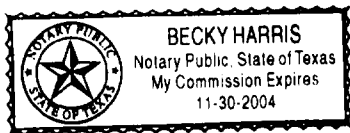
CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS:
COUNTY OF McLENNAN:

This instrument was acknowledged before me on the 17th day of October, 2002, by A.W. Hines, Chairman of Hines Development Corporation, a Texas Corporation and General Partner for The Hines Land Group, Ltd., a Texas Limited Partnership.



Notary Public
State of Texas



Notary Printed Name

Date Commission Expires

Amended Declaration of Covenants, Conditions and Restrictions
For Pecan Valley Ranch

Filed for Record in:
SMITH COUNTY, TEXAS
JUDY CARNES, COUNTY CLERK
On Oct 18 2002
At 12:23pm
Receipt #: 245811
Recording: 47.00
Doc/Num : 2002-00049617 Page 19 of 19
Doc/Type : REC
Deputy -Janis Farrell

CONSENT TO PLAT AND RESTRICTIONS

WHEREAS, the undersigned is the holder of a purchase money note and deed of trust recorded in Volume 5920, Page 253, Official Public Records, Smith County, Texas, encumbering a 251.102 acre tract of land in the Vinson Moore League, Abstract 15, Smith County, Texas, and

WHEREAS, 103.037 acres of said tract of land have been platted into a subdivision now called Pecan Valley Ranch, Phase One according to the map or plat thereof recorded in Cabinet D, Slide 146 D, Plat Records, Smith County, Texas and

WHEREAS, said tract has been further impressed with current Restrictions appearing of record in Volume 6399, Page 176, Official Public Records, Smith County, Texas and

WHEREAS, the developer, The Hines Land Group, Ltd desires to amend said plat and said restrictions;

The undersigned as current lien holder does hereby consent to the above described plat and restrictions including any re-platting or amendment of restrictions.

SOUTHSIDE BANK

BY:


Peter M. Boyd

TITLE: Executive Vice President

STATE OF TEXAS COUNTY OF SMITH
I hereby certify that this instrument was
filed on the date and time stamped hereon
by me and was duly recorded in the Official
Public records of Smith County, Texas.



OCT 18 2002

Judy Carnes

JUDY CARNES
COUNTY CLERK, Smith County, Texas

Return to:
First American Title

**SECOND-AMENDED
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR PECAN VALLEY RANCH, PHASE ONE,
SMITH COUNTY, TEXAS**

WHEREAS, The Hines Land Group, Ltd., A Texas Limited Partnership, hereinafter called the "Declarant," is the owner of all that certain real property located in Smith County, Texas, described as follows:

All that certain real property located in Smith County, Texas, known as Pecan Valley Ranch, Phase One, comprising all of Tracts One (1) through Sixty- Seven (67) of said subdivision as recorded in Cabinet D, Slide 146-D, and Slide 166-C of the Official Public Records of Smith County, Texas.

It is hereby declared that all of the property described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and shall be binding on all parties having any right, title, or interest in or to the above described property or any part thereof, and their heirs, successors, and assigns, and which easements, restrictions, covenants, and conditions shall inure to the benefit of each owner thereof.

"This instrument amends and supercedes the Declaration of Covenants, Conditions and Restrictions dated May 8, 2002, and recorded in Volume 6399, Page 176, and that certain First Amended Declaration of Covenants, Conditions and Restrictions dated October 17, 2002, and recorded in Volume 6696, Page 170, Smith County Official Public Records."

ARTICLE ONE

DEFINITIONS

Owner

1.01 "Owner" shall refer to the record owner, whether one or more persons or entities, of the fee simple title to any Tract, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Property

1.02 "Property" shall refer to that certain real property known as Pecan Valley Ranch, Phase One, a subdivision in Smith County, Texas, hereinabove described.

Tract

1.03 "Tract" shall refer to any of the plots of land in Pecan Valley Ranch, Phase One, shown upon the plat and subdivision map recorded in Cabinet D, Slide 146-D, and Slide 166-C, Official Public Records of Smith County, Texas. The term "Tract" shall not include the common areas nor any other reserves greenbelt areas, shown on the said map or plat, if any.

Lake Front Tract

1.04 Lake front Tract shall refer to any of the plots of land in Pecan Valley Ranch, indicated, on plat as "Lake Front" (if any), shown upon the plat and subdivision map recorded in Cabinet D, Slide 146-D, and Slide 166-C, Official Public Records of Smith County, Texas. The Term "Lake Front Tract" shall not include the common areas nor any other reserves, greenbelt areas shown on the said map or plat, if any.

Declarant

1.05 "Declarant" shall refer to The Hines Land Group, Ltd., a Texas Limited Partnership, its successors and assigns.

Wildlife Management Area

1.06 "Wildlife Management Area" shall refer to the Property as operated in compliance with the Wildlife Management Plan developed for the Property by Declarant.

Wildlife Management Committee

1.07 "Wildlife Management Committee" shall refer to the Committee appointed by Declarant to carry out the duties and enforce compliance with the Wildlife Management Area guidelines as set out in Article Six.

Homeowner's Association

1.08 "Homeowner's Association" shall refer to an association of Owners, membership in which is open to and required of all Owners.

Architectural Control Committee

1.09 "Architectural Control Committee" shall refer the Committee appointed by Declarant to carry out the duties and enforce the Architectural Controls as set out in Article Seven.

ARTICLE TWO

PURPOSE

2.01 The Property is hereby encumbered by the covenants, conditions, and restrictions hereinafter set forth to ensure the best and highest use and the most appropriate development and improvement of each Tract within the Property for residential purposes; to further and preserve the use of the Property as a whole, as a Wildlife Management Area; to protect the Owners of Tracts against the improper use of surrounding Tracts; to preserve, so far as practicable, the natural beauty of the Property; to guard against the erection of poorly designed or poorly proportioned structures of improper or unsuitable materials; to encourage and secure the erection of attractive, appropriately located improvements on each Tract; to prevent haphazard and inharmonious improvement of the Tracts; to secure and maintain the proper use of easements within the Property; to preserve the lines of sight and views from the Tracts and the Property; and, in general, to provide for development of the

highest quality to enhance the value of the investment made by the Owners in purchasing Tracts in the subdivision.

ARTICLE THREE

DEVELOPMENT OF THE PROPERTY

Development by Declarant

3.01 Declarant may resubdivide, replat or amend any plats of the Property or any Tracts owned by Declarant, so long as any such resubdivision, replat or amending plat does not attempt to amend or remove any of the Pecan Valley Ranch Restrictions. Declarant shall have the right to develop the Property in accordance with the plats of the Property and applicable governmental requirements, including the right, without limitation, to excavate, grade and construct streets, utilities, drainage and water quality facilities and other Improvements required for the development of the Property.

Addition of Land

3.02 Declarant hereby reserves to itself and shall hereafter have the right, but not the obligation, at any time and from time to time, in its sole and absolute discretion, and without notice to or the approval of any party or Person whomsoever or whatsoever (except as provided below), to impose this Declaration or a substantially similar Declaration upon additional Property adjacent, contiguous or nearby to the Property. Declarant may, at any time and from time to time, add any other lands to the Property, and upon such addition, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall apply to the added land, and the rights, privileges, duties and liabilities of the Persons subject to this Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration, unless such supplemental Declaration shall provide for changes to the Declaration to deal with the unique character or Declarant's overall development plans for the added Property. In order to add lands to the Property hereunder, Declarant shall be required only to record in the Official Public Records of Smith County, Texas, a notice of addition of land (in the form of a Supplemental Declaration) containing the following provisions:

- (A) A reference to this Declaration, which reference shall state the book and page numbers of the Smith County Official Public Records wherein this Declaration is recorded;
- (B) A statement that all of the provisions of this Declaration shall apply to the added land;
- (C) A legal description of the added land; and
- (D) Any covenants, conditions or restrictions that are different or unique to the added land.

Withdrawal of Land

3.03 Declarant may, at any time and from time to time, reduce or withdraw areas owned by

Declarant from the Property, and upon such withdrawal, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall no longer apply to those lands withdrawn. In order to withdraw land from the Property hereunder, Declarant shall be required only to record in the Official Public Records of Smith County, Texas, a notice of withdrawal of land containing the following provisions:

- (A) A reference of this Declaration, which reference shall state the book and page numbers of the Smith County Official Public Records wherein this Declaration is recorded;
- (B) A statement that the provisions of this Declaration shall no longer apply to the withdrawn land; and
- (C) A legal description of the withdrawn land, including any plats thereto.

ARTICLE FOUR

ASSESSMENTS

4.01 Every owner of a Tract within the Property is obligated to pay its prorata share of the expenses of complying with the Wildlife Management Plan and/or maintaining roadsides, streets, entrance way, hiking and jogging trails, common areas, and any other improvements, including deposits to reserve fund established in accordance with a separate budget to be prepared by the Homeowner's Association for future repairs and maintenance. Such payment is to be made in the form of general and special assessments that are secured by a continuing lien upon the property against which the assessment is made. Any assessments that are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date (as specified by Declarant or the Board of Directors of the Homeowner's Association), the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Declarant or Homeowner's Association may bring an action at law against the Owner personally obligated to pay the same, or for foreclosure of the lien against the Tract and interest of the responsible Owner, such action to also include costs and reasonable attorney's fees of any such action. No owner shall otherwise escape liability for the assessments provided for herein by non-use of the Property or abandonment of his Tract. The initial general assessment shall be paid for each tract, prorated for partial year's ownership. In the event an Owner owns more than one Tract, that Owner's assessment for each additional Tract shall equal 60% of the full assessment for a single tract. Declarant is exempt from paying assessments.

Due Date of Assessments

4.02 General and special assessments shall be due and payable on the date declared due by Declarant or the Board of Directors levying such assessments.

General Assessments

4.03 The Declarant or the Board of Directors of the Homeowner's Association shall annually establish and approve an operating budget and determine the amount to be deposited in a reserve fund for future repairs and maintenance and shall fix the general assessment at an amount sufficient to satisfy the cash requirements of such budget. Declarant or the Board of Directors of the Homeowner's Association shall give written notice to each Owner of any change in the general

assessment.

Special Assessments

4.04 In addition to the general assessments authorized above, the Declarant or Homeowner's Association, upon approval by majority vote of the eligible votes of a quorum of members attending (in person or by proxy) a meeting called to consider such assessment, may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any compliance with the Wildlife Management Plan and/or deposits to a reserve fund established for future repairs and maintenance.

Subordination of Assessment Lien

4.05 The lien securing payment of the assessments and charges provided for herein shall be subordinate to the lien of any mortgage or mortgages granted or created by the Owner of any tract to secure the payment of monies advanced and used for the purpose of purchasing and/or improving such tract. "Sale or transfer of any tract pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due subsequent to the filing date of the mortgage, but prior to such sale or transfer." No sale or transfer shall relieve such tract, and the Owner thereof, from liability for any assessments thereafter becoming due or from the lien thereof.

Rights-of-Way, Streets, Nature Trails, and Other Common Areas

4.06 All of the Rights-of-Way, Streets, Nature Trails and Other Common Areas shall initially be owned by the Declarant. Declarant has agreed, and does by these presents agree that all such areas will be donated, without consideration, to the Association at such time as the development is sold out in full or before at Declarant's discretion. All of such areas are for the use and benefit of the Owners, their guests and invitees, and a license is hereby granted over and across all such areas to the Owners of the Tracts for the use thereof. Such license to use the areas shall be subject to such rules and regulations as promulgated by the Declarant during its ownership of such areas, and thereafter by the Association, from time to time, and as may be reasonable and necessary for the safety and enjoyment of all of the Owners. Notwithstanding anything contained herein to the contrary, it is specifically agreed that the Owners shall at all times have the right to use of all streets for the purpose of providing rights of ingress and egress to and from their Tracts to a publicly dedicated roadway for themselves, their invitees and guests.

ARTICLE FIVE

**PECAN VALLEY RANCH
HOMEOWNERS ASSOCIATION**

Creation

5.01 Declarant shall cause to be formed a Homeowner's Association (sometimes herein called the "Association") which shall be called Pecan Valley Ranch Homeowner's Association. The Owners shall constitute the Association. Each owner of a land tract, including Declarant, shall automatically be a member of the Association. The Association membership shall be appurtenant to ownership of a tract. Ownership of a tract is the sole criterion for membership in the Association.

Transfer of Membership

5.02 Association membership can be transferred to the grantee of a conveyance of a tract in fee. Membership shall not be assigned, pledged or transferred in any other way. Any attempt to make a prohibited transfer shall be void.

Management of Association

5.03 The Association shall be incorporated as a non-profit corporation. The Association shall be managed by the Corporation's Board of Directors pursuant to the procedures set forth in the Association's Articles of Incorporation and Bylaws, subject to this Declaration. The initial board of directors shall be appointed by Declarant. Terms of directors shall be staggered in accordance with the Association's Bylaws.

Membership Voting, Elections, and Meetings

5.04 Each owner shall have one vote. There shall be at least one meeting of the membership each year. The first such meeting shall be held in January, 2003, following proper written notice to all property owners of the time and place for such meeting. Declarant shall have three (3) votes for each tract of property that it owns until such time that Declarant no longer owns any right, title or interest in and to the Property. Pursuant to the Association's Bylaws, the initial board of directors shall be appointed by Declarant, which number shall not exceed twelve (12). Declarant shall retain the right to appoint five (5) of the twelve (12) directors until such time as Declarant no longer owns any right, title or interest in and to the Property. At the initial meeting, the Owners shall vote on any matters the Board chooses to place before the membership, and discuss any matter of Association business that the Board or any Owner wishes to bring before the entire membership.

Duties and Powers of Board

5.05 Through its Board, the Association shall have the following powers and duties:

- (A) To adopt rules and regulations to implement this Declaration and the Association's Bylaws.

- (B) To enforce this Declaration, the Bylaws, its rules and regulations.
- (C) To elect officers of the Board and select members of the Architectural Control Committee when that power devolves to the Board.
- (D) To delegate its powers to committees, officers, or employees.
- (E) To prepare a balance sheet and operating income statement for the Association and deliver a report to the membership at its annual meeting.
- (F) To establish and collect regular assessments to defray expenses attributable to the Association's duties, to be levied against each owner. Declarant shall be exempt from any and all assessments and/or dues.
- (G) To determine the amount to be deposited in a reserve fund for future repairs and maintenance and to establish a general assessment in an amount sufficient to satisfy the cash requirements of the budget.
- (H) To establish and collect special assessments for capitol improvements and other purposes.
- (I) To file liens against lot owners because of non-payment of assessments duly levied and to foreclosure on those liens.
- (J) To receive complaints regarding violations of this Declaration, the Bylaws, or the rules and regulations.
- (K) To hold hearings to determine whether to discipline owners who violate this Declaration, the Bylaws, or the rules and regulations.
- (L) To give reasonable notice to all owners of all annual meetings of the membership and all discipline hearings.
- (M) To hold regular meetings of the Board at least quarterly.
- (N) To enforce compliance with the Wildlife Management Plan as set forth in Article Three of this Declaration.
- (O) To establish and enforce reasonable rules and regulations regarding the maintenance, upkeep and mowing of roadsides and common areas.

5.06 No less than three members of the Board of Directors of the Homeowner's Association shall constitute the membership of the Wildlife Management Committee and of the Architectural Control Committee, as initially appointed thereto by Declarant and thereafter as elected by the Board of Directors in accordance with applicable provisions of these Declarations.

ARTICLE SIX

WILDLIFE MANAGEMENT AREA

6.01 The Property shall be operated as a Wildlife Management Area. All Tracts shall be improved, used, and maintained as an integral part of the Wildlife Management Area in compliance with the Wildlife Management Plan developed by the Declarant.

6.02 Declarant shall designate and appoint an initial Wildlife Management Committee consisting of three (3) or more persons, which committee shall serve to maintain the Property as a Wildlife Management Area. If the committee consists of three (3) or more persons, one-half or more of the members may act for the committee. Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to designate and appoint the Wildlife Management Committee to the Homeowner's Association. The Wildlife Management Committee shall be chosen from among

the members of the Board of Directors of the Homeowner's Association.

6.03 All buildings, fences, driveways or other structures shall be constructed and maintained in accordance with the Wildlife Management Plan. In order to assure that all construction of buildings, fences, driveways and other structures complies with the Wildlife Management Plan, all plans and specifications relating to the construction of such structures shall be submitted to the Wildlife Management Committee for review and approval in writing. Approval of this Committee shall not be unreasonably withheld.

6.04 In the event that any plans and specifications are submitted to the Wildlife Management Committee as provided herein, and such Committee shall fail either to approve or reject such plans and specifications for a period of Thirty (30) days following such submission, approval by the Committee shall not be required, and full compliance with this Article shall be deemed to have been had.

6.05 Each Tract shall be subject to the rules and regulations of Pecan Valley Ranch Homeowners Association concerning the operation of the Property as a Wildlife Management Area. Each Owner of a Tract agrees to make application acceptable to Declarant for his/her Tract to become a Wildlife Management Area.

6.06 In the event an Owner of any Tract shall fail to maintain his/her premises and the improvements thereon in a manner consistent with the Wildlife Management Plan, the Declarant or the Wildlife Management Committee shall have the right to enter upon said Tract and to bring the Tract into compliance with the Wildlife Management Plan at the expense of the Owner. Declarant or the Wildlife Management Committee shall also have the authority to enforce these covenants by legal action. However, prior to entering said Tract the Declarant or Committee shall provide thirty (30) days written notice of the needed work to bring the Tract into compliance with the Wildlife Management Plan.

6.07 Each Owner shall pay a fee ("Fee") per year per Tract to the Pecan Valley Ranch Homeowner's Association for the purpose of compliance with the Wildlife Management Plan. In the event an Owner owns more than one Tract, the first tract shall bear the full fee and each additional tract shall bear a fee equal to 60% of the Fee at that time. Fees may be increased or decreased by only upon majority vote of the Homeowner's Association upon written notice to each Owner. Fees shall be due and payable on January 1 of each year or when an Owner purchases a Tract, for the upcoming year. Fees shall be prorated for partial years' ownership.

In the event an Owner does not pay the Fee timely, Declarant may charge interest on the unpaid portion of the fee until paid at the highest rate allowed by law. In the event an Owner refuses to pay the Fee(s), Declarant or the Homeowner's Association may foreclose on Owner's Tract(s) with unpaid Fees and/or sue Owner for collection of the Fee(s). Owner shall be liable for all reasonable attorneys fees and expenses incurred by Declarant or the Homeowner's Association in the collection of the Fee(s). Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to collect Fees to the Homeowner's Association.

