

DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS

OF

SENDERO RANCH

BEXAR COUNTY, TEXAS

THE STATE OF TEXAS §

COUNTY OF BEXAR §

THIS FIRST AMENDMENT to the DECLARATION is made on the date hereinafter set forth by SENDERO RANCH DEVELOPMENT, LTD., hereinafter referred to as "Declarant", and completely replaces that Declaration dated July 21, 1994, recorded in Volume 6191 at Page 00737 of the Official Public Records of Real Property of Bexar County, Texas.

RECITATIONS:

1. Declarant is the sole owner of a 78.88 acre tract of land (the "Property") located in Bexar County, Texas, which has been subdivided and platted of record as follows:

Lots 1-18, inclusive, SENDERO RANCH, UNIT 1, PLANNED UNIT DEVELOPMENT, Bexar County, Texas, according to plat thereof recorded in Volume 9530, Pages 39-41 of the Map and Plat Records of Bexar County, Texas.

2. The above described Unit 1 comes out of a 618.12 acre, more or less, tract of land owned by Declarant, parts of which Declarant subsequently may subdivide and plat of record as additional units within the Sendero Ranch Subdivision, such 618.12 acre tract of land being more particularly described in that certain Warranty Deed from River City Associates, L.L.C. to Sendero Ranch Development, Ltd., dated March 23, 1994, and recorded under Bexar County Clerk's File No. 94-0055637 and in Volume 6013, Page 1821 of the Official Public Records of Real Property of Bexar County, Texas.

3. It is the desire and intention of the Declarant to restrict not only Unit 1, but also any and all of the remainder of the above described 618.12 acres which is subjected to this Declaration of Covenants, Conditions, Easements and Restrictions (the "Declaration") by virtue of a duly recorded plat in accordance with the terms of Article III below.

4. It is the desire and intention of the Declarant that all of the Subdivision shall be restricted according to a common plan as to use and permissible construction, so that all of the Subdivision shall be benefitted and each successive owner of all or any part of the Subdivision shall be benefitted by the preservation of the value, character and desirability of the Subdivision.

5. Declarant desires to ensure the preservation of the values and amenities in the Subdivision and to provide for the maintenance of the Common Facilities, (as that term is defined hereinafter), and to this end desires to subject the Subdivision (together with such additions as may be made thereto as provided herein) to the covenants, restrictions, conditions, easements,

Vol 6 24 | PAGE 0 8 9 7

charges, and liens hereinafter set forth herein, each and all of which is and are for the benefit of the Subdivision, the owners thereof and the subsequent Owners of Lots therein.

6. For the efficient preservation of the values and amenities in the Subdivision, Declarant has deemed it desirable to create an entity to which should be delegated and assigned the powers of maintaining and administering the Common Facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created.

7. SENDERO RANCH OWNERS' ASSOCIATION has been or shall be incorporated under the laws of the State of Texas as a nonprofit corporation for the purpose of exercising these functions as to SENDERO RANCH, PLANNED UNIT DEVELOPMENT and Declarant desires to subject the Subdivision and the respective Owners of property within it to the jurisdiction of said SENDERO RANCH OWNERS' ASSOCIATION.

NOW, THEREFORE, Declarant declares that all of the property within the Subdivision is and shall be held, transferred, sold, conveyed, occupied, and enjoyed subject to the covenants, restrictions, conditions, easements, charges, and liens hereinafter set forth.

ARTICLE I

DEFINITIONS

Section I. The following words when used in this Declaration or any Amended or Supplemental Declaration or Annexation Certificate (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the SENDERO RANCH OWNERS' ASSOCIATION, its successors and assigns as provided for herein.

(b) "Properties" shall mean and refer to the Property (as defined in paragraph 1 of the Recitations) and all additions to the Subdivision as are annexed hereto pursuant to the provisions of Article III, Section 2 hereof.

(c) "Common Facilities" shall mean and refer to all property leased, owned, or maintained by the Association for the use and benefit of the Members of the Association. By way of illustration, Common Facilities may include, but not necessarily shall include nor be limited to, the following: private streets and rights-of-way, private drainage culverts and facilities, subdivision entrance(s), security gates, esplanades, signs, landscaping, fences, walls, dikes, bridges, safety lanes, jogging, walking, biking and/or horseback riding trails or paths, green belts, and other similar or appurtenant improvements.

(d) "Lot" shall mean and refer to any of the plots of land numbered 1-17, inclusive, on the above described Subdivision Plat and to any numbered plots of land identified on recorded plats of other tracts of land annexed hereto, save and except those designated as private streets or other Common Facilities.

(e) "Subdivision" shall mean Unit 1 as described in paragraph 1 of the Recitations, together with (i) any and all parts of the 618.12 acres described in paragraph 2 of the Recitations which subsequently are subdivided and annexed hereto, and (ii) any other properties which subsequently are subdivided and annexed hereto in accordance with the terms of Article III, Section 2 below.

(f) "Subdivision Plat" shall mean and refer to the map or plat of SENDERO RANCH, UNIT 1, PLANNED UNIT DEVELOPMENT filed for record in the Map and Plat Records of Bexar County, Texas, and any amendment thereof upon filing of the same for record in the Map and Plat Records of Bexar County, Texas, together with the plat of any other tract

VOL 6 24 1 PAGE 0 8 9 8

of land annexed to the Subdivision pursuant to the provisions hereof and recorded in the Map and Plat Records of Bexar County, Texas.

(g) "Living Unit" shall mean and refer to a single family residence and its ancillary buildings situated upon a Lot.

(h) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to or undivided interest in any Lot or portion of a Lot, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation.

(i) "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article IV, Section 1, hereof.

(j) "Declarant" shall mean and refer to Sendero Ranch Development, Ltd., and those successors or assigns to whom it transfers of record some or all of its rights as Declarant.

