

SCANNED

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
CANTERBURY FARM SUBDIVISION, UNIT 1**

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

THIS DECLARATION, made on the date hereinafter set forth by ARMADILLO CONSTRUCTION COMPANY, INC., a Texas limited partnership, herein referred to as "Declarant," on the terms hereinafter set forth, to wit:

WITNESSETH:

WHEREAS, Declarant is the owner of that certain real property which has been subdivided and platted into residential lots and is known as Canterbury Farm Subdivision, Unit 1, City of San Antonio, Bexar County, Texas, more fully described as follows:

Lots 1 through 16, inclusive, Block 1;
Lots 1 through 32, inclusive, Block 2;
Lots 1 through 20, inclusive, Block 3; and
Lots and 2, Block 4

all in Canterbury Farm Subdivision, Unit 1, in the City of San Antonio, Bexar County, Texas, according to plat thereof recorded in Volume 9551, Page 172-173, Deed and Plat Records of Bexar County, Texas;

WHEREAS, Declarant has created a residential community within the Properties with designated single-family residential lots "Lots" and "Common Facilities" (as those terms are defined herein) for the benefit of the present and future owners thereof;

WHEREAS, Declarant desires to ensure the preservation of the values and amenities in said community and for the maintenance of the Common Areas and Common Facilities therein, and to this end desires to further subject the above-described real property, together with such additions as may hereafter be made thereto, as herein provided, to the covenants, restrictions, easements, charges, and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each of the owners thereof; and

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the values and amenities in said community, to create an agency to which should be delegated and assigned the powers of maintaining and administering the Common Areas and Common Facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

VOL 9122 PG 271

WHEREAS, CF COMMUNITY ASSOCIATION has been incorporated under the laws of the State of Texas as a non-profit corporation for the purposes of exercising the functions aforesaid as to said Canterbury Farm Subdivision, Unit 1, and such other real property as may be annexed thereto and become subject to the jurisdiction of said Association as provided herein;

NOW, THEREFORE, Declarant declares that the above-described property constituting Canterbury Farm Subdivision, Unit 1 shall hereafter be subject to the jurisdiction and assessments of CF Community Association, and shall be held, transferred, sold, conveyed, occupied, and enjoyed subject to the covenants, restrictions, easements, charges, and liens hereinafter set forth, to wit:

ARTICLE I.
DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings.

(a) "Association" shall mean and refer to CF COMMUNITY ASSOCIATION, a Texas non-profit corporation, its successors and assigns as provided for herein.

(b) "Properties" shall mean and refer to the above described residential Lots known as Canterbury Farm Subdivision, Unit 1, and additions thereto, as are subject to this Declaration or any Amended or Supplemental Declaration.

(c) "Lot" shall mean and refer to each of the above-described 70 separately numbered plots of land, being all of the numbered Lots in the Subdivision with the exception of the Common Area;

(d) "Subdivision Plat" shall mean and refer to the map or plat of Canterbury Farm Subdivision, Unit 1, filed for record in Volume 9551, Pages 172-173, Deed and Plat Records of Bexar County, Texas and any amendment thereof upon filing of same for record in the Deed and Plat Records of Bexar County, Texas.

(e) "Living Unit" shall mean and refer to a single family residence and its attached or detached garage situated on a lot.

(f) "Single Family" shall mean and refer to a group related by blood, adoption, or marriage or a number of unrelated roommates not exceeding the number of bedrooms in a living unit. It is the express intent of Declarant that the term "Single Family" be narrowly construed to the fullest extent possible to exclude therefrom any group home, halfway house, rehabilitation home, or other use not traditionally thought of as a "Single Family" use except as may be dictated by applicable statute or ordinance.

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

(h) "Declarant" shall mean and refer to Armadillo Construction Company, Inc., a Texas corporation, its successors or assigns who are designated as such in writing by Declarant, and who consent in writing to assume the duties and obligations of the Declarant with respect to the Lots acquired by such successor or assign.

(i) "Committee" and "Architectural Control Committee" or "ACC" shall mean and refer to the committee referred to in Article VII hereof.

(j) "Common Areas" and "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. Common Facilities may include, but are not necessarily limited to the following: recreational facilities, entry signs or monuments, sprinkler systems, parkways, medians, islands, landscaping, walls, safety lanes, bridges, greenbelts, drainage ways and drainage channels, swales, ponds, culverts, pipes, signs, lights, and other similar or appurtenant improvements.

(k) "Member" shall mean and refer to all those owners who are members of the Association as provided herein.

(l) "Builder Member" shall mean such builders approved by Declarant for construction within the Subdivision and who own one or more Lots for construction of a residence and sale to others.

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

(n) "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Canterbury Farm Subdivision, Unit 1, and any amendments, annexations and supplements hereto made in accordance with the terms hereof.