ARTICLE SEVEN**ARCHITECTURAL CONTROL****Architectural Control Committee**

7.01 Declarant shall designate and appoint an initial Architectural Control Committee consisting of three (3) or more persons, which committee shall serve at the pleasure of the Declarant. If the committee consists of three (3) or more persons, one-half or more of the members may act for the committee. Declarant may make, but shall not be obligated to make, an irrevocable assignment of its power to designate and appoint the Architectural Control Committee to the Homeowner's Association. The Architectural Control Committee shall be chosen from among the members of the Board of Directors of the Homeowner's Association.

Approval of Plans and Specifications

7.02 No building, fence, wall, culvert, driveway, parking space, mailbox, enclosure or other structure shall be commenced, erected, materially altered, or maintained upon the Property, nor shall any exterior addition to, or change or alteration therein, be made, until the plans and specifications showing the nature, kind, shape, color, height, materials and location of the same shall have been submitted to, and approved in writing by, the Architectural Control Committee as to harmony of external design and location in relation to surrounding structures and topography and finish grade elevation, among other things. However, approval by this committee shall not be unreasonably withheld.

Failure of Committee to Act

7.03 In the event that any plans and specifications are submitted to the Architectural Control Committee as provided herein, and such Committee shall fail either to approve or reject such plans and specifications for a period of Thirty (30) days following such submission, approval by the Committee shall not be required, and full compliance with this Article shall be deemed to have been had.

ARTICLE EIGHT**EXTERIOR MAINTENANCE**

8.01 In the event an Owner of any Tract shall fail to maintain the premises and the improvements situated thereon in a clean, sanitary, neat, and orderly manner, the Declarant or the Architectural Control Committee shall have the right, through its agents and employees, to enter upon said Tract and to clean, repair, maintain, and restore the Tract and exterior of the buildings and any other improvements erected thereon, all at the expense of the Owner. However, prior to entering said Tract the Declarant or Committee shall provide thirty (30) days written notice of the needed repair or restoration. In the event that Declarant or the Architectural Control Committee is required to pay for repair or restoration of Owner's tract, Owner shall reimburse Declarant or the Architectural Control

Committee within thirty (30) days written notice of the amount due and owing ("expense"). If the expense is not paid within (30) days after the date, the expense shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Declarant or Architectural Control Committee may bring an action at law against the Owner personally obligated to pay the same, or for foreclosure of the lien against the Tract and interest of the responsible Owner, such action to also include costs and reasonable attorney's fees of any such action. No owner shall otherwise escape liability for the expenses provided for herein by non-use of the Property or abandonment of his Tract.

ARTICLE NINE

USE RESTRICTIONS

9.01 Each use restriction set forth below may be modified in the future by Declarant as necessary to operate the Property as a Wildlife Management Area. Declarant may, but shall not be obligated to assign its power to modify these use restrictions to the Homeowner's Association.

Type of Buildings Permitted

9.02 All Tracts shall be used for residential purposes only, and no building shall be erected, altered, placed, or permitted to remain on any Tract other than one single family dwelling not to exceed two (2) stories in height plus any workshops, private garages, barns, and other necessary outbuildings (all such outbuildings not to exceed thirty (30) feet in height), provided, however, that not more than one single family guest house may be erected on a tract in addition to the above. Guest house must be erected behind main house with same architectural design as main single family dwelling unless variations is granted by Architectural Control Committee. The exterior walls of any residence situated on any tract shall consist of not less than eighty percent (80%) brick, stone, or other similar construction: provided, however, that all construction shall be of materials designed and manufactured for finished exterior use on site built residence structures of average or better quality. All non-masonry exterior construction (if any), on any residence or other building must be approved by the Architectural Control Committee. No aluminum or vinyl siding is allowed on any exterior walls. No more than twenty (20) percent of total exterior walls may include hardipanel siding. All houses must have at least a nine (9) twelve (12) pitch roof or more.

Minimum Floor Area and Exterior Walls

9.03 Any single story residence constructed on Tracts one (1) through thirteen (13), tract fifteen (15), tracts seventeen (17) through twenty-eight (28), tracts thirty-two (32) through sixty-seven (67) must have floor living area of two thousand two hundred (2,200) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports and garages: any residence two (2) stories in height must have a floor living area of not less than two thousand four hundred (2,400) square feet exclusive of open or screened porches, terraces, patios, driveways, carports, and garages.

Any single story residence constructed on Tracts fourteen (14), sixteen (16), and twenty-nine (29) through thirty-one (31), must have floor living area of not less than three thousand (3,000) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports, and garages: any residence two (2) stories in height must have a floor living area of not less than three thousand two hundred (3,200) square feet exclusive of open or screened porches, terraces, patios, driveways,

carports, and garages.

Any residence situated on any Tract except those described below must have a minimum width of not less than sixty-seven (67) feet, exclusive of carports, porches of any kind, awnings, roof overhangs, and the like.

Any residence situated on Tract fifty six (56) through sixty three (63), must have a minimum width of not less than fifty seven (57) feet; and Tract thirty two (32) and forty two (42), must have a minimum width of not less than fifty two (52) feet, exclusive of carports, porches of any kind, awnings, roof overhangs, and the like.

Landscaping

9.04 Prior to construction of any dwelling on a Tract, the lot owner must have a landscape plan approved by the Architectural Control Committee. Such plan must provide for the front and side yards to be sod or otherwise completely covered in all areas where grass is planned and for some shrubbery in the front yard. The approved landscape must be installed within ninety (90) days of completion or occupancy of the residence, whichever occurs first.

Garages

9.05 Every dwelling on a Tract shall have either an attached or detached garage with the capacity to hold at least two (2) automobiles. Said garage shall not front or open onto a street unless the lot is a corner lot and the garage fronts on a street other than the street which the residence fronts, or otherwise approved by the Architectural Control Committee.

Setbacks

9.06 No building shall be located on any of the Tracts nearer to the front lot line than fifty (50) feet, or nearer than fifty (50) feet to any side street line; except, however, minor variations of the minimum set-back line shall be permitted to allow for preservation and utilization of existing trees or views. No building shall be located nearer than fifteen (15) feet to an interior Tract line. No dwelling shall be located on any of the interior Tracts nearer than twenty (20) feet to the rear Tract line. For the purposes of this covenant, eaves, steps, and open porches shall not be considered as a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a Tract to encroach upon any other Tract, provided, however that this provision shall not apply to interior Tract boundary lines between contiguous Tracts having a common owner.

A variance may be permitted if a land tract makes the above setbacks unworkable, but only after the Architectural Control Committee approves such variances.

Resubdivision

9.07 No tract may be subdivided without the express written consent of the Declarant.

Easements

9.08 Each Owner covenants to provide and hereby grants easements and rights-of-way for existing utility lines and roadways, whether of record or not; easements and rights-of-way shown on the plat of Pecan Valley Ranch; other easements and rights-of-ways, if any, shown in the records of the County Clerk of Smith County, Texas; and easements for installation and maintenance of utilities and drainage facilities.

Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage, or interfere with, or change the direction of flow of drainage facilities in the easements. The easement area of each Tract and all improvements thereon shall be continuously maintained by the owner of such Tract, except for improvements for whose maintenance a public authority or utility company is responsible.

Noxious or Offensive Activities Prohibited

9.09 No noxious or offensive activities shall be allowed on the Property; nor shall anything be done thereon which may become an annoyance, danger or nuisance to the neighborhood, including hunting, which is not in compliance with the provisions of the Wildlife Management Plan, on any size tract. In addition to applicable federal, state and local law, any and all hunting rules and regulations shall be promulgated and enforced by the Wildlife Management Committee on a yearly basis, and no hunting in violation of said rules and regulations shall be tolerated.

Prohibited Residential Uses

9.10 No travel trailer, camping vehicle, basement, tent, shack, garage, barn, or other outbuilding erected or situated on any Tract shall at any time be used as a residence temporarily or permanently, nor shall any structure of a temporary character be used as a residence; provided, however, that nothing herein shall prohibit the temporary occupancy of a tent, camping vehicle, or travel trailer which is not permanently situated on a Tract. For purposes of this provision, temporary occupancy shall mean a period of occupancy not longer than forty-five (45) days including any periods of vacancy which commence after the start of the period of occupancy and which are shorter than ten (10) days in length.

No house trailer, modular home, mobile home, double wide home, or similar manufactured residence structure, shall be erected, parked, or otherwise situated on any Tract for any reason.

No used structure shall be moved on any Tract without the express written consent of the Declarant and the Architectural Control Committee.

Fencing

9.11 No barbed wire, hog wire, chain link, chicken wire, goat wire, or similar type fence shall be erected on any Tract. All fencing shall be of a decorative nature and Owner shall submit plans for such fencing to Declarant or the Architectural Control Committee for approval prior to

construction. All fences shall be constructed with new materials. Privacy fencing is allowed in back yards and along drainage ditches only, with the approval of the Architectural Control Committee or Declarant.

Mailboxes

9.12 All mailboxes and support poles at streets for United States mail delivery must be enclosed with material such as stone or brick; not less than two foot by two foot square in designated street location approved by Declarant, Smith County, City of Bullard and United States Post Office.

Radio and Television Antennae

9.13 Any radio and/or television antenna or satellite disk erected on any Tract shall not exceed by more than thirty (30) feet in height above the highest part of the roof of the highest building on the Tract and shall not be located forward of the principal dwelling erected on the Tract.

Manufacturing and Commercial Activity

9.14 No manufacturing or commercial enterprise or enterprises of any kind for profit shall be maintained on or in front of any Tract nor shall such property in any way be used for other than strictly residential purposes. This restriction shall not be construed, however, as preventing the growing of crops or the raising of animals (except as hereinafter provided) which are removed from the Property before sale or which are sold for delivery elsewhere than on the Property, nor shall it be construed as preventing the practice, by a person actually residing on a Tract, of architecture, accountancy, engineering, computer programming, counseling, individualized teaching or tutoring, general or specialized consulting, or of similar or analogous professions or skills; provided, however, that no sales of goods of any kind shall be permitted to be made on any Tract except sales which are only occasional and which are merely incidental to the residential or other permitted use of the Property (a non-commercial garage sale, for example) and, further provided, that not more than one non-resident employee may be employed on any Tract at any one time; and, further provided, that nothing herein shall prohibit an artist or craftsman actually residing on a Tract from producing art or craft objects which are removed from the Property before the sale. This provision shall not preclude Declarant from engaging in commercial activity related to the development, construction and sale of the Property, and Declarant may construct and maintain such facilities as may be reasonably necessary or convenient for such development, construction and sale, including but not limited to, sales offices, construction headquarters, storage areas, model units, etc. No sign of any kind shall be permitted to identify such practice, profession or skill on any tract except those described and more fully set out in Article 9.21.

Compliance with Law

9.15 No building or other structure shall be erected or situated on any Tract except in compliance with applicable building and use codes, zoning laws, and other laws and regulations applicable to the Property.

Rubbish, Trash and Garbage

9.16 No Tract shall be used or maintained as a dumping ground for rubbish or trash and no garbage or other waste shall be kept except in sanitary containers. All incinerators or other equipment for the storage and disposal of such materials shall be kept in a clean and sanitary condition. No trash burning will be permitted on any tract of land.

Sewage Disposal

9.17 No individual sewage disposal system shall be permitted on any Tract unless the system is designed, located, and constructed in accordance with the requirements, standards, and recommendations of any state, county, municipal, or other governmental subdivision or agency having lawful authority pertaining thereto. Approval of the system as installed shall be obtained from that authority.

Clothes Drying Facilities

9.18 Outside clothes lines or other facilities for drying clothes or airing clothes shall not be erected, placed or maintained on any Tract unless they are concealed in such a manner so as not to be visible from streets or from access roads.

Water Supply

9.19 No individual water supply system shall be permitted on any Tract unless the system is located, constructed, and equipped in accordance with the requirements, standards, and recommendations of any state, county, municipal, or other governmental subdivision or agency having lawful authority pertaining thereto. Approval of the system as installed shall be obtained from that authority, and the Architectural Control Committee.

Dams

9.20 Dams may be built on creeks or natural waterways only if:

- (1) Written permission is obtained from owners of land adjacent to such waterways on both sides;
- (2) Such dam will not be built so as to back water upon or inundate the land of another owner, unless a written easement is obtained from such other owner;
- (3) Such dam will not cause the flooding of any roadway;
- (4) Necessary and proper governmental permits are obtained; and
- (5) Such dam is approved in writing by the Wildlife Management Committee as consistent with the Wildlife Management Plan.

Lake Area

9.21 The lake under construction in Pecan Valley Ranch subdivision will not be a public lake. It will be owned exclusively by the Declarant. No one will be allowed on the lake at any time except lake front Tract property owners without written authority from the Declarant, including but

not limited to boating, swimming, and fishing. There will be a common area adjoining the lake owned by the Pecan Valley Ranch Homeowner's Association. This common area will not include any area under the water or considered lake area. This common area adjoining the lake will be mandated by covenants, conditions and restrictions developed by the Homeowner's Association's Board of Directors and Wildlife Management Committee.

"Should an injury or death occur in connection with any use whatsoever of the lake by a person or to any lake front Tract property owners, their family, friends or invitees without written authority of the Declarant, and the unauthorized user is present at the invitation, express or implied, of a lake front Tract property owner or a property owner, said lake front Tract property owner or property owner shall fully indemnify and hold harmless the Declarant from and against any and all claims and liability arising from such use, even if the injury or death is found to have been caused by the negligence of the Declarant, in whole or in part. All unauthorized users of the lake shall be considered to be trespassers as to the Declarant, notwithstanding the fact that they may have been extended an invitation by a lake front Tract property owner or property owner."

It will be prohibited under any condition to use motor powered boats of any kind on lake. The use of canoes, peddle and row boats may be used by lake front Tract property owners; and said lake front Tract property owners shall fully indemnify and hold harmless the Declarant from and against any and all claims and liability arising from this use or any other use, even if the injury or death is found to have been caused by the negligence of the Declarant, in whole or in part.

Lake front Tract property owners may build a deck on lake with excess from their real property only after obtaining approval from Declarant. Size, design and shape requirements will be required depending on lake front Tract, and water depth of lake adjoining said Tract.

Signs

9.22 No signs shall be permitted on unimproved tracts except to identify the tract by legal description. General contractors and sub-contractors may each post one sign on tracts upon which homes are under construction. Owners of improved property (property with a home built on it) or builders, investors or their authorized agent who have constructed "spec homes" may post one sign on the improved property indicating the property is available for purchase. All signs must be of professional quality and must be approved in advance by the Architectural Control Committee or Declarant.

Water Runoff

9.23 Nothing shall be erected, placed, maintained, done or permitted to remain on any Tract which interferes with surface water runoff in such manner as to cause such water runoff to be diverted across any other Tract or which causes flooding or erosion to any other Tract or to any street or ditch.

Clearing and Burning

9.24 Clearing may be done by Owner, provided that no hardwood trees are removed without the Wildlife Management Committee and Declarant's approval and when said clearing is not in violation of any local, State or Federal laws.

Brush and removed trees may be burned only if it is not in violation of any local, State, or Federal laws; the local fire department has no burning ban in effect at that time; it is done during damp weather with low winds, and there is a cleared area around the brush or trees to be burned. A bulldozer or local fire department surveillance is required at the burning sight.

Sight Distance at Intersections

9.25 No fence, wall hedge, or shrub planting that obstructs sight lines at elevations between two (2) and six (6) feet above the roadway shall be placed or permitted to remain on any corner (tract within the triangular area formed by the street property lines and a line connecting them at points thirty (30) feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Tract within (10) feet from the intersection of a street property line with the edge of a driveway or alley. No tree shall be permitted to remain within such distances of intersections unless the foliage line is maintained to meet the sight-line requirements set forth above.

Pollution

9.26 All springs, creeks, ponds, stock tanks, ditches, and gullies, and any water on any Tract shall be kept free of trash, rubbish, garbage, waste, effluent from sewage disposal systems or other waste disposal systems, and all other forms of pollution by the Owner of the Tract.

Animals

9.27 All livestock, dogs, and poultry must be kept penned or fenced-in at all times or must be individually tethered or leashed. No stable, barn, shed, or sty in which livestock are housed or fed; no livestock feeding trough, bin or station; no poultry house, coop or yard; no dog kennel; and no cattery shall be erected, used or maintained on any tract at any time for any purpose within twenty-five (25) feet of the boundary line of any other Tract or within one hundred fifty (150) feet of any roadway. For purposes of the provisions of this Article, the Owner of more than one Tract shall treat all contiguously owned Tracts or parts thereof as if constituting a single Tract. As used herein, the term "livestock" shall include horses, mules, donkeys, calves, heifers, sheep, goats, llamas, and similar animals and ostriches, emus, and similar birds; and the term "cattle" shall include cows, bulls, steers, oxen, bison, calves and heifers. In addition to the numbers of animals, livestock, and poultry otherwise permitted to be kept or maintained on any tract, the natural offspring of such animals, livestock, and poultry may be temporarily kept or maintained for the period of time during which such offspring are normally dependent on a parent for feeding, nurturing, or protection. Except as otherwise provided herein, no animals, livestock, or poultry of any kind shall be raised, bred, kept, or maintained on any Tract at any time for any purpose in violation of the following rules and limitations:

- A. No more than three (3) dogs may be raised, bred, kept or maintained on any Tract.
- B. No more than three (3) cats may be raised, bred, kept or maintained on any Tract.
- C. No swine may be raised, bred, kept or maintained on any Tract.
- D. No more than one head of cattle may be raised, bred, kept or maintained on any Tract for each one and one half (1 ½) acre in size of the Tract.
- E. Not more than one (1) head of livestock and ten (10) head of poultry may be raised,

- bred, kept or maintained on any Tract for each one and one half (1 ½) acre in size of the Tract.
- F. No lions, tigers, panthers, bears, or similar animals may be raised, bred, kept or maintained on any Tract.
 - G. No animals, livestock, or poultry of any kind shall be raised, bred, kept, or maintained on any Tract in such manner as to cause a safety or health risk or hazard to humans or other animals, livestock, or poultry or in such manner as to cause a noise, odor or other nuisance.
 - H. Any livestock or cattle kept or raised in excess of three per five acres must be penned and fed in stalls or corrals unless circumstances are approved with express written consent of Declarant.