(k) "Master Design Committee" shall mean and refer to the committee created by the Declarant pursuant to the provisions of Article VII hereof.

(l) "Board of Directors" shall mean and refer to the governing body of the Association, the election and procedures of which shall be as set forth in the Articles of Incorporation and By-Laws of the Association.

ARTICLE II

RESERVATIONS, EXCEPTIONS, DEDICATIONS, EASEMENTS,

CONSERVATION AREA

Section 1. Subdivision Plat. The Subdivision Plat dedicates for use certain private streets and easements shown thereon. Such Subdivision Plat further establishes certain dedications, easements, limitations, reservations and restrictions applicable to the Properties. All dedications, easements, limitations, reservations and restrictions shown on the Subdivision Plat are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant, conveying said property or any part thereof.

Section 2. Damages. Neither Declarant nor the Master Design Committee nor any member of the Master Design Committee shall be liable for any damages done by any utility or service company or their assigns, their agents, employees or servants, using any easements, whether now or hereafter in existence (located on, in, under, over or through the Properties), to fences, shrubbery, trees, flowers or other property now or hereinafter situated on, in, under, or through the Properties.

Section 3. Utility Easements. Non-exclusive perpetual underground easements are hereby reserved and dedicated under and across the streets in the Subdivision and under and across a twenty foot (20') strip along each side, front and rear Lot line (except along the common lot lines of Lots 1 and 2 of Unit 1 and along Lots 10 and 11 of Unit 1, which Lots are subject to the easements as located and designated on the plat of Unit 1) for the purpose of installing, maintaining, replacing and repairing, or conveying to proper parties so that they might install, maintain, replace and repair electric power, gas, water, sewer, telephone, television, drainage and/or any other similar utility lines, facilities, and services for the Lots in the Subdivision. There

VOL 241 PAGE 0899

are no easements reserved hereby for above-ground utilities, except to the extent meter boxes or similar facilities may be required near the point at which a utility line enters a Lot or near the point of termination of a utility line along the boundary line of a Lot. The easements reserved and dedicated hereby shall be for underground utilities only, shall be for the general benefit of the Subdivision and shall be used by the respective utility and/or cable companies as conservatively as possible with the least destruction and/or damage possible to trees, shrubs, grass and other habitat. Insofar as is possible, the companies using these easements shall coordinate with the Management of the Owners' Association in determining the exact location of the utility lines and facilities. These easements shall inure to the benefit of, and may be used by, any public or private utility or cable company entering into the Subdivision for such purposes, without the necessity of any further grant of such easement rights to such utility companies. The Declarant is in no way obligated to install any such utilities. If two or more Lots are combined for one homesite and a residence is constructed on such homesite, the combined area shall be considered as one Lot for purposes of determining the utility easements granted hereby, unless and until a second residence is constructed on the homesite, in which event the utility easements shall revert to be as originally created hereby.

Section 4. Access Easements. There is hereby reserved and dedicated a non-exclusive easement and right of ingress and egress across, over, and under the streets in the Subdivision for the sole purpose of installing, replacing, repairing, and maintaining all Common Facilities and utilities serving the Subdivision, including, but not limited to, water, sewer, telephone, electricity, gas, drainage, television cable and all appurtenances thereto. These access easements shall inure to the benefit of, and may be used by, any public or private utility, cable or service company entering into the Subdivision for such purposes, without the necessity of any further grant of such easement rights to such utility, cable or service company.

Section 5. Conservation Area. Each Lot shall include a conservation area. The conservation area shall consist of the 25 feet adjacent to each side and rear Lot line. This conservation area shall be maintained as a landscape buffer between private residences and as a habitat for numerous species of wildlife. It shall not be trimmed, pruned, cut-back, penetrated, encroached upon, backfilled with soil, or chemically treated in any way, except for the installation, maintenance and replacement of utilities within the above described utility easements, the creation of a "clear vision area" as described below, or unless otherwise approved in writing by the Master Design Committee. If two or more Lots are combined for one homesite and a residence is constructed on such homesite, then the combined area shall be considered as one Lot for purposes of determining the conservation area described herein unless and until a second residence is constructed on the homesite, in which event the conservation areas shall revert to be as originally created herein. Notwithstanding anything to the contrary contained herein, this

VOL 6 24 1 PAGE 09 00

provision shall not, and shall not be construed to, prohibit the maintenance of "clear vision areas" between the height of 3 feet and 9 feet above ground level on the corner of two intersecting streets as required by Article II, "Planning", of the City of San Antonio's Unified Development Code. In no event shall the "clear vision area" extend into the Lot beyond the 50 feet (50') fence set-back line as set forth in Section 19 of Article VIII hereof.

Section 6. Entrance Roadways. The Owner of any individual Lot or Lots shall construct or cause to be constructed, at his or their own expense, an entrance driveway in conformity with the plan and design therefor which must have been previously approved by the Master Design Committee. All entrance driveways shall be at least twelve feet (12') wide at the entrance to the P.U.D. street and shall be constructed in accordance with the Master Design Guidelines.

ARTICLE III

PROPERTY SUBJECT TO THIS DECLARATION:

ADDITIONS OR MODIFICATIONS THERETO

Section 1. Existing Property. The real property which initially is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration is Lots 1-18, Sendero Ranch, Unit 1, Planned Unit Development, Bexar County, Texas, as recorded in Volume 9530, Pages 39-41 of the Map and Plat Records of Bexar County, Texas, or any subsequently recorded replat of said Property, all of which real property is sometimes hereinafter referred to as the "**Existing Property**".