(o) "Master Plan" shall mean that certain preliminary plan of development for that parcel of about 101 acres which is more fully described on Exhibit "A", the original of which plan is maintained at Declarant's offices. The Master Plan is not binding on Declarant and may be amended by Declarant from time to time.

ARTICLE II.
SUBDIVISION PLAT AND CERTAIN EASEMENTS AND USE

Section 1. Subdivision Plat. The Subdivision Plat creates for use as such, subject to the limitations set forth herein, certain easements of use and non-access easements as shown thereon, and such Subdivision Plat further establishes certain dedications, limitations, reservations and restrictions applicable to the Properties. All such easements, dedications, limitations, restrictions and reservations 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. Certain Other Easements. There is hereby created in favor of the easement owners, Declarant, the Association, and their assignees, a right of ingress or egress across, over, and under the Properties for the purpose of inspecting, installing, replacing, repairing, and maintaining all facilities for utilities, including, but not limited to, water, sewer, telephone, electricity, gas, and appurtenances thereto, and to inspect, construct, reconstruct, repair, correct, replace, or maintain any wall, fixture, light, or other structure or item required to be constructed or maintained under the terms hereof or to inspect, correct or remove any condition or improvement prohibited to be maintained under the terms hereof. Such easements specifically include, but are not limited to, the right of Declarant and the Association to enter upon any or all of the Lots herein designated as requiring a rear or side Lot fence or wall, for the purpose of constructing, reconstructing, repairing, or maintaining such rear fence or wall. The Association and the Architectural Control Committee shall have the right of reasonable entry onto Lots to inspect the exterior of improvements for compliance with the terms hereof.

Section 3. Use of Easements and Damages. Neither the Declarant nor the Architectural Control Committee nor any member of the Committee shall be liable for any damage done by any utility company or their assigns, agents, employees or servants, using any easements now or hereafter in existence, whether located on, in, under or through the Properties, to fences, shrubbery, trees or flowers or other property now or hereinafter situated on, in, under, or through the Properties. No provision hereof related to placement or nature of structures or conditions on a Lot, nor the approval thereof, express or implied, by the Declarant or the Committee shall affect the rights of easement owners nor enlarge the rights of Lot Owners with regard to the construction or maintenance of improvements or conditions within an easement area.

ARTICLE III.
PROPERTY SUBJECT TO THIS DECLARATION:

ADDITIONS OR MODIFICATIONS THERETO

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed, occupied or used subject to this Declaration are all of the separately numbered plots of land as shown on the Subdivision Plat, 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 in the following manners:

(a) Additions by Declarant. The Declarant, its successors and assigns, shall have the right to bring within the scheme of this Declaration, and without the consent of Members, additional properties in future stages of the development, and within fifteen (15) years from the date of this instrument; provided that such additions lie within the area depicted on the Master Plan. Declarant, its successors and assigns, shall not be bound to make any additions to the Existing Property or to follow any particular type of development which may be reflected on the Master Plan. Any additions authorized under this and the succeeding subsections shall be made by filing of record a Declaration of Covenants, Conditions and Restrictions or similar instrument with respect to such additional property which shall extend the general 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 document 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 and are consistent with the overall development. In no event, however, shall any such instrument be construed so as to revoke, modify or add to the covenants established by this Declaration as they are applicable to the Existing Property.

(b) Other Additions. The owner of any property who desires to add to it the scheme of this Declaration and to subject it to the jurisdiction of the Association, may make written submission therefore to the Association together with the following:

- (1) The proposed property shall be described by size, location, proposed land use, and general nature of proposed private improvements;
- (2) the proponent shall describe the nature and extent of common facilities to be located on the proposed property and fully describe any mortgage debt related to the common facilities or other debt which he seeks the Association to assume;
- (3) the proponent shall state that the proposed additions if made will be subjected to the general scheme of this Declaration and all Association assessments.

Upon such submission and subject to the Association's later review and approval of a proposed form of Declaration of Covenants, Conditions and Restrictions for the proposed property, the Association shall vote by class on the proposal. Two-thirds (2/3) approval of each class of membership shall be required for approval. If the proposed property shall be approved for addition to the jurisdiction of the Association, such addition shall be complete upon the proponent's filing of record a Declaration of Covenants, Conditions and Restrictions or similar instrument in form approved by the Board of Directors of the Association and executed by said Board of Directors or one or more authorized officers of the Association.

ARTICLE IV.
MANDATORY MEMBERSHIP; CLASSES OF MEMBERSHIP

Membership in the Association is mandatory for each Lot owner. 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 that ownership of any Lot requires the owner to be a Member of the Association. The Association shall have the following classes of membership:

Class A. Class A Members shall be all those Owners as defined in Article I (g) above, with the exception of the Declarant and Builder Members. Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for membership for Article I (g), above. 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 more than one vote be cast with respect to any such Lot.