Prohibited Use and Items

9.28 No wrecked, junked, broken down, or inoperative automobile, truck, bus, motorcycle, or other motor vehicle, boat, or trailer, or any part thereof, shall be placed or parked or be permitted to remain on or in front of any Tract so as to be visible from any street or highway or from any adjacent Tract.

Travel trailers, campers and motor homes may be placed or parked on a Tract as long as they are not visible from street or they must be in an enclosed garage. They can not be used as a residence or guest house on any Tracts at any time.

No part of any Tract shall be used or maintained as a place for the acquisition, storage, processing, disposition, or sale of junk, used goods, or bulk materials or goods.

No oil or gas well drilling, oil or gas development operations, oil refining, quarrying, gravel pits, or mining operations of any kind shall be permitted on a Tract, nor shall oil wells, gas wells, tanks, tunnels, mineral excavations, or shafts be permitted on any Tract without the express written consent of Declarant. No derrick or other structure designed for use in boring for oil, natural gas, or other minerals shall be erected, maintained, or permitted on any Tract without the express written consent of Declarant.

Autos, Trucks, Buses and Trailers

9.29 No motor homes, recreational house trailers, horse or cattle trailers, truck campers, boats, boat trailers and other recreational vehicles shall be parked openly in the street or visible from the street. No motorized vehicle of any kind shall be operated in any manner that is dangerous, noisy, or creates nuisance in the opinion of the Homeowner's Association or Declarant.

All dump trucks are limited to a maximum pay load of five (5) cubic yards for single axle trucks and a maximum pay load of eight (8) cubic yards for tandem axle trucks.

All cement trucks are limited to a maximum pay load of seven (7) cubic yards.

All eighteen wheel brick, rock and other delivery trucks are limited to a maximum pay load of

12,000 pounds per axle and must be directed on turn arounds by the Homeowner's Association's Agent or Declarant.

All tandem axle delivery trucks are limited to a maximum pay load of 21,000 pounds and single axle delivery trucks are limited to a maximum pay load of 12,000 pounds.

Parking on the street for periods in excess of six (6) hours shall not be permitted.

Driveways

9.30 Driveways shall be constructed of concrete, minimum 4" reinforced with #3 bars 18" center to center with expansion joints max 20' spacing or asphalt paving, minimum 6" compacted road gravel and 1 1/2" hot mix asphaltic concrete for not less than one hundred and fifty (150) feet from any public road or right-of-way. Beginning at a minimum distance of one hundred and fifty (150) feet from any public road or right-of-way, driveways may be constructed of any customary road material. Driveway culverts must be no less than 12 inches in diameter unless otherwise approved by the Architectural Control Committee. Culvert pipe must be Galvanized Corrugated Metal (GCM) or concrete pipe. Plastic or PVC of any kind shall not be permitted in any application as a drain pipe under a driveway, whether the location of that pipe is in the public right-of-way or on private property.

Secondary driveways, such as those leading to barns, workshops, etc., are exempt from this restriction as long as they do not adjoin public dedicated roadways.

Electrical Service

9.31 All electrical service must be run to the various service areas (houses, garages, barns, shops, etc.) underground. No above ground electrical poles shall be permitted unless special written approval is granted in advance by the Architectural Control Committee.

Construction Completion

9.32 Exterior and interior construction of all structures must be completed within twelve (12) months from the date of written approval of plans by the Architectural Control Committee unless an extension is granted by said committee.

ARTICLE TEN

GENERAL PROVISIONS

Enforcement

10.01 The Declarant, any Owner, or the Homeowner's Association shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations now or hereafter imposed by the provisions of this Declaration. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Severability

10.02 Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, and all other provisions shall remain in full force and effect. To the extent that any provision of this Declaration conflicts with, or cannot be reconciled with, any applicable loan regulation, rule or guideline of the Farmers Home Administration or Veterans Administration, such regulation, rule or guideline shall control. In such an instance, the remaining provisions of this Declaration shall be unaffected and shall remain in full force and effect.

Duration and Amendment

10.03 The covenants, conditions, and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforceable by the Declarant, the Owner of any Tract subject to this Declaration, or an association of Owners of Tracts subject to this Declaration, and their respective legal representatives, heirs, successors, and assigns, and, unless amended as provided herein, shall be effective for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years. The covenants, conditions, and restrictions of this Declaration may be amended during the first thirty (30) year period by an instrument signed by the Owner or Owners of not less than sixty-six and two-thirds percents (66 2/3%) of the tracts and thereafter by an instrument signed by the Owner or Owners of not less than fifty-one percent (51%) of the Tracts. This Declaration may be amended from time to time by the Declarant in accordance with the term and provisions hereof until such time as Declarant no longer holds any right, title or interest in and to the Property. Notwithstanding anything to the contrary in this Declaration, the Declarant may at anytime amend this Declaration or the Bylaws by instrument duly signed, acknowledged and filed for record, for (i) the sole purpose of having the Declaration comply with financing eligibility requirements of the Federal Home Loan Mortgage Corporation, Federal National Mortgage, Veteran's Administration, Federal Housing Administration, or comparable federal or state agencies, or (ii) any other purpose deemed by the Declarant to be reasonable, necessary or convenient to complete Declarant's development plan for the Subdivision or any portion hereof. At such time as Declarant no longer owns a lot in the Subdivision, the provisions of this Section 10.03 shall terminate. No amendment shall be effective until recorded in the Real Property Records of Smith County, Texas, nor until the approval of any governmental regulatory body which is required shall have been obtained. Until January 1, 2005, Declarant may amend this Declaration of Covenants, Conditions and Restrictions to eliminate or modify the Wildlife Management Area Provisions, provided however that no modifications shall be more restrictive than those provided herein.

Declarant not Liable

10.04 Effective as of the date Declarant conveys all of its rights, title and interest in and to the Property and no longer holds any interest in and to the Property or any Property thereafter added pursuant to Article Three, Declarant shall be deemed to have assigned all its rights, benefits and obligations as Declarant hereunder to the Association. Declarant shall then be relieved of the performance of any further duty or obligations hereunder, and the Association and its Board shall then be obligated to perform all such duties and obligations of the Declarant with the necessity of any further writing of assignment of such rights and obligations

by the Declarant. DURING THE TERM OF THIS DECLARATION AND THEREAFTER, NEITHER DECLARANT NOR THE PARTNERS, OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES AND AGENTS OF IT SHALL BE LIABLE FOR DAMAGES OR OTHERWISE TO ANY OWNER OF ANY PROPERTY RELYING ON THESE RESTRICTIONS FOR REASON OF THEIR UNENFORCEABILITY OR BY REASON OF DECLARANT'S ENFORCEMENT OR NONENFORCEMENT THEREOF, IN ADDITION, DURING THE TERM OF THE DECLARATION AND THEREAFTER, EACH OWNER AGREES THAT HE WILL NOT BRING ANY ACTION OR SUIT AGAINST DECLARANT OR THE PARTNERS, OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES AND AGENTS OF IT, TO RECOVER ANY SUCH DAMAGES, AND HEREBY RELEASES ALL CLAIMS, DEMANDS AND CAUSES OF ACTION AGAINST DECLARANT ARISING OUT OF OR IN CONNECTION WITH ANY DECISION, ACTION, JUDGMENT, NEGLIGENCE, ENFORCEMENT ACTION OR ANY OTHER ACT OR OMISSION BY DECLARANT IN CONNECTION WITH THE ENFORCEMENT (OR LACK THEREOF) OF THIS DECLARATION.

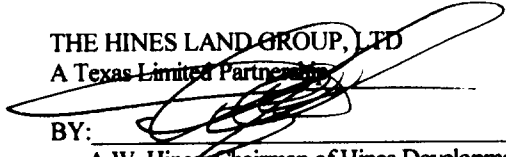
Assignment by Declarant

10.05 Notwithstanding any provision in this Declaration to the contrary, Declarant may in writing filed of record referring to this Declaration by cabinet and slide, expressly assign in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any other Person or entity and may permit the participation, in whole or in part, by any other Person or entity of any of its privileges, exemptions, rights and duties hereunder. Upon assignment by Declarant of any or all of Declarant's rights, the Declarant shall no longer be liable for performance of such assigned rights provided that the assignee expressly assumes in the recorded assignment the obligations of Declarant that are assigned.

IN WITNESS WHEREOF, Declarant has executed this Amended Declaration as of this the 11th day of July, 2003.

DECLARANT:

THE HINES LAND GROUP, LTD
A Texas Limited Partnership



BY: A.W. Hines, Chairman of Hines Development Corporation, General Partner for The Hines Land Group, Ltd.

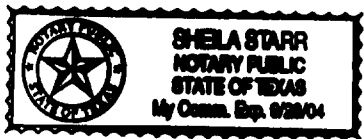
CORPORATE ACKNOWLEDGEMENT

STATE OF TEXAS:
COUNTY OF SMITH:

This instrument was acknowledged before me on the 11th day of July, 2003, by A.W. Hines, Chairman of Hines Development Corporation, a Texas Corporation and General Partner for The Hines Land Group, Ltd., a Texas Limited Partnership.

Sheila Starr

Notary Public
State of Texas



Notary Printed Name

Date Commission Expires

*Return:
First American Title*

STATE OF TEXAS COUNTY OF SMITH
I hereby certify that this instrument was
filed on the date and time stamped hereon
by me and was duly recorded in the Official
Public records of Smith County, Texas.



JUL 15 2003

Judy Carnes

JUDY CARNES
COUNTY CLERK, Smith County, Texas

Second-Amended Declaration of Covenants, Conditions and Restrictions
For Pecan Valley Ranch

Filed for Record in:
SMITH COUNTY, TEXAS
JUDY CARNES, COUNTY CLERK
On Jul 15 2003
At 9:31am
Receipt #: 274987
Recording: 49.00
Doc/Num : 2003-00035925
Doc/Type : REC Page 21 of 21
Deputy -Georganna Vickers

**SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS FOR PECAN VALLEY RANCH SUBDIVISION, PHASE ONE,
SMITH COUNTY, TEXAS TO INCLUDE PHASE TWO**

WHEREAS, The Hines Land Group, LTD, hereinafter called the "Declarant", is the owner of all that certain real property located in Smith County, Texas, known as "Pecan Valley Ranch Phase One," described as follows:

All that certain real property located in Smith County, Texas, known as Pecan Valley Ranch, Phase One, comprising all of Tracts One (1) through Sixty-Seven (67) of said subdivision as recorded in Cabinet D, Slide 146-D, and Slide 166-C of the Official Public Records of Smith County, Texas.

AND WHEREAS, Declarant is also the owner of that certain real property located in Smith County, Texas, known as "Pecan Valley Ranch, Phase Two," described as follows:

All that certain real property located in Smith County, Texas, known as Pecan Valley Ranch, Phase Two, comprising all of Tracts Sixty-Eight (68) through Seventy-Eight (78) and Tract Thirty One A (31-A), as recorded in Cabinet D, Slide 206-C of the Official Public Records of Smith County, Texas.

AND WHEREAS, Pecan Valley Ranch, Phase One is subject to that one certain Amended Declaration of Covenants, Conditions, and Restrictions for Pecan Valley Ranch, Phase One, Smith County, Texas (the "Declaration"), recorded in Volume 6399, Page 176, and Volume 6696, Page 170, Official Public Records of Smith County, Texas;

AND WHEREAS, section 3.02 of the Declaration reserves to Declarant the right to impose the Declaration or a substantially similar declaration upon additional property adjacent contiguous or nearby to Pecan Valley Ranch, Phase One;

NOW THEREFORE, the Declaration is hereby supplemented to impose the Declaration in its entirety upon Pecan Valley Ranch, Phase Two the following deviations which apply only to Pecan Valley Ranch, Phase Two:

Minimum Floor Area and Exterior Walls

1. Section 9.03 Regarding Minimum Floor Area and Exterior Walls, As to Pecan Valley Ranch Phase Two, this section shall read:

Any single story residence constructed in Pecan Valley Ranch, Phase Two On Tracts Sixty-Eight (68) through Seventy-Three (73) must have floor living area of not less than four thousand (4,000) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports, and garages; any

Filed for Record in:
SMITH COUNTY, TEXAS
JUDY CARNES, COUNTY CLERK
On Nov 04 2003
At 9:33am
Receipt #: 288981
Recording: 16.00
Doc/Num : 2003-R0057611
Doc/Type : REC
Deputy -Janis Farrell

Return to: Just America Title

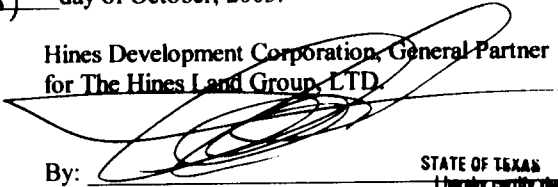
residence two (2) stories in height must have a floor area of not less than four thousand two hundred square feet exclusive of open or screened porches, terraces, patios, driveways, carports, and garages.

Any single story residence constructed on Tracts Seventy-Four (74) through Seventy-Eight (78), and including Tract Thirty One-A (31-A) must have floor living area of not less than three thousand two hundred (3,200) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports, and garages; any residence Two (2) stories in height must have a floor space of not less than three thousand four hundred (3,400) square feet exclusive of open or screened porches, terraces, patios, driveways, carports and garages.

Any residence situated on any Tract must have a minimum width of not less than sixty (60) feet, exclusive of porte cocheres, porches of any kind, awnings, roof overhangs, and the like.

IN WITNESS WHEREOF, Declarant has executed this Supplemental Declaration as of this the 31 day of October, 2003.

Hines Development Corporation, General Partner
for The Hines Land Group, LTD.



By: A. W. Hines, Chairman

STATE OF TEXAS COUNTY OF SMITH
I hereby certify that this instrument was
filed on the date and time stamped hereon
by me and was duly recorded in the Official
Public records of Smith County, Texas.



NOV 4 2003

Judy Carnes

JUDY CARNES
COUNTY CLERK, Smith County, Texas

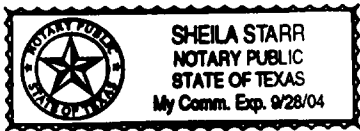
CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS)
)
COUNTY OF SMITH)

This instrument was acknowledged before me on this 31st day of October, 2003, by A. W. Hines, Chairman of Hines of Development Corporation, a Texas Corporation; General Partner for The Hines Land Group, LTD. (A Texas Limited Partnership)

Sheila Starr

Notary Public in and For the State of Texas



SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR PECAN VALLEY RANCH SUBDIVISION, PHASE ONE, SMITH COUNTY, TEXAS TO INCLUDE PHASE TWO

WHEREAS, The Hines Land Group, LTD, hereinafter called the "Declarant", is the owner of all that certain real property located in Smith County, Texas, known as "Pecan Valley Ranch Phase One," described as follows:

All that certain real property located in Smith County, Texas, known as Pecan Valley Ranch, Phase One, comprising all of Tracts One (1) through Sixty-Seven (67) of said subdivision as recorded in Cabinet D, Slide 146-D, and Slide 166-C of the Official Public Records of Smith County, Texas.

AND WHEREAS, Declarant is also the owner of that certain real property located in Smith County, Texas, known as "Pecan Valley Ranch, Phase Two," described as follows:

All that certain real property located in Smith County, Texas, known as Pecan Valley Ranch, Phase Two, comprising all of Tracts Sixty-Eight (68) through Seventy-Eight (78) and Tract Thirty One A (31-A), as recorded in Cabinet D, Slide 206-C of the Official Public Records of Smith County, Texas.

AND WHEREAS, Pecan Valley Ranch, Phase One is subject to that one certain Amended Declaration of Covenants, Conditions, and Restrictions for Pecan Valley Ranch, Phase One, Smith County, Texas (the "Declaration"), recorded in Volume 6399, Page 176, and Volume 6696, Page 170, Official Public Records of Smith County, Texas;

AND WHEREAS, section 3.02 of the Declaration reserves to Declarant the right to impose the Declaration or a substantially similar declaration upon additional property adjacent contiguous or nearby to Pecan Valley Ranch, Phase One;

NOW THEREFORE, the Declaration is hereby supplemented to impose the Declaration in its entirety upon Pecan Valley Ranch, Phase Two the following deviations which apply only to Pecan Valley Ranch, Phase Two:

Minimum Floor Area and Exterior Walls

1. Section 9.03 Regarding Minimum Floor Area and Exterior Walls, As to Pecan Valley Ranch Phase Two, this section shall read:

Any single story residence constructed in Pecan Valley Ranch, Phase Two On Tracts Sixty-Eight (68) through Seventy-Three (73) must have floor living area of not less than four thousand (4,000) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports, and garages; any

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residence two (2) stories in height must have a floor area of not less than four thousand two hundred square feet exclusive of open or screened porches, terraces, patios, driveways, carports, and garages.

Any single story residence constructed on Tracts Seventy-Four (74) through Seventy-Eight (78), and including Tract Thirty One-A (31-A) must have floor living area of not less than three thousand two hundred (3,200) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports, and garages; any residence Two (2) stories in height must have a floor space of not less than three thousand four hundred (3,400) square feet exclusive of open or screened porches, terraces, patios, driveways, carports and garages.

Any residence situated on any Tract must have a minimum width of not less than sixty (60) feet, exclusive of porte cocheres, porches of any kind, awnings, roof overhangs, and the like.

IN WITNESS WHEREOF, Declarant has executed this Supplemental Declaration as of this the 31 day of October, 2003.

STATE OF TEXAS COUNTY OF SMITH
I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the Official Public records of Smith County, Texas.

Hines Development Corporation, General Partner
for The Hines Land Group, LTD,



NOV 4 2003

Judy Carnes
JUDY CARNES
COUNTY CLERK, Smith County, Texas

By: *[Signature]*
A. W. Hines, Chairman

Filed for Record in
SMITH COUNTY, TEXAS
JUDY CARNES, COUNTY CLERK
On Nov 04 2003
At 9:33am
Receipt #: 289981
Recording: 16.00
Doc/Num : 2003-10057612
Doc/Type : REC
Deputy -Janis Farrell

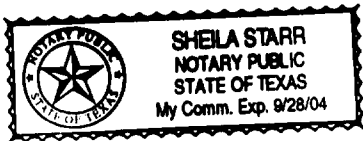
CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS)
)
COUNTY OF SMITH)

This instrument was acknowledged before me on this 31st day of October, 2003, by A. W. Hines, Chairman of Hines of Development Corporation, a Texas Corporation; General Partner for The Hines Land Group, LTD. (A Texas Limited Partnership)

Sheila Starr

Notary Public in and For the State of Texas



4

**SUPPLEMENTAL AND THIRD AMENDED DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR PECAN VALLEY RANCH
SUBDIVISION, PHASE ONE, SMITH COUNTY, TEXAS TO INCLUDE PHASE
TWO, THREE AND FOUR**

WHEREAS, The Hines Land Group, LTD, hereinafter called the "Declarant", is the owner of all that certain real property located in Smith County, Texas, known as "Pecan Valley Ranch Phase One," described as follows:

All that certain real property located in Smith County, Texas, known as Pecan Valley Ranch, Phase One, comprising all of Tracts One (1) through Sixty-Seven (67) of said subdivision as recorded in Cabinet D, Slide 146-D, and Slide 166-C of the Official Public Records of Smith County, Texas.