Section 2. Additions to Existing Property. Additional lands may become subject to this Declaration and made a part of the Subdivision in the following manners:

(a) Additions by Declarant. Within twenty (20) years from the date of this instrument the Declarant, its successors and assigns, shall have the right to bring additional properties, (whether or not within the 618.12 acre tract of land described in paragraph 2 of the Recitations), within the scheme of this Declaration in future stages of development without the consent of other Members being required. Any additions authorized under this and the succeeding subsections shall be made by filing of record in the Real Property Records of Bexar County, Texas, either an Annexation Certificate and/or an Amended or Supplementary Declaration of Covenants and Restrictions with respect to the additional property, which shall extend the scheme of the covenants and restrictions of this Declaration to such property, and the execution thereof by the Declarant shall constitute all requisite evidence of the required approval thereof. Such Amended or Supplementary Declaration may contain such complementary additions and/or modifications of the covenants and restrictions contained in this Declaration as may be applicable to the additional lands. In no event, however, shall any such Amended or Supplementary

VOL 9 2 4 1 PAGE 0 9 0 1

Declaration revoke, modify or add to the covenants established by this Declaration as they are applicable to the Existing Property, unless such Amended or Supplementary Declaration is approved by the Lot Owners in accordance with the below subparagraph (d) of this Section 2.

(b) Other Additions. The owner of any other property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association, must file a written submission to the Association containing the following:

- (1) the size, location and proposed use of the proposed property;
- (2) the nature and extent of site improvements and Common Facilities to be located on the proposed property;
- (3) an affirmation that the proposed addition, if made, will be subject to all Association assessments; and
- (4) any additional information requested by the Association.

If the submission is approved in writing by two-thirds (2/3) of each class of the Members (by area), then the proponent thereof must file of record in the Real Property Records of Bexar County, Texas, an Annexation Certificate and a Supplementary Declaration of Covenants and Restrictions covering such additional property. Either the Annexation Certificate or the Supplementary Declaration of Covenants and Restrictions must include evidence of the written approval of 2/3rds of each class of the Members (by area).

(c) Master Plan. Although a Sendero Ranch Master Plan has been prepared and submitted to and approved by the City of San Antonio Planning Department, such Master Plan shall not bind the Declarant, its successors and assigns, to make any additions proposed therein, or to adhere to the Plan in any subsequent development of any tract of land proposed as an addition to the Existing Property.

(d) Amendment. This Declaration may be amended until January 1, 2015, by written instrument executed by the Owners of not less than ninety percent (90%) of the Subdivision (by area), and thereafter by written instrument executed by not less than seventy-five percent (75%) of the Subdivision (by area). No amendment shall be effective until filed of record in the Official Public Records of Real Property, Bexar County, Texas.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record owner of a fee simple title to or undivided interest in any Lot shall be a Member of the Association; provided, however, that any person or entity holding an interest in any such Lot or Lots merely as security for the performance of an obligation shall not be a Member.

VOL 6 24 1 PAGE 09 02

Section 2. Voting Rights. The Association shall have two classes of voting membership:

(a) Class A. Class A Members shall be all those Owners as defined in Article I, with the exception of the Declarant. Class A Members shall be entitled to a number of votes equal to the amount of acreage in which they hold the interest required for membership for Section 1 of this Article. By way of example, the Class A Member who is the Owner of Lot 1 in Unit 1 shall be entitled to 3.93 votes. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine; but in no event shall they jointly be entitled to more votes than a number equal to the amount of acreage in the respective Lot.

(b) Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to a number of votes equal to 3 times the acreage in which it holds the interest required by Section 1, provided that the Class B membership shall cease and become converted to Class A membership on the happening of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) On January 1, 2015.

From and after the happening of these events, whichever occurs earlier, the Class B Member shall be deemed to be a Class A Member entitled to a number of votes equal to the amount of acreage in which it holds the interest required for membership under Section 1.

ARTICLE V

PROPERTY RIGHTS IN THE COMMON FACILITIES

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Sections 2 and 3 of this Article V, every Member is hereby granted a non-exclusive common right and easement of ingress and egress and/or of enjoyment and use in and to the Common Facilities, and such right and easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Facilities. The Declarant may retain the legal title to the Common Facilities until such time as it has completed improvements thereon and until such time as, in the sole opinion of the Declarant, the Association is able to maintain the same. The Declarant hereby retains a non-exclusive right and easement of ingress and egress and of enjoyment and use in and to the Common Facilities, such right and easement to become effective at the time of the conveyance of the respective Common Facilities to the Association. The Declarant specifically retains a non-exclusive right and easement of ingress and egress and

VOL 24 | PAGE 0903

of enjoyment and use in and to the private streets for any purchasers of any part of the above-described 618.12 acre tract of land, whether or not such purchasers become Owners, such easement to be appurtenant to such tract.

Section 3. Extent of Members' Easements. The rights and easements of the Members created hereby in and to the Common Facilities shall be subject to the following:

- (a) The Declarant's above described rights and easements, for so long as Declarant shall own any property within the Subdivision;
- (b) The above rights and easements which may have been conveyed by Declarant to a purchaser of a part of the above described 618.12 acre tract of land as described in Section 2 above;
- (b) The rights and easements existing or herein created in favor of others as provided for on the Subdivision Plat and/or in Article II hereof; and
- (c) The rights of the Association, once it has obtained legal title to the Common Facilities as provided in Section 2 above, to do the following:
 - (1) to borrow money for the purpose of constructing or improving the Common Facilities and in accordance with the Articles of Incorporation and By-Laws of the Association;
 - (2) to take such steps as are reasonably necessary to protect the Common Facilities against foreclosure;
 - (3) to suspend the enjoyment rights of any Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of the Master Design Guidelines as determined from time to time by the Master Design Committee and/or any other published rules and regulations of the Association or the Master Design Committee;
 - (4) to assess and collect the assessments provided for herein or elsewhere and to charge reasonable admission and other fees for the use of the Common Facilities; and
 - (5) to dedicate or transfer all or any part of the Common Facilities to any public or private agency, authority, utility company or other entity for such purposes and subject to such conditions as may be approved by a two-thirds (2/3) vote of the Members.