Class B. Class B Members shall be the Declarant and Builder Members. Class B Members shall be entitled to three votes for each Lot in which they hold the interest required by Article I (g), above, 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 Members shall be deemed to be Class A Members entitled to one vote for each Lot in which they hold the interest required for membership under Article I (g), above.

ARTICLE V.
PROPERTY RIGHTS IN THE COMMON FACILITIES

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3 of this Article V, every Member shall have a common right and easement of enjoyment 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. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The rights and easements existing or hereafter created in favor of others as provided for in the Subdivision Plat and/or in Article II hereof.

(b) The rights of the Association, once it has obtained legal title to the Common Facilities, to do or ratify the following:

(1) to borrow money for the purpose of constructing or improving the Common Facilities and, in aid thereof, to mortgage said properties and facilities, in accordance with the terms hereof and of the Articles of Incorporation and Bylaws of the Association;

(2) to take such steps as are reasonably necessary to protect the above-described properties and facilities against foreclosure;

(3) to enter into one or more contracts or agreements for the maintenance or improvement of the Common Facilities; and

(4) to enter into one or more contracts or agreements, including those with provisions for indemnification or hold harmless agreements, with the City of San Antonio, utility companies, and others, as may be determined by the Board of Directors to be necessary or convenient to obtain services for Owners or the Association within the Subdivision.

Section 3. Title to Common Areas. The Association shall own the initial Common Areas and assume all maintenance obligations with respect to any Common Areas which may be established. From and after the date on which title to any Common Area vests in the Association, the Association shall purchase and carry a general comprehensive public liability insurance policy for the benefit of the Association and its members, covering occurrences on the Common Areas. The policy limits shall be determined by the Board of Directors of the Association. The Association shall use its best efforts to see that such policy shall contain, if available, cross-liability endorsements or other appropriate provisions for the benefit of members, Directors and the

management company retained by the Association (if any), insuring each against liability to each other insured as well as third parties.

The Association shall not convey or mortgage any Common Area without the consent of two-thirds (2/3rds) or more of the Lot Owners.

By acceptance of a deed to a Lot, every Owner irrevocably waives any and all rights it may have to ever seek to partition the Common Area or any of the Common Facilities, it being specifically agreed that even should the Association ever be dissolved or its charter forfeited, the restrictions and conditions hereof shall continue in effect and the ownership of the Common Area and the Common Facilities shall thereafter be held in common with all other Owners and not be subject to partition.

ARTICLE VI. **ASSESSMENTS**

Section 1. Creation of 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 or extraordinary expenses, 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 property against which each such assessment is made. Each such assessment, together 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 property 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 recreation, health, safety and welfare of the Members, preserving or enforcing the rights and obligations of the Owners and the Association, or for the improvement, maintenance and operation of the Properties and Common Areas, services and facilities devoted to this purpose and related to the use and enjoyment of the Properties and Common Areas by the Members.

Section 3. Basis and Maximum of Annual Assessments. The annual assessments for both Improved and Unimproved Lots shall be determined by the Board of Directors in the manner provided for herein after determination of current maintenance costs and anticipated needs of the Association during the year for which the assessment is being made, but until January 1, 2003, the annual assessment for Improved Lots shall not exceed \$120.00 and the annual assessment for Unimproved Lots shall not exceed \$60.00. From and after January 1, 2003, the maximum annual assessment for Improved Lots and maximum annual assessment for Unimproved Lots may be as

provided in Section 5 hereof. A Lot shall be deemed to be an "Improved Lot" when construction of a Living Unit thereon is completed, and a closing of a sale thereof has taken place, or when a Living Unit on the Lot has been occupied as a residence, whichever first occurs. All other Lots shall be "Unimproved Lots". In no event shall the annual assessment for Unimproved Lots ever exceed more than fifty percent (50%) of the annual assessment for Improved Lots.

Section 4. Special Assessments. 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 Areas or Facilities, or to finance or defray the cost of any extraordinary expense of the Association, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each of the Improved Lot Owners 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 30 days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Annual Assessments. For all annual assessments accruing on or after January 1, 2003, the maximum annual assessment may be adjusted by majority vote of the Board of Directors but shall not be increased by more than ten percent (30%) above the annual assessment for the prior year. This power of the Board without vote of the membership shall be cumulative so that in any one year the amount to which the annual assessments may be increased by the Board acting alone shall include, be calculated upon, and be based upon any prior years' permissible increases to the extent not used. Any increase of the maximum annual assessment beyond that above provided for action by the Board alone shall require approval of a majority vote of a quorum of each class of Members voting at a meeting duly called for that purpose.