AND WHEREAS, Declarant is also the owner of that certain real property located in Smith County, Texas, known as "Pecan Valley Ranch, Phase Two," described as follows:

All that certain real property located in Smith County, Texas, known as Pecan Valley Ranch, Phase Two, comprising all of Tracts Sixty-Eight (68) through Seventy-Eight (78) and Tract Thirty One A (31-A), as recorded in Cabinet D, Slide 206-C of the Official Public Records of Smith County, Texas.

AND WHEREAS, Declarant is also the owner of that certain real property located in Smith County, Texas, known as "The Park at Pecan Valley Ranch", being Phase Three," of Pecan Valley Ranch subdivision described as follows"

All that certain real property located in Smith County, Texas, "The Park at Pecan Valley Ranch" being Phase Three of Pecan Valley Ranch subdivision comprising all of Tracts One (1) through Thirty Three (33), as recorded in Cabinet "D", Slide 227-C, of the Official Public Records of Smith County, Texas.

AND WHEREAS, Declarant is also the owner of that certain real property located in Smith County, Texas, known as "Pecan Valley Ranch, Phase Four," described as follows:

All that certain real property located in Smith County, Texas, known as Pecan Valley Ranch, Phase Four, comprising all of Tracts One (1) through Forty One (41), as recorded in Cabinet "D", Slide 285-C and 285-D, of the Official Public Records of Smith County, Texas.

AND WHEREAS, Pecan Valley Ranch, Phase One, Smith County, Texas is subject to that one certain Amended Declaration of Covenants, Conditions, and Restrictions and Phase Two is subject to those as well as that one certain supplemental Declaration of Covenants, Conditions, and Restrictions (the "**Declaration**"), recorded in Volume 6399, Page 176, and Volume 6696, Page 170 Smith County, Texas.

AND WHEREAS, Section 3.02 of the Declaration reserves to Declarant the right to impose the Declaration or a substantially similar declaration upon additional property adjacent contiguous or nearby to Pecan Valley Ranch, Phase One;

NOW THEREFORE, the Declarant is hereby supplemented to impose the Declaration in its entirety upon Pecan Valley Ranch, Phase Two, Three and Four subject to the following deviations, which apply to Pecan Valley Ranch, Phase One, Two, Three and Four.

Lake Area

9.21 The Lake described in Section 9.21 in the Second-Amended Declarations of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One, Smith County, Texas is hereby conveyed and granted by Declarant to Pecan Valley Ranch Homeowners Association.

Rights-of-Way, Streets, Nature Trails, and Other Common Areas

4.06 All of the Rights-of-Way, Streets, Nature Trails, Lake and Other Common Areas were initially owned by the Declarant. Declarant has agreed, and does by these presents grant and convey all such areas, without consideration, to the Association. All of such areas are for the use and benefit of the Owners, their guests and invitees, and a license is hereby granted over and across all such areas to the Owners of the Tracts for the use thereof. Such license to use the areas shall be subject to such rules and regulations as promulgated by the Association, from time to time, and as may be reasonable and necessary for the safety and enjoyment of all of the Owners. Notwithstanding anything contained herein to the contrary, it is specifically agreed that the Owners shall at all times have the right to use of all streets for the purpose of providing rights of ingress and egress to and from their Tracts to a publicly dedicated roadway for themselves, their invitees and guest.

NOW THEREFORE, the Declaration is hereby supplemented to impose the Declaration in its entirety upon The Park at Pecan Valley Ranch, being Phase Three of Pecan Valley Ranch Subdivision subject to the following deviations, which apply only to The Park at Pecan Valley Ranch, being Phase Three of Pecan Valley Ranch Subdivision:

Minimum Floor Area and Exterior Walls

9.03 Any single story residence constructed in **The Park** at Pecan Valley Ranch, being Phase Three on Tracts One (1) through Thirty Three (33) must have floor living area of one thousand eight hundred (1,800) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports and garages. Any residence two (2) stories in height must have a floor living area of not less than two thousand (2,000) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports and garages.

9.05 Every dwelling on a Tract shall have either an attached or detached garage with the capacity to hold at least two (2) automobiles. Said garage shall or shall not front onto a street.

NOW THEREFORE, the Declaration is hereby supplemented to impose the Declaration in its entirety upon Pecan Valley Ranch, Phase Four subject to the following deviations, which apply only to Pecan Valley Ranch, Phase Four:

Minimum Floor Area And Exterior Walls

9.03 Any single story residence constructed in Pecan Valley Ranch, Phase Four, Tracts one (1) through ten (10) must have floor living area of three thousand (3,000) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports and garages: Any residence two (2) stories in height must have a floor living area of not less than three thousand two hundred (3,200) square feet exclusive of open or screened porches, terraces, patios driveways, carports, and garages.

Any single story residence constructed in Pecan Valley Ranch, Phase Four, Tracts eleven (11) through forty one (41) must have floor living area of not less than two thousand five hundred (2,500) square feet, exclusive of open or screened porches, terraces, patios, driveways, carports, and garages: any residence two (2) stories in height must have a floor living area of not less than two thousand seven hundred (2,700) square feet exclusive of open or screened porches, terraces, patios and driveways.

NOW THEREFORE, the Declaration is hereby supplemented to impose the Declaration in its entirety upon Pecan Valley Ranch, Phase Two, Three and Four subject to the following deviations which apply only to Pecan Valley Ranch, Phase Two, Three and Four.

Animals

9.27 In Phase Two, Three, and Four all dogs must be kept penned or fenced-in at all times or must be individually tethered or leashed. No stable, barn, shed, or sty in which livestock are housed or fed; no livestock feeding trough, bin or station; no poultry house, coop or yard; and no cattery shall be erected, used or maintained on any tract at any time for any purpose.

- A. No more than three (3) dogs may be raised, bred, kept or maintained on any Tract.
- B. No more than three (3) cats may be raised, bred, kept or maintained on any Tract.
- C. No swine may be raised, bred, kept or maintained on any Tract.
- D. No livestock or cattle may be raised, bred, kept or maintained on any Tract. As used herein, the term "livestock" shall include horses, mules, donkeys, calves, heifers, sheep, goats, llamas, and similar animals and ostriches, emus, and similar birds; and the term "cattle" shall include cows, bulls, steers, oxen, bison, calves and heifers.
- E. No poultry may be raised, bred, kept or maintained on any Tract.
- F. No lions, tigers, panthers, bears or similar animals may be raised, breed, kept or maintained on any Tract.

NOW THEREFORE, the Declaration is hereby supplemented to impose the Declaration in its entirety upon Pecan Valley Ranch, Phase Three and Four subject to the following deviations, which apply only to Pecan Valley Ranch, Phase Three and Four.

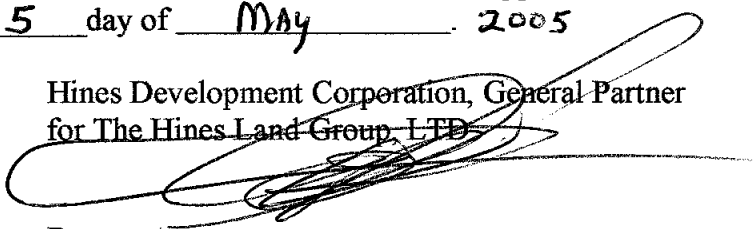
Setbacks

9.06 In Phase Three and Four no building shall be located on any of the Tracts nearer to the front lot line than Twenty-Five (25) feet, or nearer than Twenty-Five (25) feet to any side street line; except, however, minor variations of the minimum set-back line shall be permitted to allow for preservation and utilization of existing trees or views. No building shall be located nearer than fifteen (15) feet to an interior Tract line. No dwelling shall be located on any of the interior Tracts nearer than twenty (20) feet to the rear Tract line. For the purposes of this covenant, eaves, steps, and open porches shall not be considered as a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a Tract to encroach upon any other Tract, provided, however that this provision shall not apply to interior Tract boundary lines between contiguous Tracts having a common owner.

A variance may be permitted if a land tract makes the above setbacks unworkable, but only after the Architectural Control Committee approves such variances.

IN WITNESS WHEREOF, Declarant has executed this Supplemental Declaration as of this the 5 day of May, 2005

Hines Development Corporation, General Partner
for The Hines Land Group, LTD



By: _____
A. W. Hines, Chairman

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS

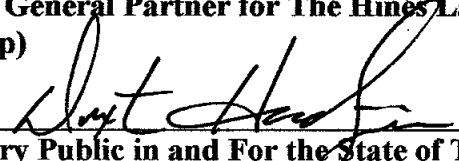
) (

COUNTY OF SMITH

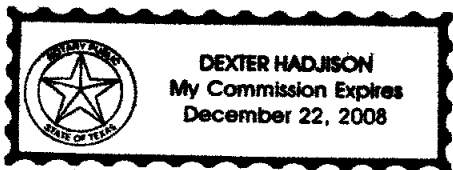
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) (

This instrument was acknowledged before me on this 5 day of May, 2005, by A. W. Hines, Chairman of Hines of Development Corporation, a Texas Corporation; General Partner for The Hines Land Group, LTD. (A Texas Limited Partnership)



Notary Public in and For the State of Texas



Filed for Record in:
SMITH COUNTY, TEXAS
JUDY CARNES, COUNTY CLERK
On May 11 2005
At 10:56am
Receipt #: 347815
Recording: 20.00
Doc/Num : 2005-00022757
Doc/Type : REC
Deputy -Elena Glasscock

STATE OF TEXAS COUNTY OF SMITH
I hereby certify that this instrument was
filed on the date and time stamped hereon
by me and was duly recorded in the Official
Public records of Smith County, Texas.



MAY 11 2005

Judy Carnes
JUDY CARNES
COUNTY CLERK, Smith County, Texas



RETURN TO:
PECAN VALLEY RANCH
P.O. Box 89
BALLARD, TX
75757

**** Electronically Filed Document ****

**Smith County, TX
Karen Phillips
County Clerk**

**Document Number: 2012-1929
Recorded As : ERX-RECORDINGS - OPR**

**Recorded On: January 13, 2012
Recorded At: 02:12:55 pm
Number of Pages: 27**

Recording Fee: \$116.00

Parties:

**Direct- PECAN VALLEY RANCH HOMEOWNERS
Indirect-**

**Receipt Number: 601507
Processed By: Claudia Aparicio**

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.



I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Karen Phillips
County Clerk
Smith County, Texas

MANAGEMENT CERTIFICATE FOR
PECAN VALLEY RANCH HOMEOWNERS ASSOCIATION

STATE OF TEXAS §
 §
COUNTY OF SMITH §

- 1. Name of Subdivision: PECAN VALLEY RANCH
- 2. Name of Homeowners Association: Pecan Valley Ranch Homeowners Association
- 3. Recording Data for Subdivision: See Exhibit "A"
- 4. Recording Data for Declaration: See Exhibit "A"
- 5. Name and mailing address of Association: Pecan Valley Ranch Homeowners Association, 114 Lake Lou Ella Drive, Bullard, TX 75757.
- 6. The association's designated representative is: Pecan Valley Ranch Homeowners Association, c/o Trudy Ferguson, 114 Lake Lou Ella Drive, Bullard, TX 75757; Phone: 903/894-7348.
- 7. Other information the Association considers appropriate for the governing, administration or operation of the subdivision and homeowners association: See Exhibit "B"

Prospective purchasers are advised to independently examine all dedicatory instruments and governing documents for Pecan Valley Ranch, as well as performing a physical inspection of the property and common areas, prior to purchase. This Management Certificate does not purport to identify every publicly recorded document affecting the Subdivision. No person should rely on this Management Certificate for anything other than for identifying and contacting the Association.

PECAN VALLEY RANCH HOMEOWNERS
ASSOCIATION

By: Trudy Ferguson
Print Name: Trudy Ferguson
Print Title: Secretary

STATE OF TEXAS §
 §
COUNTY OF SMITH §

This instrument was acknowledged and signed before me on this the 11th day of January, 2012 by TRUDY Ferguson, the Secretary of Pecan Valley Ranch Homeowners Association on behalf of the Association.



Luan Smith
Notary Public - State of Texas

After Recording, Return To:
Stephanie Quade
Robert Markel Weinberg, PC
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

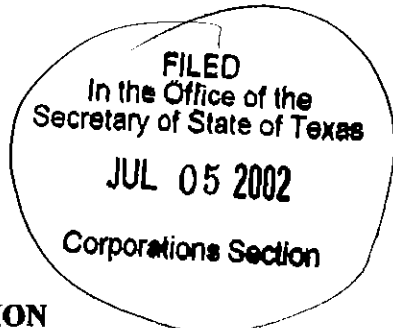
EXHIBIT "A"

PECAN VALLEY RANCH, a subdivision located in Smith County, Texas, and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Pecan Valley Ranch Homeowners Association, which sections are presently encumbered by restrictive covenants filed of record in Smith County, Texas are as follows:

DATE RECORDED	DOCUMENT DESCRIPTION and RECORDING DATA
1. 05/09/02	Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One, Smith County 2002-R0021799
2. 10/18/02	Amended Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One 2002-R0049617
3. 07/15/03	Second-Amended Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One 2003-R0035925
4. 11/04/03	Supplemental Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One to include Phase Two 2003-R0057611
5. 11/04/03	Supplemental Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One to include Phase Two 2003-R0057612
6. 05/11/05	Supplemental and Third Amended Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One to include Phase Two, Three and Four 2005-R0022757
7. 04/24/07	Architectural Control Committee: Acceptance of Non-Conforming Structure Lot 39, Phase 1 2007-R00019839
8. 10/02/07	Supplemental Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One to include Phase 1-A 2007-R00050764
9. 02/21/08	Supplemental and Amended Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One to include Phase Five 2008-R00008380
10. 07/30/10	Supplemental Amended Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One to include Phase One, Two, Three, Four and Five 2010-R00036842

EXHIBIT "B"

- 1. Articles of Incorporation of Pecan Valley Ranch Homeowners Association**
- 2. Bylaws**
- 3. Architectural Control Committee:**
 - a. Application to Begin Construction**
 - b. Specification for New Home Construction**
 - c. Checklist for Architectural Control Committee**



ARTICLES OF INCORPORATION

OF

PECAN VALLEY RANCH HOMEOWNERS ASSOCIATION

The undersigned natural person over the age of eighteen years or more, acting as an incorporator of a corporation under the Texas Nonprofit Corporation Act, hereby adopts the following Articles of Incorporation of Pecan Valley Ranch Homeowners Association:

**ARTICLE I
NAME**

The name of the Corporation is **PECAN VALLEY RANCH HOMEOWNERS ASSOCIATION.**

**ARTICLE II
NON-PROFIT CORPORATION**

The Corporation is a Nonprofit Corporation. When it dissolves, all of its assets will be distributed to the State of Texas or an organization exempt from taxes under the Internal Revenue Code 501(c) (3) for one or more purposes exempt under the Texas Franchise Tax.

**ARTICLE III
DURATION**

The corporation will continue in perpetuity.

**ARTICLE IV
PURPOSES**

The purposes for organizing the Corporation are to perform and transact all lawful activities under the Texas Nonprofit Corporation Act and within the meaning of Internal Revenue Code 501 (c) (3) and Texas Tax Code 11.18 (c). Specifically, the Corporation is organized to provide on-going adherence to the Declaration of Covenants, Conditions, and Restrictions for the Pecan Valley Ranch Subdivision.

1.

ARTICLE V POWERS

Except as these Articles otherwise provide, the Corporation has all the powers provided in the Texas Nonprofit Corporation Act. Moreover, the Corporation has all implied powers necessary and proper to carry out its express powers. The Corporation may reasonably compensate Directors or Officers for services rendered to or for the Corporation in furtherance of one or more of its purposes.

ARTICLE VI RESTRICTIONS AND REQUIREMENTS

The Corporation may not pay dividends or other corporate income to its Directors or Officers, or otherwise accrue distributable profit, or permit the realization of private gain. The Corporation may not take any action prohibited by the Texas Nonprofit Corporation Act.

The Corporation may not take any action that would be inconsistent with the requirements for a tax-exemption under Internal Revenue Code 501 (c) (3) and related regulations, rulings, and procedures. Nor may it take any action that would be inconsistent with the requirements for receiving tax-deductible charitable contributions under Internal Revenue Code 170 (c) (2) and related regulations, rulings, and procedures. Regardless of any other provision in these Articles of Incorporation or state law, the Corporation may not:

1. Engage in activities or use its assets in manners that do not further one or more exempt purposes, as set forth in these Articles and defined by the Internal Revenue Code and related regulations, ruling, and procedures, *except to an insubstantial degree.*
2. Serve a private interest other than one clearly incidental to an overriding public interest.
3. Devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or other wise, except as provided by the Internal Revenue Code and related regulations, rulings, and procedures.
4. Participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. The prohibited activities

include publishing or distributing statements and any other direct or indirect campaign activities.

5. Have objectives characterizing it as an "action organization" as defined by the Internal Revenue Code and related regulations, rulings and procedures.
6. Distribute its assets on dissolution other than for one or more exempt's purposes. On dissolution, the Corporation's assets will be distributed to state government for a public purpose, or to an organization exempt from taxes under Internal Revenue Code 501 (c) (3) to be used to accomplish the general purposes for which the Corporation is organized.
7. Permit any part of the Corporation's net earnings to inure to the benefit of any private shareholder or member of the Corporation or any private individual.
8. Carry on an unrelated trade or business except as a secondary purpose related to the Corporation's primary, exempt purposes.

In addition, the Corporation shall make distributions at such times and in such manner as to avoid the tax under Internal Revenue Code 4942. The Corporation may not:

1. Engage in any act of self-dealing as defined in Internal Revenue Code 4941(b);
2. Retain excess business holdings as defined in Internal Revenue Code 4943(c);
3. Make any investments that would subject it to the tax described in Internal Revenue Code 4944; or,
4. Make any taxable expenditures as defined in Internal Revenue Code 4945(e).