ARTICLE VI

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned by it within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges and (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as are hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together

VOL 24 | PAGE 904

with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the owner of such Lot at the time the obligation accrued.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety and welfare of the Members, and in particular, for the improvement, maintenance and operation of the Common Facilities and providing services related to the use and enjoyment of the Properties by the Members.

Section 3. Basis of Annual Assessments. The annual assessment for both improved and unimproved Lots shall be determined by the Board of Directors in the manner provided for herein, after determination of current costs of maintenance and operation and anticipated needs of the Association during the year for which the assessment is being made. The annual assessment for unimproved Lots shall be one-fourth (1/4) the annual assessment for improved Lots. For purposes of this paragraph, a Lot shall be deemed to be an "improved Lot" (i) when construction of any portion of a Living Unit is initiated thereon or (ii) 24 months after the closing of the sale of the Lot from Declarant to an Owner, whichever occurs first. If two or more Lots are combined to form one homesite, both or all of such Lots may be deemed to be "improved Lots" if part of a Living Unit is being, or has been, constructed thereon.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments provided for in Section 3, the Association may levy, in any assessment year, a Special Assessment on improved Lots only, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement on or which is a part of the Common Facilities, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each improved Lot Owner who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all improved Lot Owners at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Annual Assessments. Subject to the limitations of Section 3 hereof, the annual assessment may be adjusted by majority vote of the Board of Directors, but shall not be increased by more than ten percent (10%) above that of a previous year without a vote of the membership. Any increase in the annual assessment of more than ten percent (10%) above that of a previous year shall require approval of two-thirds (2/3) of the votes of each class of Members voting at a meeting duly called for this purpose, written notice of which shall be sent to all Owners, at the address of such Owners as reflected in the records of the Association, at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 6. Quorum for Any Action Authorized Under Sections 4 and 5. The quorum required for any action authorized by Sections 4 and 5 hereof shall be as follows:

VOL 6 24 1 PAGE 0 9 0 5

At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of Members, or of proxies, entitled to cast sixty (60) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in Sections 4 and 5 hereof, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that such reduced quorum requirement shall not be applicable to any such subsequent meeting held more than forty-five (45) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of January, 1995. The assessments for each calendar year shall become due and payable and shall be collected as the Board of Directors of the Association shall determine. The amount of the annual assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 hereof as the remaining number of months in that year bear to twelve. When a Lot becomes an improved Lot after the annual assessment for it as an unimproved Lot has been paid, there shall be payable as of the first day of the month following the month when it becomes an improved Lot, a sum equal to the difference between the annual assessment for unimproved Lots and the annual assessment for improved Lots prorated over the balance of the year then remaining. The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment. The due dates for payment of annual assessments shall be determined by the Board of Directors of the Association.

Section 8. Duties of the Board of Directors. In January of each year, the Board of Directors of the Association shall fix the amount of the annual assessment against each Lot for such 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. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessments; The Lien; Remedies of the Association. If the assessments are not paid on the date when due, then such assessment together with interest thereon and cost of collection thereof as provided herein, shall become delinquent and shall become a continuing lien on the Lot. If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum or the maximum rate allowed by applicable law, whichever is greater, or at such lesser rate as may be set by the Board of Directors from time to time, and the Association may bring an action at law against the Owner to pay the same or to foreclose the lien against the Lot, and there shall be added to the amount

VOL 24 PAGE 906

of such assessment all reasonable expenses of collection, including the costs of preparing and filing the complaint, reasonable attorney's fees and costs of suit.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the Lots; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the sale or transfer of such Lot pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the mortgagor from personal liability for payment of such delinquent assessment and additional charges as provided herein above. Such sale or transfer shall not relieve the new Owner of such Lot from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 11. Exempt Property. The charges and liens created herein shall apply only to the Lots, and the remainder of the Properties shall not be subject thereto.

ARTICLE VII

MASTER DESIGN COMMITTEE

Section 1. Approval of Plans. Master Design Guidelines have been established by the Master Design Committee (sometimes hereinafter referred to as the "Committee") to create a *harmonious residential community*. No building, structure, fence, wall, well, septic tank system, landscaping, recreational facility of any kind, or other improvement shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made, until the detailed plans and specifications therefor shall have been submitted in writing to the Committee and approved in writing by the Committee as to harmony of external design, color and location and as to compliance with minimum standards in relation to property lines, easements, grades, surrounding structures, walks, topography and all other matters delineated in the Master Design Guidelines.

Section 2. Membership in Committee. The Master Design Committee shall be comprised of three or more persons who do not have to be Members of the Sendero Ranch Owners' Association. The initial membership of the Committee shall be Christopher C. Hill, A.I.A., Thomas E. Dreiss and Tim Blonkvist, A.I.A. In the event there is a vacancy in the Committee and Declarant fails to appoint a member to fill that vacancy, the Board of Directors of the Association may fill such vacancy by appointment to the Committee, provided it shall first give thirty (30) days written notification to Declarant of its intent to do so and further provided the vacancy or vacancies in Committee membership are not cured by designation of Declarant within such thirty (30) days. Any appointment of a member of the Committee by the Board of Directors must be evidenced by an instrument duly recorded in the Real Property Records of Bexar County, Texas.

VOL 6 2 4 | PAGE 0 9 0 7

In order to constitute an approval of the Committee regarding any matter coming before the Committee, the approval of a majority of the members of the Committee shall be required.