ARTICLE VII MEMBERSHIP

The Corporation will have one class of members as provided by the Bylaws.

ARTICLE VIII INITIAL REGISTERED OFFICE AND AGENT

The street address of the Corporation's initial registered office is 1690 FM 344 East, Bullard, Texas 75757. The name of the initial registered agent at this office is A.W. Hines.

**ARTICLE IX
MANAGING BODY OF CORPORATION**

The management of the Corporation is vested in its Board of Directors and such committee(s), as the Board may, from time to time, establish. The Bylaws will provide the qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors. The initial Board of Directors will consist of four (4) persons. The initial Board of Directors are the following persons at the following addresses:

<u>Name</u>	<u>Address</u>
A. W. Hines	122 Dogwood Lake Circle Bullard, Texas 75757
Kelly King-Hines	122 Dogwood Lake Circle Bullard, Texas 75757
Rick Hines	1215 Austin Hines Drive China Spring, Texas 76633
Kenneth King	P.O. Box 285 Bullard, Texas 75757

The number of Directors may be increased or decreased by adopting or amending the Corporation's bylaws. The number of Directors may not be decreased to less than three (3) Directors.

**ARTICLE X
LIMITATION ON LIABILITY OF DIRECTORS**

A Director is not liable to the Corporation for monetary damages for an act or omission in the Director's capacity as Director except as otherwise provided by a Texas statute.

**ARTICLE XI
INDEMNIFICATION**

The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a Director or other person related to the Corporation as provided by the provisions of the Texas Non-Corporation Act governing indemnification.

As the Bylaws provide, the Board may define the requirements and limitations for the Corporation to indemnify directors, officers, or others related to the Corporation.

**ARTICLE XII
CONSTRUCTION**

All references in these Articles to statutes, regulations, or other sources of legal authority refer to the authorities cited, or their successors, as they may be amended from time to time.

**ARTICLE XIII
INCORPORATORS**

The name and street address of the incorporator is Rick Hines, The Hines Land Group, Ltd., 588 Austin Hines Drive, China Spring, Texas 76633.

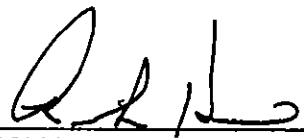
**ARTICLE XIV
ACTION BY WRITTEN CONSENT**

Action may be taken by use of signed written consent by the number of Directors, or Committee Members whose vote would be necessary to take action at a meeting at which all such persons entitled to vote were present and voted. Each written consent must bear the date and signature of each person signing it. A consent signed by fewer than all of the Directors or Committee Members is not effective to take the intended action unless consents, signed by the required number of persons, are delivered to the Corporation within sixty days after the date of the earliest-dated consent delivered to the Corporation. Delivery must be made by hand, or by certified or registered mail, return receipt requested. The delivery may be made to the Corporation's registered office, registered agent, principal place of business, transfer agent, registrar, exchange agent, or an officer or agent having custody of books in which the relevant proceedings are recorded. If delivery is made to the Corporation's principal place of business, consent must be addressed to the president or principal executive officer.

The Corporation will give prompt notice of the action taken to persons who do not sign consents. If the action requires documents to be filed with the Secretary of State, the filed documents will state that the written-consent procedures have been properly followed.

A telegram, telex, cablegram, or similar transmission by a Director or Committee Member, or photographic, facsimile or similar reproduction of a signed writing is to be regarded as signed by the Director or Committee Member.

IN WITNESS WHEREOF, the undersigned has executed the Articles of Incorporation on this _____, day of _____, 2002.



RICK HINES

BYLAWS OF PECAN VALLEY RANCH HOMEOWNERS ASSOCIATION

These Bylaws govern the affairs of Pecan Valley Ranch Homeowners Association, a nonprofit organization.

ARTICLE I OFFICES

1.01 Principal and Registered Office; Registered Agent: The initial principal office of the corporation shall be the registered office of the corporation which is 1690 FM 344 East, Bullard, Texas 75757. The address of the principal office and the registered office need not be identical and the address of each may be changed from time to time by the Board of Directors. However, the corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is identical with such registered office, as required by the Texas Nonprofit Corporation Act.

ARTICLE II MEMBERSHIP

2.01 Membership in the Association shall be based on property ownership within Pecan Valley Ranch in Smith County, Texas. For the purpose of these Bylaws, a member is defined as follows:

- (1) Each tract Owner (whether one or more, a natural person or otherwise) owning fee simple title to one or more tracts in Pecan Valley Ranch;
- (2) If more than one Owner has a fee simple interest in any one tract, it is specifically provided that such multiple owners (including husband and wife) are considered as a unit to be one member;
- (3) Each tract Owner shall pay annual dues as set by Declarant (The Hines Land Group, Ltd.) or the Association. The initial annual dues shall be \$180.00 per tract. Such dues may be increased or decreased upon written notice to members from the Declarant or the Association;
- (4) Each member as herein defined shall have the right to cast one vote per director for the election of directors and cumulative voting is herein expressly denied in the election of directors. Furthermore, each member as aforesaid shall have the right to cast one vote in determination of any other matter(s) properly presented to the membership of the Association;
- (5) Declarant and/or its appointee(s) shall be a member(s) of the Association and shall enjoy all rights and privileges associated therewith.

2.

**ARTICLE III
BOARD OF DIRECTORS
NUMBER, TENURE AND QUALIFICATIONS**

3.01 The governing body shall initially consist of four (4) members, which number may increase to not more than twelve (12), who shall be the Board of Directors, and who shall elect a President, Vice-President, and Secretary/Treasurer (per paragraph 7.04, it is not required that the Secretary/Treasurer be elected from Association and/or Board membership). The duties, responsibilities and authority of the Board of Directors shall be as contained in and set forth in these Bylaws. All members of the Board shall serve in their capacity for a period of two (2) years and at the expiration of which new Directors shall be elected, except that certain members of the initial Board of Directors shall serve longer than the minimum two (2) year term. The two (2) year terms of subsequent Directors shall be staggered at one (1) year intervals to provide for an overlap of office terms. After the initial two (2) year term, three (3) initial Directors will rotate off the Board, and three (3) new Directors will be elected to the Board. Thereafter, elections shall be had each year as set out in these Bylaws, and three (3) initial Directors will rotate off the Board each year until all initial Directors have been replaced or re-elected. A minimum of three (3) incumbent Directors shall always remain in office after each election so that there is never a Board of Directors composed entirely of newly elected members.

SUCCESSION

3.02 Each Director may succeed himself/herself in office.

NOMINATION AND ELECTION

3.03 The initial twelve (12) member Board of Directors shall be appointed by Declarant. Thereafter, and subject to Section 3.01 hereinabove, Directors shall be elected at an annual meeting of the property owners of Pecan Valley Ranch Homeowners Association at the place and time and in the manner that such membership meeting shall be called by the Board of Directors. Nominations may be from the floor, which nominations shall be seconded and a majority vote of the membership present at the meeting shall be required for each nominee's election.

QUORUM

3.04 A majority of the Board of Directors shall constitute a Quorum for the transaction of business at any meeting of the Board.

VACANCIES

3.05 Any vacancy occurring in the Board of Directors, due to death, resignation, incapacity or otherwise, and any directorship to be filled by reason of an increase in the number of Directors shall be filled by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

3.06 No Director shall receive any compensation, but any actual out-of-pocket expenses incurred by the Director in pursuit of the business of the Association may be reimbursed to the Director.

INFORMAL ACTION BY DIRECTORS

3.07 Any action required by laws to be taken at a meeting of Directors or any action which may be taken at a meeting of Directors may be taken without a meeting if a consent in writing setting forth the actions so taken shall be signed by all of the Directors.

ADVISORY BOARD

3.08 The Declarant at its option may appoint an Advisory Board of up to five (5) members. Such Advisory Board will have no voting power, but may give their opinion and guidance as to any and all issues that may be addressed by the Board of Directors. The initial Advisory Board shall serve a two (2) year term. Thereafter, Declarant may appoint a new Advisory Board at Declarant's discretion. Such new Advisory Board members when appointed shall serve a term of one (1) year.

ARTICLE IV MEETINGS BOARD OF DIRECTORS

4.01 The Board of Directors shall meet at least once every year after their organization at such time and place set out in writing and duly mailed or delivered to each Board Member not less than fifteen (15) days prior to such meeting. If, in the opinion of the President, an emergency meeting is necessary, one may be held upon immediate notice at the time and place so called by the President. In the event the meeting day falls on a Holiday, the meeting shall be postponed to the following date, time and place as identified in writing and duly mailed or delivered to the Board members. Any member of the Association may attend and speak without vote at all Board of Directors meetings in accordance with the Texas Open Meetings Act.

GENERAL MEMBERSHIP

4.02 A general meeting of the membership shall be had each year at Pecan Valley Ranch or at such other time and place to be determined by the Board of Directors. A written notice of such meeting shall be mailed or delivered to each property owner at his last known address at least thirty (30) days prior to the meeting. The purpose of the meeting shall be the election of Directors for the ensuing term and the transactions of such other business as may come before the meeting.

ARTICLE V AUTHORITY TO ACT

5.01 All acts involving the Association and the Subdivision shall be taken by the Board of Directors alone and no member of the Association shall have authority to bind the Association in any manner without the written consent of the Board of Directors signed in writing by the President and attested by its Secretary.

INDEMNIFICATION

5.02 The Association members are members by virtue of their ownership of property in Pecan Valley Ranch and their payment of dues to the Association and are governed by the Declaration of Covenants, Conditions, and Restrictions for Pecan Valley Ranch, Smith County, Texas, recorded in Document # 2002-R0021799 of the Real Property Records of Smith County, Texas, as adopted by the Association, and therefore no member of the Association shall in any manner be responsible for or held liable for any act, misconduct, tort, negligence or omission(s) of the Association or of any other individual member of the Association, which injures or harms a member of the general public while using any of the streets, roads, or other public areas to which the general public may have a right. Nor shall members be personally liable for any debts or obligations of the Association. The Association may indemnify any member who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings merely because the person is or was a person acting in his/her capacity as a member of the Association.

**ARTICLE VI
AMENDMENTS TO BYLAWS**

6.01 The Bylaws of the Association may be amended from time to time as the needs of the Association may require for the betterment of the Association in carrying out the provisions of the Declaration of Covenants, Conditions, and Restrictions for Pecan Valley Ranch. Amendments to the Bylaws of the Association may be made only by a called meeting of the membership at which a majority shall be present, for such purposes *so designated and upon notice mailed to each member at his last known address not later than thirty (30) days prior to the date designated for such meeting, informing each member of the purpose therefore, the proposed amendment, and the place where such meeting is to be held.* Any amendment shall be passed by Resolution presented to the membership present, and its adoption moved and seconded and then voted for by a vote of a majority of the member present. Any such meeting shall be conducted in accordance with Roberts' Rules of Order.

**ARTICLE VII
OFFICERS**

7.01 The officers of the Association shall be those designated in Article III of these Bylaws and elected in accordance with the provisions of said paragraph.

PRESIDENT

7.02 The President shall be the principal executive officer of the Association and shall in general supervise and control the business and affairs of the Association. He shall preside at all of the meetings of members and of the Board of Directors. He may sign, with the Secretary or any other officer of the Association authorized by the Board of Directors, all documents authorized by the Board of Directors and in general he shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.

VICE-PRESIDENT

7.03 In the absence of the president or in the event of his inability or refusal to act, the Vice-President shall perform the duties of the President and when so acting shall have all of the powers of and be subject to all restrictions upon the President. Any Vice-President shall perform such other duties as from time to time may be assigned to him by the President or Board of Directors.

SECRETARY/TREASURER

7.04 The Secretary/Treasurer shall have charge and custody and be responsible for all funds and securities of the Association and shall keep the records of the Association, shall keep a register of the post-office address of each member of the association which shall be furnished by each member, and shall perform such other duties as may be designated by the Board of Directors. The Secretary/Treasurer may appoint one or more Assistant Secretary/Treasurers to assist him/her. The Secretary/Treasurer is not required to be a member of the Association and/or a member of the Board of Directors.

ARTICLE VIII TRANSACTIONS OF THE ASSOCIATION CONTRACTS, CHECKS, DEPOSITS AND GIFTS

8.01 The Board of Directors may authorize any officer or officers to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association. No act of the Association shall be valid until authorized or ratified by the Board of Directors.

8.02 The Board of Directors shall direct the Secretary/Treasurer to open a bank account at a bank so designated by the Board of Directors.

8.03 All funds of the Association shall be deposited from time to time to the credit of the Association in such banks or other depositories as provided by the Board of Directors. The Board of Directors is specifically authorized to open a savings account and to invest in certificates of deposit or governmental bonds or other obligations when any surplus funds are on hand.

8.04 The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes of the Association or for any special purpose of the Association.

ARTICLE IX PURPOSE

9.01 It is the intent and purpose of the corporation and Association to expend funds for the general benefit of all property owners within Pecan Valley Ranch, and to enforce compliance with the Declaration of Covenants, Conditions, and Restrictions for Pecan Valley Ranch, Smith County, Texas. Within the guidelines of these Bylaws, the Articles of Incorporation and the Covenants, Conditions, and Restrictions in Pecan Valley Ranch, the Board of Directors may receive funds for the benefit of the Association for use in the betterment of the property and its owners in Pecan Valley Ranch and may expend funds directly on such properties as shall be designated therefore.

ARTICLE X

10.01 The Association shall keep correct and complete books and records of account and also shall keep minutes of the proceedings of its Board of Directors and membership meetings. All books and records of the Association may be inspected by any member for any proper purpose and at any reasonable time after reasonable notice has been given. The books and records of the Association shall be kept at the registered or principal office of the Association or at the office of the Association's legal counsel.

10.02 At each annual meeting, the Board of Directors shall make available to the members a statement of condition, listing the assets of the Association, the receipts during the preceding year and the expenditures during the preceding year, including the purpose for each said expenditure.

ARTICLE XI FISCAL YEAR

11.01 The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE XII ANNUAL DUES

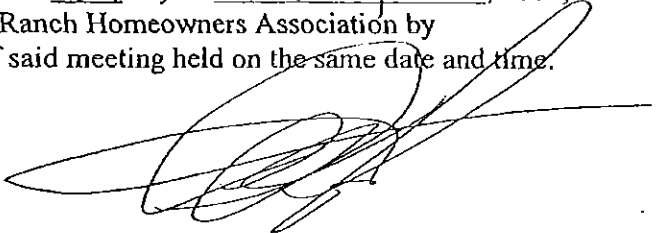
12.01 The annual dues of \$180.00 per tract shall be due and payable on or before January 1 of each year or when an Owner purchases a tract, prorated for partial year's ownership. In the event that an Owner owns more than one Tract, that Owner's dues assessment for each additional Tract shall equal 60% of the full assessment for a single tract. In the event of non-payment of said dues, the non-paying members' voting rights shall be suspended until the dues are paid. Dues will commence with calendar year 2002. Declarant is exempt from paying dues.

12.02 The annual dues may be increased for the use and benefit of the Association upon written notice to the members of the Association.

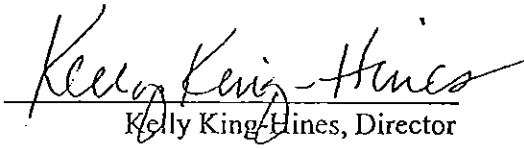

ARTICLE XIII
WAIVER OF NOTICE

13.01 Whenever any notice is required to be given under the provisions of the Texas Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

The foregoing Bylaws are adopted this 15th day of July, 2002, by the Board of Directors of Pecan Valley Ranch Homeowners Association by Resolution duly recorded in the minutes of said meeting held on the same date and time.



A.W. Hines, Director


Kelly King-Hines, Director
Rick Hines, Director
Kenneth King, Director

Architectural Control Committee
Pecan Valley Ranch Subdivision

Application to Begin Construction

Before submitting plans please consult your copy of the Declaration of Covenants, Conditions and Restrictions for the Pecan Valley Ranch Subdivision. It is the responsibility of the lot owner to provide the contractor with a copy. If the lot is builder owned, it is the responsibility of the builder to provide any prospective purchaser with a copy of the Declaration of Covenants, Conditions and Restrictions for the Pecan Valley Ranch Subdivision.

Article Seven

7.02 Approval of Plans and Specifications

No building, fence wall, culvert, driveway, parking space, mailbox, or other structure shall be commenced, erected, materially altered or maintained upon the Property, nor shall any exterior addition to, or change or alteration therein, be made, until the plans and specifications showing the nature, kind, shape, color, height, materials and location of the same shall have submitted to, and approved in writing by the Architectural Control Committee as to the harmony of external design and location in relation to the surrounding structures and topography. However, approval by this committee shall not be unreasonably withheld.

DETAILED PLANS MUST BE SUBMITTED WITH THE APPLICATION ALONG WITH A PLAT SHOWING THE LOCATION OF PLANNED CONSTRUCTION. APPLICATIONS MUST BE SIGNED BY PROPERTY OWNER AS WELL AS GENERAL CONTRACTOR. EACH PAGE MUST BE INITIALED.

Date Submitted: _____

Property Owners: _____

Current Address: _____

Current Phone Numbers: _____

Property Description: Tract _____, Block _____, Phase _____

Property Address: _____

General Contractor: _____

Address: _____

Business Phone: _____, Cell Phone _____

Member of Tyler or National Association of Builders Since: _____

If not a member, supply three references with addresses and phone numbers:

1. _____
2. _____
3. _____

Owner

3.

General Contractor

Article Nine

9.04 Landscaping

Prior to construction of any dwelling on a Tract, the lot owner must have a landscape plan approved by the Architectural Control Committee. Such plan must provide the front and side yards to be sodded or otherwise completely covered in all areas where grass is planned and for some shrubbery in the front yard. The approved landscape must be installed within ninety days of completion or occupancy, whichever occurs first.

SPECIFICATION FOR NEW HOME CONSTRUCTION

Type of Construction (Home, Outbuilding, Fence, Mail Box, etc.) _____

Home: (Refer to 9.03 and 9.04 of Restrictions)

Square footage Heated (under roof) _____ Total square footage _____

Check one: Slab Foundation _____ Pier and Beam _____

Are footages from property lines to construction site shown on Plat? Check one: Yes _____ No _____

Are footages in compliance with the setback restrictions of the Phase where the property is located? Check one: Yes _____ No _____ If no, a variance is required from the Architectural Control Committee and must be attached to this application for approval. A specific form for the variance can be provided upon request.

Exterior:

Is Home 80% Masonry? Check one: Yes _____ No _____

Type of Brick _____ Other Masonry Type _____ Color _____

What material(s) are the other 20% of Exterior? _____ Color _____

Exterior trim material (Hardi Board or equivalent required) _____ Color _____

Windows Check type(s): Metal _____ Wood _____ Vinyl _____ Other _____

Garage:

Check one: Attached to house _____ Free Standing _____

If Free Standing is it 80% Masonry? Check one: Yes _____ No _____

Do materials match the Home? Check one: Yes _____ No _____

Direction Garage opening faces - Check one: Side street _____ Rear _____ Front _____

Owner _____

General Contractor _____

Roof:

Material type: _____ Color _____

Driveway: (Refer to 9.29 of restrictions)

Material: _____ Length from Street _____

Footage from Property Lines: _____

Sidewalks:

Material: _____

Fences: (Refer to 9.11 of restrictions and Wildlife Management Plan)

Decorative fence material: _____ Height _____

Remaining fence material _____ Height _____

Location of fence shown on plat? Check one: Yes _____ No _____

Owner

General Contractor

I UNDERSTAND THAT:

The Architectural Control Committee (ACC) will approve or disapprove the application within 30 DAYS OF RECEIPT OF A COMPLETE APPLICATION AND ALL REQUIRED DOCUMENTATION. Incomplete applications will not be considered. If the completed application is disapproved, the reason for disapproval shall be given to the applicant so corrective measures can be taken and a new application can be submitted.

The ACC can only approve improvements that are in compliance with the applicable codes and the existing covenants and restrictions. An approval granted on improvements not meeting the requirements of the applicable codes and the existing covenants and restrictions will not act as a general waiver of the codes or the covenants and restrictions.

The Applicant/Property owner (henceforth "owner") must provide the following prior to any consideration by the ACC.

1. The application must be completed, signed, initialed and dated by the owner and general contractor.
2. One set of house construction plans (including handrails on decks and stairways). Plans must be professionally drawn to scale 1/4" = 1' scale. These plans will not be returned to the owner but will be kept permanently on file with the ACC.
 - a. Floor plans must identify rooms, decks, porches, garages, carports and plumbing fixtures. Square footage of living area, garage, porches, patios and decks must be shown.
 - b. Elevations must show front, rear, left and right sides with exterior material and roof plan view indicating pitch identified.
 - c. All revisions to the approved plans must be resubmitted to the ACC for review and approval. The approved drawings will be updated or marked up, initialed and dated.
3. Plot plan prepared by licensed surveyor, architect or building designer to * of 1" = 20' or 1" = 30' and containing the following:
 - a. Site plan showing the location & types of trees to be removed. This should be submitted prior to any dirt work beginning.
 - b. House location on lot and grade elevation variations.
 - c. Patios, decks, sidewalks and driveways.
 - d. Building set-backs and easements lines.
 - e. Driveway culvert location(s) - (minimum 12").
 - f. Corner pins.
 - g. Water line and central sewer tank locations for house connections.
 - h. Liquid petroleum gas tank and connecting line locations to house.
 - i. Original and final grades in minimum of 5' increments of elevation change * lots greater than 1/2 acre may be provided using smaller scale.

The Owner/General Contactor must agree to the following prior to any consideration by the ACC.

4. Curbs should be spanned properly during all phases of improvement, including dirt work. Method of the proper spanning of the curb is to be determined by the Owner/General Contractor. Photos of correct and incorrect methods are shown.
5. During periods of heavy rainfall or other conditions causing mud to be created on the building site, Owner/General Contractor will cover the affected areas with hay or other suitable material to suppress the amount of mud and dirt carried onto the street.
6. Owner/Contractor is fully responsible for the conduct of all sub contractors including and not limited to trash, littering, burning, loud music and unacceptable personal behavior.
7. Appropriate methods of trash disposal for the phases of improvement will be provided at all times, including dumpsters during construction.

Pecan Valley Ranch Homeowners Association, Inc and it's Board of Directors, Officers and Architectural Control Committee members hereby expressly disclaim any representation, liability, obligation, or duty in connection with the proposed construction described herein, including without limitation any warranty, either expressed or implied, of habitability, suitability, fitness for purpose, safety, compliance with applicable laws and restrictive covenants, or the effect of the proposed construction upon any surrounding property. By the execution and delivery of this application, the owner and/or applicant expressly covenants and agrees to indemnify and hold Pecan Valley Ranch Home Owners Association, Inc., and it's officers, directors, committee members, employees, agents, successors and assigns harmless from any cost, loss, claim liability, damage, expense, or other obligation arising from, related to, or any way connected with the construction proposed herein or the effects thereof, including without limitation any claim by any person or entity that such construction (i) fails to meet the requirements of any applicable law or restrictive covenants, (ii) is unsafe or unsound, or creates a nuisance or other dangerous condition, or (iii) inversely of improperly affect the drainage of the water on, across, or under the property in question or any surrounding property. I understand the construction applied for in this permit must be completed within a period of (12) months from the date of approval.

I understand the certification of square footage may be required.

I certify that I personally have read the deed restrictions for Pecan Valley Ranch subdivision. To the best of my knowledge, these plans conform to the deed restrictions. In the event that I have failed to comply with said restrictions, I will take necessary measures to correct any nonconforming issues with in thirty (30) days).

Date submitted

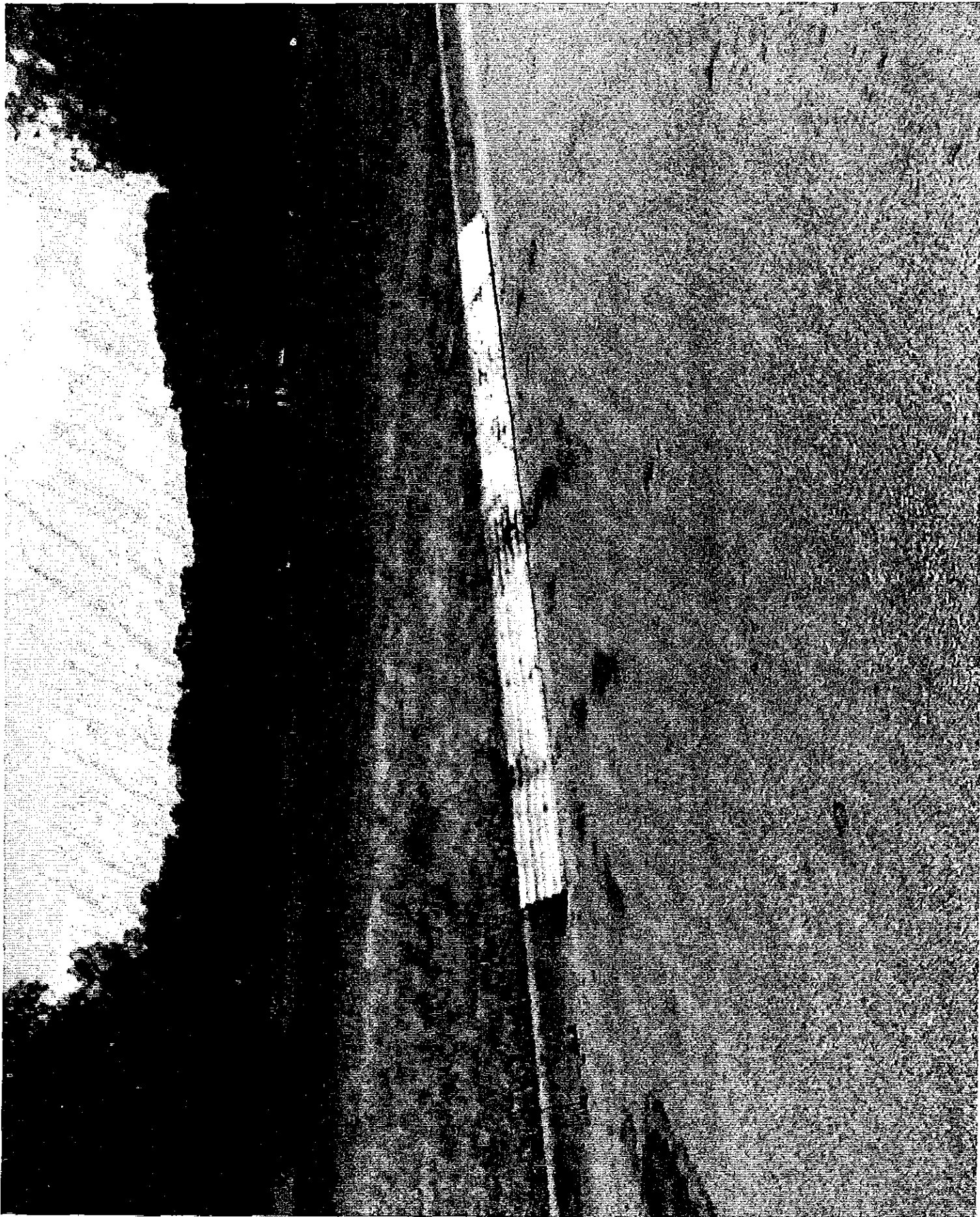
Owner

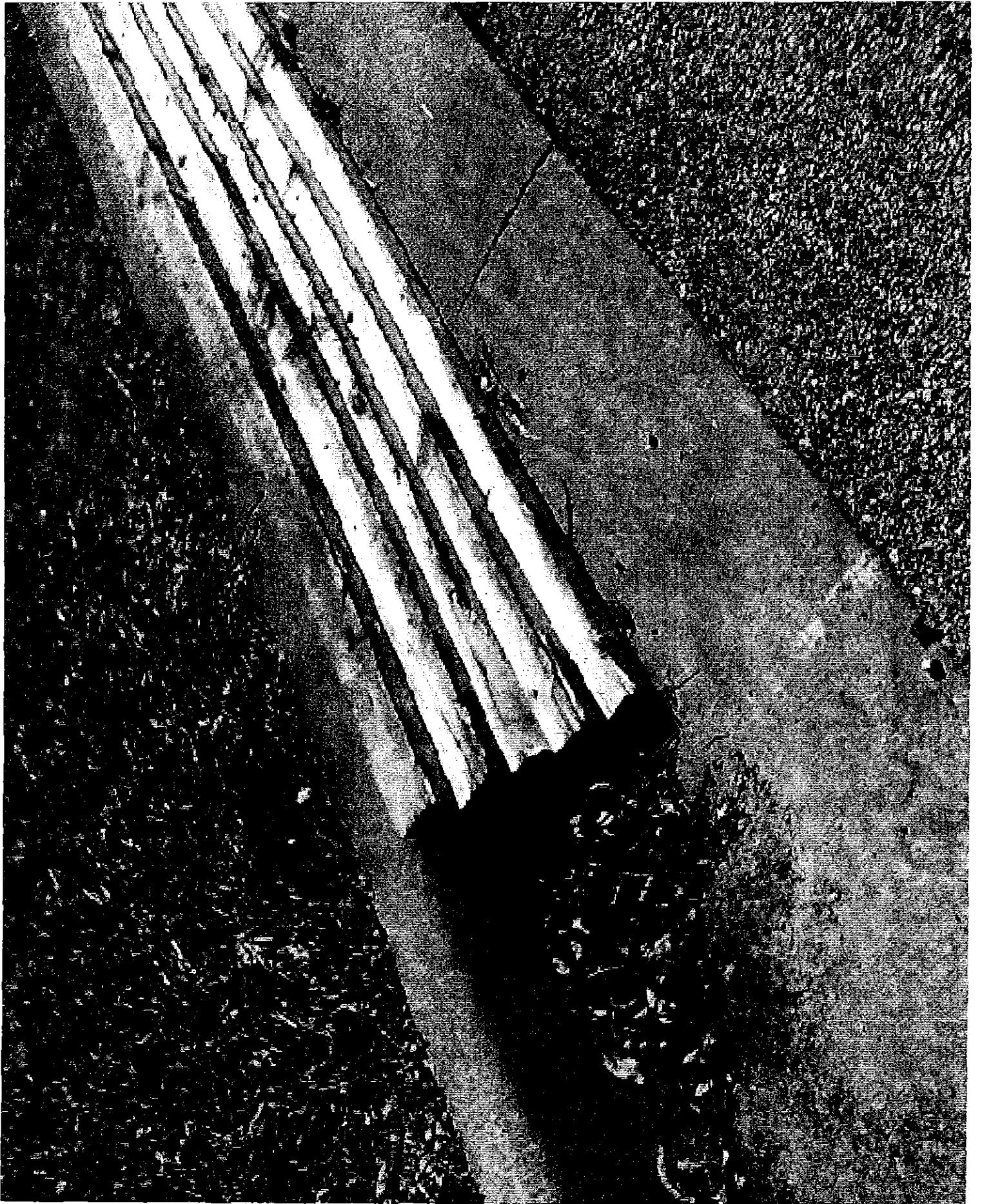
Date submitted

General Contractor

AFTER THIS APPLICATION HAS BEEN APPROVED OR REJECTED BY THE ARCHITECTURAL COMMITTEE YOU WILL RECEIVE A COPY OF THIS FORM SIGNED BY THE ACC.

GENERAL CONTRACTORS MUST SIGN THE ATTACHED "NOTICE TO ALL GENERAL CONTRACTORS" AS PART OF THE COMPLETED APPLICATION.







CHECKLIST FOR ARCHITECTURAL CONTROL COMMITTEE

	Owner Name	ACC Member	ACC Member	ACC Member
Check Completed Items Under Name				
Complete Application				
Certification Signed				
Site Plan				
1st Floor Plan				
2nd Floor Plan				
Front Elevation				
Rear Elevation				
Left Elevation				
Right Elevation				
Sq Ft of Living Area Shown				
Percent of Exterior Material Shown				
Exterior Material Shown				
Room Labeled				
Roofing Material Shown				
Location of Trees to be Removed				
House Location Lot to Scale				
Set back Lines Shown				
Easements Shown				
Patio Location				
Deck Location				
Sidewalk location				
Sidewalk Materials				
Driveway Location				
Secondary Driveway Location				
Driveway Materials				
Water Line from Meter to House				
Electric from Source to House				
OSSF Septic System Shown				
LP Gas Location				

Original and Final Grades Shown	
Fence Location and Type Shown	
Antenna Location	
Antenna Material	
Outbuilding to Scale on Site Plan	
Complete Plan for Outbuilding	
Landscape Plan	
Flower Beds Shown	
Owner	General Contractor
Date	Date

**** Electronically Filed Document ****

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Karen Phillips
County Clerk**

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Parties:

**Direct- PECAN VALLEY RANCH
Indirect-**

**Receipt Number: 603325
Processed By: Cynthia Moa**

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.



I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Karen Phillips
County Clerk
Smith County, Texas

PECAN VALLEY RANCH HOMEOWNERS ASSOCIATION
COLLECTION POLICY AND PAYMENT PLAN GUIDELINES

STATE OF TEXAS §
 §
COUNTY OF SMITH §

WHEREAS, the property encumbered by these Collection Policy and Payment Plan Guidelines (the "Guidelines") is that property initially restricted by the Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One, Smith County, Texas, recorded under Smith County Clerk's File No. 2002-R0021799, as same has been or may be amended from time to time ("Declaration"), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Pecan Valley Ranch Homeowners Association (the "Association"); and

WHEREAS, pursuant to Chapter 209 of the Texas Property Code, the Board of Directors (the "Board") of the Association hereby adopts these Guidelines for the purposes of establishing a uniform and systematic procedure to collect assessments and other charges of the Association and identify the guidelines under which owners may request an alternative payment schedules for certain assessments; and

WHEREAS, the Board has determined that it is in the best interest of the Association to establish these Guidelines.

NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt this Collection Policy and Payment Plan Guidelines, which shall run with the land and be binding on all owners and lots within the subdivision. These Guidelines replace any previously recorded or implemented guidelines that address the subjects contained herein.

I. COLLECTION POLICY

1. ASSESSMENT PERIOD

The Board has the duty of establishing and adopting an annual budget, in advance, for each fiscal year of the Association covering the estimated costs of operation of the Association during each calendar year.

2. NOTICE

The Board shall fix the amount of the annual assessment against each lot for the following year and shall, at that time, prepare a roster of the lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner. Upon completion of the roster, written notice of the assessment

may be sent to every owner subject to the assessment. An owner may not escape liability or be entitled to a deferral of interest, fines or collection costs with regard to delinquent assessments on the basis of such owner's failure to receive notice, if such notice was sent via regular mail to the most recent address of the owner according to the records of Association. Each owner shall have the obligation to notify the Association in writing of any change in address which shall become effective five days after written notice has been received.

3. DUE DATE

All assessments are due on an annual basis, as determined by a majority of the Board for that assessment year. If any assessment due the Association is not paid on the date when due, then such assessment shall become delinquent thirty (30) days after the due date. Charges disputed by an owner are considered delinquent until such time as they are paid in full.

Payments received after the due date are considered delinquent and the entire amount due shall automatically be transferred to a Payment Plan as set forth in Section II of these Guidelines.

4. INTEREST

If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate set forth in the Declaration until the assessment is paid in full.

5. DELINQUENCY NOTIFICATION

The Association may cause to be sent the following notification(s) to delinquent owners:

- a. PAST DUE NOTICE: In the event that an assessment account balance remains unpaid thirty (30) days from the due date, a Past Due Notice may be sent via regular mail to each owner with a delinquent account setting forth all assessments, interest and other amounts due. The Past Due Notice will contain a statement that the entire amount due has automatically been transferred to a Payment Plan as set forth in Section II of these Guidelines. A charge may be added to each delinquent owner's account balance for administrative and postage costs related to the Payment Plan.
- b. FINAL NOTICE: In the event there is a default on the Payment Plan, where an assessment account balance remains unpaid sixty (60) days or later from the due date, a Final Notice may be sent via certified mail to each delinquent owner. The Final Notice will set forth the following information and the result of failure to pay, including an explanation of:
 1. AMOUNTS DUE: All delinquent assessments, interest and other amounts due;
 2. HEARING: Owners shall be given notice and opportunity for a hearing before the Board. A hearing shall be granted if a written request for a hearing is received by the Association not more than thirty (30) days from the owner's receipt of the Final Notice.