Section 3. Submission of Plans. All plans submitted to the Master Design Committee must be dated and receipted by a member of the Committee or a Committee-designated recipient. The submitted plans and specifications shall specify materials, structural detail, elevations, landscaping detail, and the nature, kind, shape, heights, exterior color scheme, and location of the proposed improvements or alterations thereto, all in such form as the Master Design Committee may reasonably require. Initial submittals to the Committee shall include a site plan, with all pertinent references as to legal description, setbacks, easements, the "developable area" and the "native area" as those areas are defined in the Master Design Guidelines, as well as a roof plan, floor plans, and all four elevations. All floor plans shall be submitted, even if previously approved on other Lots. Landscape plans must be submitted for Committee approval before any landscape improvements begin, but may be submitted after architectural submissions. In the event said Committee fails to approve or disapprove such plans and specifications within ninety (90) days after the plans and specifications have been receipted by it, approval will not be required and the provisions of this Section will be deemed to have been fully complied with. The Committee shall be the sole authority for determining whether proposed structures, landscape elements and/or modifications of proposed structures comply with applicable covenants, conditions and restrictions, and are in harmony of design with other existing structures and the overall development plan for the Subdivision. The Committee's objective is to prevent unacceptable, unusual, radical, uncommon, curious, odd, extraordinary, bizarre, or peculiar designs in materials or appearances from being built on, in and/or within the Properties and, to the extent possible, ensure the harmonious development of the Properties in conformity with the development plan and design guidelines. From time to time variances may be allowed pursuant to the provisions of the Master Design Guidelines. The Committee is not required to police or enforce compliance with such considerations as minimum size, setbacks, or other specific, objective construction requirements.

Section 4. Limitations of Liability. There shall be no review of any action of the Master Design Committee except by procedures for injunctive relief when such action is patently arbitrary and capricious; and under no circumstances shall such Committee, or any of its members, be subject to suit by anyone for damages.

Section 5. Approved Contractors. No construction of any building, fence, wall, recreational facilities, landscaping or other structure or improvements shall be commenced on, in, or within the Properties until the primary contractor to perform such construction shall have been approved in writing by the Master Design Committee. In the event the Committee fails to approve or disapprove a written request for the approval of a primary contractor within ninety (90)

Y016 24 | PAGE 09 08

days after such request is submitted to it, such approval will not be required and the provisions of this Section will be deemed to have been fully complied with.

Section 6. Other Matters. All matters requiring approval of the Master Design Committee, whether or not specifically addressed hereinabove or hereinbelow, shall require that such approval be in writing. The date of such submission shall be evidenced by a receipt from one of the Committee members. In the event the Committee fails to approve or disapprove any such matters within ninety (90) days after written submission thereof to the Committee (as evidenced by the dated receipt from a member of the Committee), approval will not be required, and the requirement that such approval be obtained shall be deemed to have been fully complied with.

ARTICLE VIII

USE RESTRICTIONS

Section 1. The Properties shall be used only for the development of private single family residences and buildings appurtenant thereto and Common Facilities serving the Owners and residents thereof, as outlined in the Master Design Guidelines and approved by the Master Design Committee.

Section 2. New Construction Only, Etc. As outlined in the Master Design Guidelines, any and all structures, fences, walls, recreational facilities or other improvements erected, altered or placed on any portion of the Properties shall be of new construction and shall be built in place unless otherwise approved by the Master Design Committee. Except as provided in Section 9 of this Article, no structure of a temporary character, including, but not limited to, trailers, mobile homes, tents, shacks, garages, barns, or other out-buildings shall be used anywhere on, in or within the Properties at any time.

Section 3. No Nuisances. No noxious, offensive, undesirable or unlawful activity shall be conducted upon any portion of the Properties nor shall anything be done or permitted to be done thereon which may be or may become a nuisance or annoyance to the owners of adjacent Lots or to the Subdivision as a whole. Nor shall an Owner's, resident's or other party's use of the Properties, or any portion thereof, whether same be a Lot, part of the Common Facilities or otherwise, endanger the health or disturb the reasonable enjoyment of any other Owner or resident or visitor of or to the Properties. Any determination by the Committee that an activity is noxious, offensive, undesirable, unlawful or a nuisance or annoyance shall be final and binding on all parties.

Section 4. Permitted Use. Only one private single-family residence may be constructed or otherwise placed upon any one Lot. A private single-family residence may be comprised of several buildings, including, but not limited to, a garage, a barn, a pool house, a gazebo, a guest-house and/or any other out-buildings ancillary to the main house, subject to the

VOL 6 2 4 | PAGE 0 9 0 9

approval of the Master Design Committee. The terms "residential purposes" as used herein shall be held and construed to exclude any business, commercial or industrial use, apartment house, and hospital or clinic uses, and such excluded uses are hereby expressly prohibited. This restriction shall not, however, prevent the inclusion of permanent living quarters for domestic servants or to allow domestic servants to be domiciled with an owner or resident.

Section 5. Maximum Height. No building or structure erected, altered or placed on, or within the Properties shall exceed thirty-five feet (35') in height (measured from the top of the foundation to the topmost part of the roof), subject, however, to the approval of the Master Design Committee. All applicable governmental ordinances, regulations, and statutes with respect to the maximum height of building and structures shall be complied with at all times.

Section 6. Minimum Area. No residence shall contain less than two thousand three hundred (2,300) contiguous square feet of living area, unless otherwise approved in writing by the Master Design Committee. Such minimum area requirements shall be exclusive of open or screened porches, terraces, patios, driveways, carports, garages.

Section 7. Building Set-back Lines. No structure, other than fences and/or walls, shall be located on any Lot nearer than one hundred twenty-five feet (125') to any front boundary line nor nearer than seventy-five feet (75') to any rear boundary line nor nearer than fifty feet (50') to any side Lot line; except that if a residence is constructed on a homesite consisting of more than one Lot, the combined area shall be considered as one Lot for purposes of this provision. These set-back lines may be adjusted by the Committee, if, in its sole discretion, the prescribed distances are not feasible and the set-back lines may be reduced without adversely affecting the neighbors or the integrity of the Subdivision. Likewise, they may be increased by the Committee for the protection of environmental features or because of geographical or topographical features.