If a hearing is requested within 30 days from receipt of the Final Notice, further collection procedures are suspended until the hearing process is completed. The Board shall set a hearing date not later than 30 days after receipt of owner's request for a hearing. Either party may request a postponement, which shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of both parties. Further collection steps will be determined by the action of the Board;

3. COMMON AREA RIGHTS SUSPENSION: If a hearing is not requested within 30 days from receipt of the Final Notice, the owner's use of recreational facilities and common properties may be suspended; and
 4. MILITARY NOTICE: If the owner is serving on active military duty, the owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act.
- c. NOTICE OF TURNOVER TO COLLECTION AGENT/ATTORNEY: If a hearing is not requested within 30 days from receipt of the Final Notice, member privileges will be suspended, the account may be sent to a collection agent and/or the Association's attorney for collection and any fees and expenses will be charged to the owner's assessment account. An owner may not be charged fees of a collection agent (as same is defined in Property Code §209.0064) or legal counsel unless the Association first provides written notice to the owner by certified mail, return receipt requested, that:
1. Specifies each delinquent amount and the total amount of the payment required to make the account current;
 2. Describes the options the owner has to avoid having the account turned over to a collection agent or legal counsel, including information regarding availability of a payment plan through the Association; and
 3. Provides a period of at least thirty (30) days for the owner to cure the delinquency before further collection action is taken.
6. REFERRAL OF ACCOUNT TO ASSOCIATION'S ATTORNEY
- Upon referral of the account to the Association's attorney, the attorney is authorized to take whatever action is necessary, in consultation with the Board, including but not limited to: sending demand letters, filing a lawsuit against the delinquent owner for a money judgment, instituting an expedited foreclosure action; and, filing necessary claims, objections and motions in the bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.
- In the event the Association has determined to foreclose its lien provided in the Declaration, and to exercise the power of sale thereby granted, such foreclosure shall be accomplished pursuant to the requirements of Section 209.0092 of the Texas Property

Code by first obtaining a court order in an application for expedited foreclosure under the rules adopted by the Supreme Court of Texas.

7. BANKRUPTCIES

Upon receipt of any notice of a bankruptcy of an owner, the account may be turned over to the Association's attorney so that the Association's interests may be protected.

8. REQUIRED ACTION

Nothing contained herein, not otherwise required by the Declaration or by law, shall require the Association to take any of the specific actions contained herein. The Board of the Association shall have the right, but not the obligation, to evaluate each delinquency on a case-by-case basis as in its best judgment deems reasonable.

II. PAYMENT PLAN

1. PAYMENT PLAN SCHEDULE

The Association hereby establishes a Payment Plan schedule by which an owner may make partial payments to the Association for delinquent regular or special assessments, or any other amount owed to the Association without accruing additional monetary penalties. Monetary penalties do not include interest or reasonable costs associated with administering the Payment Plan. The Payment Plan Schedule is as follows:

- a. The term for the Payment Plan is six (6) months;
- b. A Payment Plan shall require twenty percent (20%) of the delinquent amount to be paid at the inception of the Payment Plan, with the balance being due and payable in five (5) equal payments due on the first day of each month;
- c. Failure to pay the initial payment of twenty percent (20%) of the delinquent amount shall be considered a default of the Payment Plan;
- d. An owner, upon written request, may request a longer period of time;
- e. The Association is not required to honor the terms of a previous Payment Plan during the two (2) years following an owner's default under a previous Payment Plan.

2. APPLICATION OF PAYMENTS

- a. Except as provided in subsection (b) immediately below, a payment received by the Association shall be applied in the following order of priority:
 1. Any delinquent assessment;
 2. Any current assessment;
 3. Attorney's fees or third party collection costs incurred by the Association associated solely with assessments or other charge that can be the basis of foreclosure;
 4. Attorney's fees not subject to "3" above;
 5. Fines;

6. Any other amount owed to the Association.
- b. If/when an owner defaults on a Payment Plan, the remaining delinquent amount will become due in full and the Association may begin further collection action as set out above in Article I(5)(b). Any payment(s) received by the Association after such default of a Payment Plan shall be applied in the following order of priority:
 1. Costs;
 2. Attorney fees;
 3. Interest;
 4. Late fees;
 5. Delinquent assessments;
 6. Current assessments; and
 7. Fines

As to each category identified in this subsection (b), payment shall be applied to the most-aged charge first. The acceptance of a partial payment on an owner's account does not constitute a waiver of the Association's right to collect the full outstanding balance due on said owner's account.

3. PAYMENTS RETURNED NON-SUFFICIENT FUNDS

An owner will be assessed a service charge for any check that is returned or Automatic Clearing House (ACH) debit that is not paid for any reason, including but not limited to Non-Sufficient Funds (NSF) or stop payment order. The amount of the service charge assessed will be the customary amount charged.

CERTIFICATION

I hereby certify that, as Secretary of the Pecan Valley Ranch Homeowners Association, the foregoing Collection Policy and Payment Plan Guidelines were approved on the 29th day of January, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 1st day of February, 2012.

Trudy Ferguson
Print Name: Trudy Ferguson
Title: Secretary

STATE OF TEXAS §
 §
COUNTY OF SMITH §

BEFORE ME, on this day personally appeared Trudy Ferguson, the Secretary of the Pecan Valley Ranch Homeowners Association, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal this the 1st day of February, 2012.



Luan Smith
Notary Public - State of Texas

After Recording Please Return To:
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Roberts Markel
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

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***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.



I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Karen Phillips
County Clerk
Smith County, Texas

PECAN VALLEY RANCH HOMEOWNERS ASSOCIATION
FLAG DISPLAY POLICY

STATE OF TEXAS §
 §
COUNTY OF SMITH §

WHEREAS, the property encumbered by this Flag Display Policy is that property initially restricted by the Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One, Smith County, Texas, recorded under Smith County Clerk’s File No. 2002-R0021799, as same has been or may be amended from time to time (“Declaration”), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Pecan Valley Ranch Homeowners Association (the “Association”); and

WHEREAS, any reference made herein to approval by the Architectural Control Committee (“ACC”), means prior written approval by the ACC.

NOW THEREFORE, pursuant to the authority granted in Section 202.011 of the Texas Property Code, the Board of Directors (the “Board”), hereby adopts this Flag Display Policy (“Policy”), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

I. FLAG DISPLAY

The display of flags is permitted under the following parameters:

1. Owners may have a total of one (1) flagpole per lot. Flags must be attached to a flagpole in order to be displayed;
2. Any of the following flags may be displayed on the single permitted flagpole:
 - a. U.S. flag;
 - b. Texas flag; or
 - c. An official or replica flag of a branch of the US armed forces
3. The U.S. flag must be displayed in accordance with federal law, and the Texas flag must be displayed in accordance with Texas state law;
4. Flagpoles may be either freestanding or mounted to the dwelling, under the following parameters:
 - a. Freestanding flagpoles must be located in the backyard and may not be taller than twenty feet (20’) when measured from the ground level (including the pole ornamentation).
 - b. Flagpoles no greater than five feet (5’) in length may be attached to the front or back of a dwelling.

5. All flagpoles must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling;
6. No flagpole can be placed within an easement on the owner's lot, or in a location that encroaches on a setback on the owner's lot;
7. All flags and flagpoles must be properly maintained at all times, including, but not limited to, immediate replacement of faded, frayed or torn flags and replacement of poles that are scratched, bent, rusted, faded, leaning or damaged in any way;
8. If evening display of the flag is desired, the flag may be lit from the base of the flagpole (maximum of two bulbs) with a total of no more than 150 watts. The light must shine directly up at the flag, and cannot cause any type of light spillover onto adjoining properties. All exterior lighting must be submitted to the ACC for prior approval;
9. Flagpoles mounted to a dwelling or garage must be removed from view when no flag is displayed;
10. The size of the flag must be appropriate for the length of the flagpole;
11. Flagpole halyards must not make noise under any conditions. Halyards must be securely fastened at all times;
12. Freestanding flagpoles must be mounted on an appropriate footing;
13. All flagpoles must be installed per the manufacturer's guidelines;
14. Owners are prohibited from locating a flag or flagpole on property owned or maintained by the Association; and
15. Owners are prohibited from locating a flag or flagpole on property owned in common by the members of the Association.

II. ACC APPROVAL

Flagpoles mounted to a dwelling do not require approval from the ACC, provided the terms of this Policy are complied with. Any installation of a flagpole to a dwelling not in compliance with this Flag Display Policy will be considered a deed restriction violation.

Freestanding flagpoles require submission of a completed application to the ACC with a site plan showing the proposed location of the improvement, along with pictures showing the location of the modification and the manufacturer's brochures or sample of material, if applicable. The color of the materials being used in relation to house color, the visibility from public streets and neighboring properties/common areas and any noise created are of specific

concern. Any installation not in compliance with this Policy will be considered a deed restriction violation.

This Flag Display Policy does not apply to property that is owned or maintained by the Association.

CERTIFICATE OF SECRETARY

I hereby certify that, as Secretary of the Pecan Valley Ranch Homeowners Association, the foregoing Flag Display Policy was approved on the 28th day of January, 2012, at a meeting of the Board of Directors at which a quorum was present.

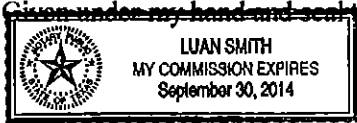
DATED, this the 1st day of February, 2012.

Trudy Ferguson
Print Name: Trudy Ferguson
Title: Secretary

STATE OF TEXAS §
 §
COUNTY OF SMITH §

BEFORE ME, on this day personally appeared Trudy Ferguson, the Secretary of the Pecan Valley Ranch Homeowners Association, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

~~Given under my hand and seal~~ this the 1st day of February, 2012.



Luan Smith
Notary Public - State of Texas

After Recording, Return To:
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Roberts Markel
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

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Indirect-**

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***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.



I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Karen Phillips
County Clerk
Smith County, Texas

PECAN VALLEY RANCH HOMEOWNERS ASSOCIATION
RAIN BARREL POLICY

STATE OF TEXAS §
 §
COUNTY OF SMITH §

WHEREAS, the property encumbered by this Rain Barrel Policy is that property initially restricted by the Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One, Smith County, Texas, recorded under Smith County Clerk’s File No. 2002-R0021799, as same has been or may be amended from time to time (“Declaration”), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Pecan Valley Ranch Homeowners Association (the “Association”); and

WHEREAS, any reference made herein to approval by the Architectural Control Committee (“ACC”), means prior written approval by the ACC.

NOW THEREFORE, pursuant to the authority granted in Section 202.007(d) of the Texas Property Code, the Board of Directors (the “Board”), hereby adopts this Rain Barrel Policy (“Policy”), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

An application must be submitted for review by the ACC, and formal written approval from the ACC shall be required before installation may begin.

I. RAIN BARRELS

A. Prohibited Rainwater Harvesting Systems/Rain Barrels

Rainwater harvesting systems or rain barrels (collectively referred to herein as “Rain Barrels”) are prohibited in the following circumstances:

1. Rain Barrels that are located on property owned by the Association;
2. Rain Barrels that are located on property that is owned in common by the members of the Association;
3. Rain Barrels that are located between the front of the owner’s home and an adjoining or adjacent street;
4. Rain Barrels that are of a color not consistent with the color scheme of the home; and

5. Rain Barrels that display language or content other than the manufacturer's typical display.

B. Rain Barrels Located in Area Visible from a Street, Lot, or Common Area:

Rain Barrels that are located on the side of a house or at any other location that is visible from a street, another lot, or a common area must comply with the following:

1. Rain Barrels must have adequate screening, as determined by the ACC;
2. Only commercial and professional grade Rain Barrels are permitted;
3. All Rain Barrels must be fully enclosed and have a proper screen or filter to prevent mosquito breeding and harboring; and
4. Rain Barrels may not create unsanitary conditions or be of nuisance to any neighboring properties.

II. ACC APPROVAL

Applicant's submission of plans must include a completed application for ACC review and a site plan showing the proposed location of the improvement, along with pictures showing the location of the modification and the manufacturer's brochures or sample of material, if applicable. The color of the materials being used in relation to the house color, the visibility from public streets and neighboring properties/common areas and any noise created are of specific concern to the Association and the ACC.

Any installation not in compliance with this Policy will be considered a deed restriction violation.

This Rain Barrel Policy does not apply to property that is owned or maintained by the Association.

CERTIFICATION

I hereby certify that, as Secretary of the Pecan Valley Ranch Homeowners Association, the foregoing Rain Barrel Policy was approved on the 25th day of January, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 1st day of February, 2012.

Trudy Ferguson
Print Name: Trudy Ferguson
Title: Secretary

STATE OF TEXAS §
 §
COUNTY OF SMITH §

BEFORE ME, on this day personally appeared Trudy Ferguson, the Secretary of the Pecan Valley Ranch Homeowners Association, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal this the 1st day of February, 2012.



Luan Smith
Notary Public - State of Texas

After Recording Please Return To:
Stephanie L. Quade
Roberts Markel
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

**** Electronically Filed Document ****

**Smith County, TX
Karen Phillips
County Clerk**

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Indirect-**

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Processed By: Cynthia Moa**

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.



I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Karen Phillips
County Clerk
Smith County, Texas

PECAN VALLEY RANCH HOMEOWNERS ASSOCIATION
DOCUMENT RETENTION, ACCESS, PRODUCTION AND COPYING POLICY

STATE OF TEXAS §
 §
COUNTY OF SMITH §

WHEREAS, the property encumbered by this Document Retention, Access, Production and Copying Policy ("Policy") is that property initially restricted by the Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One, Smith County, Texas, recorded under Smith County Clerk's File No. 2002-R0021799, as same has been or may be amended from time to time ("Declaration"), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Pecan Valley Ranch Homeowners Association (the "Association"); and

WHEREAS, pursuant to Chapter 209 of the Texas Property Code, the Board of Directors (the "Board") of the Association hereby adopts this Policy for the purposes of identifying the retention periods for the books, records, and/or other documents of the Association and prescribing the costs the Association will charge for the compilation, production and reproduction of information requested under Section 209.005 of the Texas Property Code; and

WHEREAS, the Board has determined that it is in the best interest of the Association to establish this Policy concerning the retention, production and copying of information, books, and records of the Association.

NOW, THEREFORE, BE IT RESOLVED THAT the Association does hereby adopt this Document Retention, Access, Production and Copying Policy, which shall run with the land and be binding on all owners and lots within the subdivision. This Policy shall become effective on January 1, 2012. After the effective date, this Policy shall replace any previously recorded or implemented policy that addresses the subjects contained herein.

1. ACCESS

The books and records of the Association, including financial records, shall be open to and reasonably available for examination by an owner, or a person designated in writing signed by the owner as the owner's agent, attorney, or certified public accountant. An owner is entitled to obtain from the Association copies of information contained in the books and records. An owner, or the owner's authorized representative, must submit a written request for access or information by certified mail, with sufficient detail describing the books and records requested, to the mailing address of the Association as reflected on the most current management certificate. The request must contain an election either to inspect the books and records before obtaining copies, or to have the Association forward copies of the requested books and records.

An attorney's files and records relating to the Association, excluding invoices requested by an owner under Section 209.008(d) of the Texas Property Code are not records of the Association and are not subject to inspection by the owner, or production in a legal proceeding. If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document shall be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. Any document that constitutes attorney work product or that is privileged as an attorney-client privileged communication is not required to be produced.

The Association is not required to release or allow inspection of any books or records that identify the dedicatory instrument violation history of an owner, an owner's personal financial information, including records of payment/nonpayment of amounts due the Association, an owner's contact information other than the owner's address, or information related to an employee of the Association, including personnel files. Information may be released in an aggregate or summary manner that would not identify an individual owner. These records may be made available only with (i) the express written approval of the owner whose records are the subject of the request, or (ii) if a court of competent jurisdiction orders the release of the records.

If inspection is requested, the Association, on or before the tenth (10th) business day shall send written notice of dates during normal business hours that the owner may inspect the requested records to the extent the records are in the possession or control of the Association. The inspection shall take place at a mutually agreed upon time during normal business hours.

If copies are requested, the Association shall produce the requested records for the owner on or before the tenth (10th) business day after the date the Association receives the request except as otherwise provided herein. The Association may produce the requested records in hard copy, electronic, or other format reasonably available to the Association.

If the Association is unable to produce the records on or before the tenth (10th) business day, the Association shall give the owner notice that it is unable to produce the records within ten (10) business days, and state a date by which the information will be sent or made available for inspection, on a date not more than fifteen (15) business days after the date the notice is given.

Notwithstanding anything contained herein to the contrary, all records shall be produced subject to the terms of this Policy as set out below. The Association may require advance payment of estimated costs per its adopted policy.

2. CUSTODIAN OF RECORDS

The Secretary of the Board or other person designated by the Board, is the designated Custodian of the Records of Association. As such, the Secretary of the Board is responsible for overseeing compliance with this Policy. Any questions regarding this Policy shall be directed to the Custodian of the Records of the Association.

3. PROCEDURES FOR RESPONDING TO REQUEST FOR INFORMATION

All requests for information must comply with the requirements set forth hereinabove. The dated and signed, written request must state the specific information being requested.

Requests for information will **NOT** be approved when the information regards pending legal issues, unless specifically required by law; information of personnel matters such as individual salaries; information about other members; information that is privileged or confidential.

4. COST OF COMPILING INFORMATION AND MAKING COPIES OF RECORDS

The costs of compiling information and making copies shall not exceed those set forth in 1 TAC §70.3. The following fee schedules and explanations comply with this code section.

The following are the costs of materials, labor, and overhead which shall be charged to the owner requesting. The Association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. If the estimated costs are lesser or greater than the actual costs, the Association shall submit a final invoice to the owner on or before the 30th business day after the date the information is delivered. If the final invoice includes additional amounts due from the owner, the additional amounts, if not reimbursed to the Association before the 30th business day after the date the invoice is sent to the owner, may be added to the owner's account as an assessment. If the estimated costs exceeded the final invoice amount, the owner is entitled to a refund, and the refund shall be issued to the owner not later than the 30th business day after the date the invoice is sent to the owner.