Section 8. Re-Subdivision. No Lot may be re-subdivided or conveyed or encumbered in a size less than the full dimensions shown on the originally recorded plat of the Subdivision unit in which the Lot is located. In the event two or more Lots are consolidated into one homesite, such consolidated homesite may not be re-subdivided or conveyed or encumbered in sizes less than the dimensions reflected on its component Lots on its original plat.

Section 9. Necessary Temporary Facilities. Notwithstanding the other provisions of this Article VIII, Declarant reserves unto itself the exclusive right to erect, place, and maintain such temporary facilities and signage in or upon any portions of the Properties as it, in its sole discretion, may determine to be necessary or convenient while selling Lots, selling or constructing residences and constructing other improvements upon the Properties. In addition, each Owner shall have the right to erect, place, and maintain on his Lot such temporary facilities as may be necessary or convenient for construction of a residence thereon. Any temporary facilities used for purposes of storage of building materials or construction debris shall be placed

VOL 6 24 | PAGE 09 | 0

or located in such manner that they are not visible from the Common Facilities, or any part thereof.

10. Animals. Horses, other livestock as approved by the Master Design Committee, and normal household pets may be kept on a Lot, with the exception of swine. This exclusion of swine, however, does not apply to "Vietnamese Pot Belly Pigs" which are kept by the Lot Owner strictly as pets. Any animal or poultry raised for an FFA, 4-H or similar organization or for a school project may be bred and kept on a Lot, if first approved in writing by the Master Design Committee. **No animals nor poultry may be kept on a Lot, however, unless they are restricted to the Lots of their respective owners by fences or other enclosures or restraints and not allowed to run at large; nor may they be kept if they become offensive or a nuisance by virtue of their numbers, sight, odor or noise, or if over-grazing results.** If a question arises as to whether an animal or poultry (individually or considered together) is offensive or a nuisance, or as to whether over-grazing is occurring, the Master Design Committee shall make the determination and its determination shall be final and binding on all parties. It is specifically understood and agreed that the owners of any livestock or pets kept on any Lot, shall be strictly liable for any damages done to the property or person of any third party by such livestock or pets which may occur outside the Lot's fence lines.

Section 11. Accumulation of Trash and Rubbish. Except as provided in Section 9 of this Article, no trash, rubbish, garbage, manure or debris of any kind shall be dumped or permitted to accumulate on any portion of the Properties. All rubbish, trash, or garbage shall be kept in sanitary refuse containers with tightly fitting lids, and, except as necessary for purposes of effecting garbage pickup, said containers shall be kept in an area of the Lot adequately screened from view by planting or fencing, and shall be subject to the approval of the Master Design Committee.

Section 12. Antennas. No visible television or radio antennas shall be placed, allowed or maintained on any Lot or on any structure located on any Lot or on any other portion of the Properties. Any satellite dishes visible from other Lots or Common Facilities must be fully screened on a year-round basis. This screening must effectively eliminate the visibility of such "dishes" from all other Lots and Common Facilities and must be approved by the Master Design Committee.

Section 13. Outside Parking and Storage. No boat, trailer, camping unit, or self propelled or towable equipment or machinery of any sort shall be parked for storage on any Lot except in a closed garage or in an area adequately screened by planting or fencing, so that such item cannot be viewed from any other Lot or Common Facility, nor shall any truck, camper, boat, trailer, equipment, or machinery be parked in front of any residence for a period in excess of twenty-four (24) consecutive hours. Both the Master Design Committee and the Board of

VOL 6 2 4 1 PAGED 9 1 1

Directors are empowered to establish such additional rules and regulations relating to the parking and storage of vehicles, equipment, and other property, both on Lots and the Common Facilities, as either may from time to time deem necessary to ensure the preservation and appearance of the Subdivision; and such rules and regulations shall be in all respects binding on and enforceable against Lot Owners, provided, however, no such additional rules or regulations shall in any manner revoke or relax any of the restrictions in use set forth in this Section.

During the construction of improvements on a Lot, necessary construction vehicles may be parked thereon for and during the time of such necessity, subject to and in accordance with the terms of this Declaration and the Master Design Guidelines.

Section 14. Landscaping. All landscaping, foundations, statuary, mailboxes, house numbers, sidewalks, driveways, lighting or other improvements on any Lot which are not concealed from view from every other Lot and from the streets and other Common Facilities, must be harmonious and in keeping with the overall character and aesthetics of the Properties. All landscape plans and plans for other improvements on a Lot shall be submitted to the Master Design Committee for its approval, or disapproval, prior to the construction, alteration and/or placement of such items.

Section 15. No Oil Development. No oil or natural gas drilling, oil or natural gas or mineral development, oil refining, quarrying, or mining operations of any kind shall be permitted upon any portion of the Properties; nor shall oil or natural gas wells, tanks or tunnels, or mineral excavations or shafts be permitted upon, in or within any portion of the Properties. No derricks or other structures for use in the boring or drilling for oil, natural gas or minerals shall be erected, maintained or permitted upon, in or within any portion of the Properties.

Section 16. Sewerage. No outside toilets shall be used, constructed or permitted. No installation of any kind for disposal of sewerage shall be constructed or maintained which would result in untreated sewerage or septic tank drainage being drained onto or into the surface of any part of the Subdivision, or onto or into any body of water located on the Subdivision. No means of sewerage disposal may be installed, used or maintained except a septic tank, an improved gray water system or a similar or improved means of sanitary sewerage disposal which meets the requirements of and is approved by all governmental authorities having jurisdiction thereof. No structure placed upon a Lot shall be used until sanitary sewerage disposal facilities complying with this paragraph have been completely finished. The Committee shall have the right, but not the obligation, to specify the location, orientation and drainage field of any such means of sanitary sewerage disposal, subject to the approval of all governmental authorities having jurisdiction thereof. This Section 16 is not meant to prohibit any "gray water" systems which are approved by the Master Design Committee and all applicable governmental authorities.

VOL 24 | PAGE 9 | 2

Section 17. Hunting and Firearms. No hunting, including, but not limited to, bow hunting, shall take place within the Subdivision. No rifles, shotguns, pistols or other firearms may be discharged thereon at any time.

Section 18. Lot Consolidation. Any Owner owning two or more adjoining Lots, or portions of two or more such Lots, may with the prior approval of the Master Design Committee, consolidate such Lots or portions thereof into a single building site for the purpose of constructing one residence and such other improvements as are permitted herein, provided, however, that the single Lot resulting from such consolidation shall bear, and the Owner thereof shall be responsible for, all assessments theretofore applicable to the Lots which are consolidated.

Section 19. Fences. All fences shall conform to the approved design and materials as delineated in the Master Design Guidelines. Fences cannot be located nearer than fifty feet (50') to any street.

Section 20. Building Materials. Certain building materials and architectural guidelines have been established by the Master Design Committee to create a harmonious residential community. All building materials must be in accordance with those Guidelines, unless otherwise approved in writing by the Committee. Architectural guidelines also have been established for such items as, but not limited to, exterior construction, finishes, roofing materials, roof pitch, driveways, windows, porches, paving materials and building massing. All construction must be in accordance with these guidelines, unless otherwise approved in writing by the Committee.

Section 21. Signage. No advertising signs or billboards of any kind shall be displayed to the public view on any portion of the Properties, except that one (1) sign of not more than six (6) square feet may be used by an Owner to advertise a residence located on, in or within the Properties for sale or rent, or by a builder to advertise a residence within the Properties for sale during the construction and sales period, or by the Declarant pursuant to Section 9 hereof, all such signs to be subject to the approval of the Master Design Committee. This provision shall not be deemed to prohibit the posting of any signage required or recommended by the Texas Natural Resource Conservation Commission, any such signage to be subject to the approval of the Master Design Committee as to size, appearance, design and location.

ARTICLE IX

ON-SITE INSPECTIONS

Section 1. Caves and Sinkholes. Natural caves and sinkholes may occur on some of the Lots in the Subdivision. Each prospective Lot Owner should personally inspect the Lot in which he is interested and/or seek the advice of a professional inspector to assure himself of the location of any such caves and/or sinkholes which may be located thereon.

VOL 6 2 4 | PAGE 0 9 1 3

Section 2. Site Improvements. Each prospective Lot Owner is hereby notified that the streets in the P.U.D. are not public streets, but are private streets. In order to maintain the aesthetics of a rural subdivision, the Declarant has made a concerted effort to preserve native trees wherever possible and to maintain an ambience of country lanes. Although there is a fifty foot (50') street right-of-way indicated on the Subdivision Plat, the paved area generally is limited to twenty feet (20') and the shoulders to one foot (1'). However, from time to time where there is an esplanade within the street, the paved area has been reduced to fifteen feet (15'). Each prospective Lot Owner should carefully note the width of the paved portion of the streets, the proximity of trees to the pavement, and the location of trees within various esplanades. In purchasing a Lot, the Owner specifically assumes the risk for himself, his family, employees, guests, contractors and all other invitees, of driving on narrow streets bordered closely by native trees and agrees to do so in a safe manner. Each prospective Lot Owner also is notified that the drainage ditches, culverts and other drainage facilities within the Subdivision are not publicly owned, but are privately owned. Each prospective Lot Owner should carefully note the location of the facilities and avoid unsafe conduct in those areas. In purchasing a Lot, the Owner specifically assumes the risk for himself, his family, employees, guests, contractors and all other invitees of knowing the location of such drainage facilities and agrees to refrain from unsafe conduct in the proximity of such facilities.

Section 3. "AS IS, WHERE IS". Each prospective purchaser is responsible for thoroughly inspecting and examining the Lot in which he is interested and for conducting such investigations of such Lot(s) as he deems necessary for him to evaluate his purchase. By completing the purchase of a Lot, each prospective purchaser is acknowledging that he is purchasing the Lot on an "as is", "where is" and "with all faults" basis. By purchasing a Lot, each Owner agrees to indemnify and hold harmless Declarant, its partners, officers, directors, contractors, employees and agents from and against any claims, costs, fees, expenses, damages or liabilities that an Owner, his family, employees, guests, contractors and any other invitees may suffer or incur as a result of, arising out of or related to the above described caves, sinkholes, streets, trees within or near the street rights-of-way and/or drainage facilities. Each Owner unconditionally releases Declarant, its partners, officers, directors, contractors, employees and agents from and against any and all liability to Owner, his heirs, administrators, executors and assigns, from and against any and all liabilities and waives any causes of action which Owner could assert against Declarant, its partners, officers, directors, contractors, employees and agents, both known and unknown, present and future, arising out of or

VOL 6 2 4 1 PAGE 0 9 1 4

related to said caves, sinkholes, streets, trees within or near the street rights-of-way and/or drainage facilities.

Section 4. Water Pollution Abatement Plan. Each prospective purchaser is hereby notified that the Subdivision is located in the Edwards Aquifer Recharge Zone and that it is subject to a WATER POLLUTION ABATEMENT PLAN (the "Plan") which was required under the EDWARDS AQUIFER RULES of the TEXAS NATURAL RESOURCE CONSERVATION COMMISSION. Each prospective purchaser should obtain a copy of the letter of approval of the Plan by the TEXAS NATURAL RESOURCE CONSERVATION COMMISSION. The letter of approval requires that each Lot buyer be provided at Closing the most currently available edition of the Edwards Underground Water District Pest Control Recommendations and the Texas Agriculture Extension Service's Protection of Groundwater from Fertilizers and Pesticides bulletin. The letter of approval requires that the Owners of Lots which contain "aquifer recharge feature easements" be notified that septic tanks and septic tank drainfields shall not be allowed within 150 feet (150') of the "aquifer recharge feature easements" or other recharge features identified on the geologic map. Lots 10 and 11 in Unit 1 contain "aquifer recharge feature easements". The Declarant hereby transfers to each Owner the responsibility for complying with the provisions and special conditions of the letter of approval, as it may be modified from time to time, insofar as they cover the respective Lot(s) owned by each Owner; and by acceptance of a Deed to a Lot, the Owner shall thereby assume responsibility for meeting all provisions and specific conditions of the letter of approval insofar as they pertain to his respective Lot.