4.1 Copy Charge:

- (1) Standard paper copy. The charge for paper copies reproduced by means of an office machine copier or a computer printer is \$.10 per page or part of a page. Each side that has recorded information is considered a page.
- (2) Nonstandard copy: covers materials onto which information is copied and does not reflect any additional charges, including labor that may be associated with a particular request. Charges for nonstandard copies are:
 - (A) Diskette - \$1.00
 - (B) Magnetic tape – actual cost
 - (C) Data cartridge – actual cost
 - (D) Tape cartridge – actual cost
 - (E) Rewritable & non-rewritable CD - \$1.00
 - (F) Digital video disc - \$3.00
 - (G) JAZ drive – actual cost
 - (H) Other electronic media – actual cost
 - (I) VHS video cassette - \$2.50
 - (J) Audio cassette - \$1.00

- (3) Oversize paper copy (e.g. 11 x 17, green bar, blue bar, not including maps and photographs using specialty paper - \$.50
- (4) Specialty paper (e.g. Mylar, blueprint, blue-line, map, photographic) – actual cost

4.2 Labor Charge:

For locating, compiling, manipulating data, and reproducing public information, the following charges shall apply:

- (1) Labor charge - \$15.00/hour. This charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information;
- (2) No labor charge to be billed for requests that are 50 or fewer pages of paper records, unless the documents to be copied are located in:
 - (A) Two or more separate buildings that are not physically connected with each other; or
 - (B) A remote storage facility;
- (3) Labor charge may be charged when confidential information is mixed with public information in the same page, an attorney, legal assistant, or any other person who reviews the requested information, for time spent to redact, blackout, or otherwise obscure confidential information for requests of 50 or fewer pages.

4.3 Overhead Charge:

Whenever a labor charge is applicable to a request, the Association may include in the charges direct and indirect charges, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, the charge shall be made in accordance with the methodology described hereafter:

- (1) The overhead charge shall not be made for requests for copies of 50 or fewer pages of standard paper records unless the request also qualifies for a labor charge;
- (2) The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request.

4.4 Miscellaneous Supplies:

The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge. Related postal or shipping expenses which are necessary to transmit the reproduced information may be added to the total charge. If payment by credit card is accepted, if a transaction fee is charged by the credit card company, that fee may be added to the total charge.

5. DENIAL OF REQUESTED INFORMATION

If it is decided that a request for information is inappropriate or unapproved, the Board, or its designee, will notify the requesting member of that decision and the reason for it in a timely manner. The Board, or its designee, will inform the member, in writing of their right to appeal to the Board.

6. DOCUMENT RETENTION POLICY

This Section 6 provides for the future systematic review, retention, and destruction of documents received or created by the Association in connection with the transaction of the Association's business. This policy covers all records and documents, regardless of physical form, and contains guidelines for how long certain documents should be kept and how records should be destroyed. This Document Retention Policy shall be effective on January 1, 2012, and shall apply to records generated on or after January 1, 2012.

The Association retains specific documents for the time periods outlined in the attached Exhibit "A." Documents that may not be specifically listed will be retained for the time period of the documents most closely related to those listed in the schedule. Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the attached Exhibit "A" will be maintained for the identified time period.

The Custodian of the Records of Association is responsible for the ongoing process of identifying the Association's records which have met the required retention period and overseeing their destruction. Destruction of any physical documents will be accomplished by shredding. Destruction of any electronic records of the Association shall be made via a reasonable attempt to remove the electronic records from all known electronic locations and/or repositories.

CERTIFICATION

I hereby certify that, as Secretary of the Pecan Valley Ranch Homeowners Association, the foregoing Document Retention, Access, Production and Copying Policy was approved on the 28th day of January, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 1st day of February, 2012.

Trudy Ferguson
Print Name: Trudy Ferguson
Title: Secretary

STATE OF TEXAS §
 §
COUNTY OF SMITH §

BEFORE ME, on this day personally appeared Trudy Ferguson the Secretary of the Pecan Valley Ranch Homeowners Association, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 1st day of February, 2012.



Luan Smith
Notary Public - State of Texas

After Recording Return To:
Stephanie Quade
Roberts Markel
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

EXHIBIT "A"			
DOCUMENT RETENTION POLICY			
DOCUMENT TYPE	DEFINED	TIME PERIOD	EXCEPTION
ACCOUNTS PAYABLE/ RECEIVABLE	Accounts payable, accounts receivable support ledgers	Seven (7) years	
ACCIDENT / SAFETY REPORTS (CLAIMS SETTLED)	Accident reports and insurance claims	Seven (7) years	Claims of minors should be retained 7 years or at until the minor turns 21, whichever is longer
ACCIDENT REPORTS (WORKERS COMP)	Accident reports and insurance claims for workers compensation injuries	Seven (7) years	Unless employee is disabled, for longer period of time in which case a period of disability plus 4 years.
ASSESSMENT RECORDS	Member assessment records	Period of ownership plus two (2) years	Unless period of ownership exceeds five (5) years, then retain last five (5) years.
AUDIT RECORDS	Independent Audit Records	Seven (7) years	
BANK STATEMENTS	Statement of financial accounts, deposit tickets, cancelled checks, reconciliation statements.	Seven (7) years	
BOARD PACKAGES	Documentation delivered to the Board prior to meetings. Temporary, intermediate documents used to develop final deliverable documents.	After Meeting	
BUDGETS	Association budgets	Seven (7) years	
COMMITTEE CHARTERS	Committee charters,	Indefinitely	

EXHIBIT "A"			
DOCUMENT RETENTION POLICY			
DOCUMENT TYPE	DEFINED	TIME PERIOD	EXCEPTION
COMMITTEE REPORTS	Committee reports	Four (4) years	
CONTRACTS	Final contracts between the Association and another entity.	Later of completion of performance or expiration of the contract term plus four (4) years	
CONTRACT BID PROPOSALS/SPECIFICATIONS	For contract proposals not entered into by the Association.	Two (2) years	
CORPORATE FINANCIAL RECORDS AND BOOKS	Year End Financial Records and supporting documents	Seven (7) years	
CORPORATE GOVERNANCE DOCUMENTS	Plats, Articles of Incorporation, By Laws, Restrictions, Rules, Regulations, Policies and Guidelines and all amendments thereto, deeds, easements.	Indefinitely	
CORRESPONDENCE	Correspondence relating to general matters	Four (4) years	
CORRESPONDENCE-MEMBERS	Correspondence to/from members – kept in member file	Two (2) years	
DEEDS	Deed records relating to common areas which are recorded in the real property records.	Indefinitely	
DEED RESTRICTION ACTIVITY RECORDS	Member deed restriction activity records	Period of ownership plus two (2) years	Unless period of ownership exceeds five (5) years, then retain last five (5) years.
DEPRECIATION SCHEDULES		Life of asset plus four (4) years	In any event not less than seven (7) years

EXHIBIT "A"			
DOCUMENT RETENTION POLICY			
DOCUMENT TYPE	DEFINED	TIME PERIOD	EXCEPTION
EASEMENT AGREEMENTS	Easements between the association and another entity.	Indefinitely	
EMPLOYEE APPLICATIONS	Applications from employees who were not hired.	Four (4) years	
EMPLOYEE RECORDS	Payroll records, application, tests, performance appraisals, rate position changes, transfer, promotions, demotions, disciplinary actions, job descriptions, employee benefit plan documents, time records, employment retirement income security act, personnel records and records relevant to employee claims of discrimination.	Employee's employment period plus six (6) years	
ENTERTAINMENT RECORDS		Seven (7) years	
ENVIRONMENTAL RECORDS	Permits, authorizations, safety data, material disposal, waste disposal.	Discard on a case-by-case basis upon consultation with the Association's attorney	
EXPENSE REPORTS		Seven (7) years	
FINAL DOCUMENTS	Final deliverable documents which are not superseded or incorporated into later documents.	See Document Type	Contract drafts have benefit as they can help clarify contract terms negotiated which may later be disputed.
INSURANCE RECORDS – POLICIES & CLAIM RECORDS	All insurance policies and records of claims.	Indefinitely	

EXHIBIT "A"			
DOCUMENT RETENTION POLICY			
DOCUMENT TYPE	DEFINED	TIME PERIOD	EXCEPTION
IRA, KEOGH PLAN	Contributions, rollovers, transfers and distributions	Indefinitely	
JUDGMENTS	Court Judgments	Until judgment amount is paid in full. Judgments can be renewed every ten (10) years.	
LABOR CONTRACTS	Contract for labor or employment	Contract period plus four (4) years	
LEASES	Leases relating to equipment	Lease term plus four (4) years	
LOAN DOCUMENTS	Documents relating to loans plus security agreements	Until the loan is fully discharged plus four (4) years	
MEETING TAPE OR VIDEO RECORDS	Video or audio tape of meetings-strongly advise against these	If made, destroy prior to next meeting	See Meeting Minutes if used as same
MEMBER OR OWNER RECORDS	Member or Owner voting lists or Name, address, telephone, and email address.	Period of ownership plus two (2) years	Unless period of ownership exceeds five (5) years, then retain last five (5) years
MINUTES - BOARD OF DIRECTORS	Board minutes and written consents in lieu of a meeting.	Seven (7) years	
MINUTES - COMMITTEES	No committee minutes should be taken only reports to the board	See Committee Reports	
MINUTES - MEMBER MEETINGS	Annual member meetings	Seven (7) years	
MINUTES - EXECUTIVE SESSION MEETINGS	Executive session meeting minutes	Seven (7) years	
NEWSLETTERS	Newsletter or inserts sent to association members	Five (5) years	

EXHIBIT "A"			
DOCUMENT RETENTION POLICY			
DOCUMENT TYPE	DEFINED	TIME PERIOD	EXCEPTION
OPINION LETTERS OR REPORTS	Prepared by professionals including attorney, accountant, engineer	Indefinitely	
OWNER INFORMATION	Current name and address of each owner	Updated continually	
PURCHASE ORDERS		Four (4) years	
REPORTS	Reports relating to property damage and accidents	Seven (7) years	Claims of minors should be retained for the later of seven (7) years or at until the minor turns 21
RESERVE STUDIES	Documents relating to study of common area and amount of funds necessary to fund upkeep, maintenance and replacement	Time period for which the reserve study covers, plus four (4) years statute of limitations period	
TAX RETURNS	Federal and State Income, Franchise Tax Returns and supporting documentation	Seven (7) years	
TEMPORARY DOCUMENTS	Intermediate documents used to develop final deliverable documents	Until final deliverable documents are completed	Contract drafts may be beneficial to help clarify later disputed negotiated contract terms
TRADEMARKS	Documents relating to the first use of the trademarks should be retained as long as they are used. Registered trademarks can be renewed every ten years.	Indefinitely, so long as trademarks are still in use	

EXHIBIT "A"			
DOCUMENT RETENTION POLICY			
DOCUMENT TYPE	DEFINED	TIME PERIOD	EXCEPTION
VENDOR INVOICES	Invoices associated with final contracts between the Association and another entity	Later of completion of performance or expiration of the contract term plus four (4) years for statute of limitations for any action relating to a breach of contract.	
VOTING RECORDS	Association board member election records including proxies and ballots	One (1) year	Unless election is contested, then retain for period of contest
WATER WELL-RELATED	Well reports, etc.	Two (2) years	
WORKERS COMPENSATION RECORDS	Covered employees are eligible for lifetime benefits	Indefinitely	

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***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.



I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Karen Phillips
County Clerk
Smith County, Texas

PECAN VALLEY RANCH HOMEOWNERS ASSOCIATION
DISPLAY OF RELIGIOUS ITEMS POLICY

STATE OF TEXAS §
 §
COUNTY OF SMITH §

WHEREAS, the property encumbered by this Display of Religious Items Policy is that property initially restricted by the Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One, Smith County, Texas, recorded under Smith County Clerk’s File No. 2002-R0021799, as same has been or may be amended from time to time (“Declaration”), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Pecan Valley Ranch Homeowners Association (the “Association”).

NOW THEREFORE, pursuant to the authority granted in Section 202.018 of the Texas Property Code, the Board of Directors (the “Board”), hereby adopts this Display of Religious Items Policy (“Policy”), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

DISPLAY OF RELIGIOUS ITEMS

Owners and residents are generally permitted to display or affix one or more religious items on the entry to their dwelling, the display of which is motivated by the owner’s or resident’s sincere religious belief.

The display or affixing of a religious item on the entry to the owner’s or resident’s dwelling is prohibited under the following circumstances:

1. The item threatens the public health or safety;
2. The item violates a law;
3. The item contains language, graphics or any display that is patently offensive to a passerby;
4. The item is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the owner’s or resident’s dwelling; and
5. The item, individually or in combination with other religious item(s) displayed or affixed on the entry door or door frame, has a total size of greater than 25 square

inches.

The Association, pursuant to Section 202.018 of the Texas Property Code, may remove an item displayed in violation of this Policy.

This Policy in no way authorizes an owner or resident to use a material or color for an entry door or door frame of the owner's or resident's dwelling or make an alteration to the entry door or door frame that is not authorized by the Declaration.

CERTIFICATION

I hereby certify that, as Secretary of the Pecan Valley Ranch Homeowners Association, the foregoing Display of Religious Items Policy was approved on the 28th day of January, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 1st day of February, 2012.

Judy Ferguson
Print Name: Judy Ferguson
Title: Secretary

STATE OF TEXAS §
 §
COUNTY OF SMITH §

BEFORE ME, on this day personally appeared Judy Ferguson the Secretary of the Pecan Valley Ranch Homeowners Association, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 1st day of February, 2012.



Luan Smith
Notary Public - State of Texas

After Recording Please Return To:
Stephanie L. Quade
Roberts Markel
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056

**** Electronically Filed Document ****

**Smith County, TX
Karen Phillips
County Clerk**

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Parties:

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Indirect-**

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***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.



I hereby certify that this instrument was filed and duly recorded in the Official Records of Smith County, Texas

Karen Phillips
County Clerk
Smith County, Texas

PECAN VALLEY RANCH HOMEOWNERS ASSOCIATION
SOLAR ENERGY DEVICES AND ROOFING MATERIALS POLICY

STATE OF TEXAS §
 §
COUNTY OF SMITH §

WHEREAS, the property encumbered by this Solar Energy Devices and Roofing Materials Policy is that property initially restricted by the Declaration of Covenants, Conditions and Restrictions for Pecan Valley Ranch, Phase One, Smith County, Texas, recorded under Smith County Clerk’s File No. 2002-R0021799, as same has been or may be amended from time to time (“Declaration”), and any other subdivisions which have been or may be subsequently annexed thereto and made subject to the authority of the Pecan Valley Ranch Homeowners Association (the “Association”); and

WHEREAS, any reference made herein to approval by the Architectural Control Committee (“ACC”), means prior written approval by the ACC.

NOW THEREFORE, pursuant to the authority granted in Section 202.010 and 202.011 of the Texas Property Code, the Board of Directors (the “Board”), hereby adopts this Solar Energy Devices and Roofing Materials Policy (“Policy”), which shall run with the land and be binding on all owners and lots within the subdivision. This Policy replaces any previously recorded or implemented policy that addresses the subjects contained herein.

An application must be submitted for review by the ACC, and formal written approval from the ACC shall be required before installation may begin.

I. SOLAR ENERGY DEVICES AND ROOFING MATERIALS

A. Prohibited Solar Energy Devices

Solar energy devices, as referred to herein, shall be defined as set forth in the Texas Tax Code, §171.107. Solar energy devices are prohibited in the following circumstances:

1. It has been adjudicated by a court that the solar energy devices are a threat to public health or safety, or violate a law;
2. Solar energy devices that are located on property owned or maintained by the Association;
3. Solar energy devices that are located on property that is owned in common by the members;
4. Solar energy devices that are located on the owner’s property, other than:

- a. On the roof of the dwelling or another permitted structure;
 - b. In a fenced yard or patio owned & maintained by the owner;
5. Roof-mounted solar energy devices that extend higher than or beyond the roofline;
 6. Subject to Item 7 below, if roof mounted, is mounted in an area other than the back of the home;
 7. Roof-mounted solar energy devices that are located in an area *other* than an area designated by the Association, unless the alternate location increases the estimated annual energy production by more than 10% above the area designated by the Association (as determined by a publicly available modeling tool provided by the National Renewable Energy Laboratory);
 8. Roof-mounted solar energy devices that do not conform to the slope of the roof and have a top edge that is not parallel to the roofline;
 9. Roof-mounted solar energy devices having frames, support brackets, or visible piping or wiring containing colors other than silver, bronze, or black tones;
 10. Solar energy devices located in a fenced yard or patio that are taller than the fence;
 11. Solar energy devices that, as installed, void material warranties; and
 12. Solar energy devices that were installed without prior approval by the Association or ACC.

If the proposed solar energy devices do not fall within one of the above-prohibited categories, the Association or ACC may not withhold approval of the installation of solar energy devices unless the Association or ACC determines in writing that placement of the solar energy devices, as proposed by the owner, constitutes a condition that substantially interferes with the use and enjoyment of land by causing unreasonable discomfort or annoyance to a person of ordinary sensibilities. The written approval of the owner's proposed location by all owners of adjoining property constitutes prima facie evidence that such a condition does not exist.

B. Permitted Roofing Materials

Pursuant to Texas Property Code §202.011, the installation of the following roofing materials is permitted:

1. Wind or hail resistant roofing materials;
2. Materials that provide heating and cooling efficiencies greater than those provided by customary composite shingles; or
3. Materials that provide solar generation capabilities.

The above-enumerated acceptable materials, when installed, must:

1. Resemble the shingles used or otherwise are authorized for use within the subdivision;
2. Be more durable than, and are of equal or superior quality to, the shingles authorized for use within the subdivision; and
3. Match the aesthetics of the property surrounding the owner's property.

II. ACC APPROVAL

Applicant's submission of plans must include a completed application for ACC review, a site plan and/or roof plan showing the proposed location of the improvement, along with pictures showing the location of the modification and the manufacturer's brochures or sample of material, if applicable. The color of the materials being used in relation to the roof or house color, the visibility from public streets and neighboring properties/common areas and any noise created and/or light reflected are of specific concern to the Association and the ACC.

Any installation not in compliance with this Policy will be considered a deed restriction violation.

This Solar Energy Devices and Roofing Materials Policy does not apply to property that is owned or maintained by the Association.

CERTIFICATION

I hereby certify that, as Secretary of the Pecan Valley Ranch Homeowners Association, the foregoing Solar Energy Devices and Roofing Materials Policy was approved on the 28th day of January, 2012, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 1st day of February, 2012.

Trudy Ferguson
Print Name: Trudy Ferguson
Title: Secretary

STATE OF TEXAS §
 §
COUNTY OF SMITH §

BEFORE ME, on this day personally appeared Trudy Ferguson, the Secretary of the Pecan Valley Ranch Homeowners Association, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes herein expressed and in the capacity herein stated, and as the act and deed of said corporation.

Given under my hand and seal this the 1st day of February, 2012.



Luan Smith
Notary Public - State of Texas

After Recording Please Return To:
Stephanie L. Quade
Roberts Markel
2800 Post Oak Blvd., 57th Floor
Houston, TX 77056