ARTICLE X

MISCELLANEOUS

Section 1. Enforcement. Declarant, its successors and assigns, shall have the right, but not the obligation, to enforce observance and performance of the restrictions, easements, covenants and conditions contained herein and, in order to prevent a breach or to enforce the observance or performance of same, and shall have the right, in addition to all other legal remedies provided herein or by law, to an injunction, either prohibitive or mandatory. The Committee, as well as the Owner of any Lot or Lots in the Subdivision, likewise shall have the right either to prevent a breach of any such restriction or covenant or to enforce the performance thereof. Acquiescence in any violation shall not be deemed a waiver of the right to enforce against the violator or others the conditions so violated or any other conditions.

Section 2. Limitations of Liability. Neither the Declarant, nor the Master Design Committee, nor any member of such Committee, shall be liable in damages, or otherwise, to

VOL 6 2 4 1 PAGE 0 9 1 5

anyone submitting plans, specifications, and/or plot plans for approval or to any owner of a Lot in the Subdivision by reason of mistake of judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or to disapprove any plans, specifications, plot plans or other matters submitted to it or arising out of any other action taken or not taken by them, jointly or severally, pursuant to the provisions of this Declaration.

Section 3. Partial Invalidity. Invalidation of any of these covenants, conditions, easements or restrictions (by court judgment or otherwise) shall not affect, in any way, the validity of all other covenants, conditions, easements and restrictions contained herein.

Section 4. Laws and Regulations. All owners of any Lots within the Subdivision shall at all times comply with all applicable laws, regulations and ordinances of municipal, county, state, federal or other governmental authorities.


Section 5. Duration. These covenants, conditions, easements and restrictions shall run with the land and shall be binding upon and against the Subdivision until January 1, 2015, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then owners of seventy-five percent (75%) of the Subdivision (by area) has been recorded agreeing to change said covenants in whole or in part.

Section 6. Mortgagee's Consent. THE FROST NATIONAL BANK hereby joins in this Declaration as mortgagee for the sole purpose of subordinating all liens held by it on the above described property platted and known as Sendero Ranch, Unit 1, Planned Unit Development to the foregoing Amended Declaration.

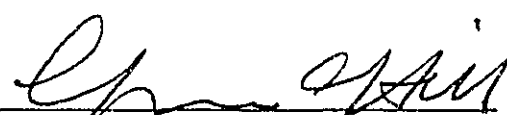
EXECUTED EFFECTIVE the 25 day of October, 1994.

SENDERO RANCH DEVELOPMENT, LTD.

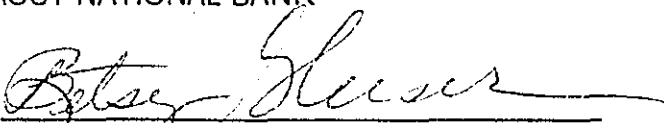
By: H.C. Inlet, Inc., General Partner

By: 
Thomas E. Dreiss,
Its President

By: Crockett Development, Inc., General Partner

By: 
Christopher C. Hill,
Its President

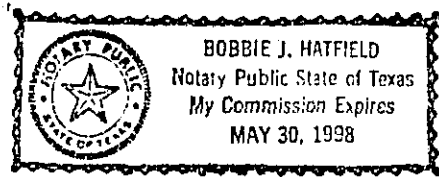
THE FROST NATIONAL BANK

By: 
Vice President

VOL 9 2 4 1 PAGE 0 9 1 6

STATE OF TEXAS §
§
COUNTY OF BEXAR §

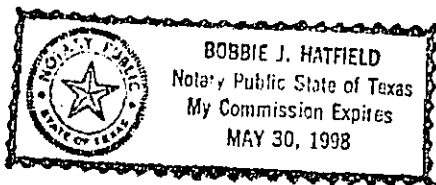
This instrument was acknowledged before me on October 26th 1994, by THOMAS E. DREISS, President of H.C. Inlet, Inc., a General Partner of SENDERO RANCH DEVELOPMENT, LTD., a Texas Limited Partnership, on its behalf.



Bobbie J. Hatfield
Notary Public in and for the
State of Texas

STATE OF TEXAS §
§
COUNTY OF BEXAR §

This instrument was acknowledged before me on October 26th, 1994, by CHRISTOPHER C. HILL, President of Crockett Development, Inc., a General Partner of SENDERO RANCH DEVELOPMENT, LTD., a Texas Limited Partnership, on its behalf.



Bobbie J. Hatfield
Notary Public in and for the
State of Texas

STATE OF TEXAS §
§
COUNTY OF BEXAR §

This instrument was acknowledged before me on October 24th 1994, by Betsy
Gleser, Vice President of The Frost National Bank.

Melinda R. Lindley
Notary Public in and for the
State of Texas

AFTER RECORDING PLEASE
RETURN TO:

Luralee H. Wallace
Attorney at Law
1724 Milam Building
115 East Travis Street
San Antonio, Texas 78205



VOL 924 | PAGE 917

COUNTY CLERK BEXAR CO.

Robert D. Green



OCT 27 1994

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

Filed for Record in:
BEXAR COUNTY, TX
ROBERT D. GREEN/COUNTY CLERK

On Oct 27 1994

At 11:03am

Receipt #: 83452
Recording: 43.00
Doc/Mgmt: 6.00

Doc/Num : 94-0189897

Deputy - Catherine Revilla