Section 6. Date of Commencement of Annual Assessments: Due Date. The annual assessments provided for herein shall commence as to all Lots on conveyance by Declarant of the first Lot, but in any event by December 1, 2002. The first annual assessments shall be made for the balance of the year 2001. Beginning January 1, 2002, the assessments for each calendar year shall become due and payable and shall be collected monthly or quarterly in advance. The amount of the annual assessment which may be levied on a Lot for the balance remaining in the first year of 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 assessments 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.

10L9122 100279

Section 7. Duties of the Board of Directors. In December of each year, the Board of Directors of the Association 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. 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 or the balance due. Such certificate, when signed by an authorized officer or agent of the Association, shall be conclusive evidence of payment of any assessment herein stated to have been paid. The Association may charge a reasonable fee for issuing such a certificate.

Section 8. Effect of Non-Payment of Assessments: The Lien; Remedies of the Association. If any assessment or other sum due the Association hereunder is not paid on the date when due, then such assessment or amount shall become delinquent and shall, together with such interest thereon and cost of collection thereof provided, thereupon becoming a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. 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, and the Association may bring an action at law against the Owner to pay the same or to foreclose the Association's lien against the property, and there shall be added to the amount 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. Each Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including non-judicial or judicial foreclosure by an action brought in the name of the Association, with a power of sale in connection with said lien. The lien shall be in favor of the Association and shall be for the benefit of all other Lot Owners. No Owner shall be freed of liability for any assessments provided for herein by virtue of non-use of Common Area, or non-existence of Common Area.

In addition to the foregoing charges for delinquent accounts, each owner shall be obligated to pay to the association all actual costs of collection incurred by the Association and such reasonable late charges and collection charges as the Board of Directors may establish, all of which costs and charges shall also be subject to the liens of the Association.

Section 9. 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 hereinafter placed upon the Lots subject to assessment, 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 or transfer in lieu of foreclosure. Such sale or transfer shall not relieve such Lot from liability for any assessment thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 10. 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.
ARCHITECTURAL CONTROL COMMITTEE

Section 1. Creation and Membership. There shall be an Architectural Control Committee, initially having three members only and the initial members shall be Jeffrey Czar Jr., Arthur Zuniga, and Jesus Ruiz, each of whom shall serve until his successor is named. The initial mailing and street address of the Committee shall be 4815 Highland Farm Drive, San Antonio, Texas 78244. So long as Declarant shall own any Lot subject to the jurisdiction of the Association, Declarant shall have the right to appoint all members to the Committee, including the right to fill any vacancy or add members to the Committee, and Declarant may remove members from the Committee for any or no reason. Declarant or the Committee may create subcommittees to deal separately with review of new home construction plans and renovation plans. When Declarant no longer owns any Lots subject to the jurisdiction and assessments of the Association, the Board of Directors of the Association shall have the right and obligation to appoint members of the Committee which shall thereafter serve only as to Lots within Canterbury Farm Subdivision, Unit 1. In the event any vacancy on the Committee shall continue for 60 days while Declarant has the power of appointment of Committee membership, then the Board of Directors may fill such vacancy by appointment provided it shall first give Declarant written notice of such vacancy and 30 days within which to make such appointment. If Declarant shall exercise its right to annex additional areas to the Association as above provided after Declarant's right of appointment of Committee members shall have expired, it shall nonetheless have the right to appoint the members of the Committee to function with respect to the annexed area until Declarant shall no longer own a lot in such annexed area.

The Architectural Control Committee shall continue to function for the entire duration of this Declaration, including any extensions thereof. No Committee member shall be entitled to compensation for acting as a Committee member.

Section 2. Function. No building, fence, wall, outbuilding or other structure or improvement of any type whatsoever, permanent or temporary, shall be erected, altered, added onto, placed or repaired on any lot in the subdivision until the complete plans including site plans, grading plans, floor plans depicting room sizes and layouts, exterior elevations, any other plans or information deemed necessary by the ACC for the performance of its function ("Required Plans"), are submitted and approved in writing by the Architectural Control Committee as to the conformity and harmony of exterior design with existing structures in the Subdivision, the location with respect to topography, existing trees, and finished elevation, and apparent conformity with the requirements of this Declaration. In addition, the Owner shall submit the identity of the individual or company intended to perform the work and projected commencement and completion dates. The

Architectural Control Committee shall have the power to employ professional consultants to assist it in discharging its duties and may create and impose reasonable fees for processing of applications.

Section 3. Procedures. Within thirty (30) days after the Owner has submitted to the Committee the Required Plans and written notice that the Owner desires to obtain ACC approval, the Committee shall notify Owner in writing whether the Required Plans are approved or disapproved. If plans and specifications are not sufficiently complete or are otherwise inadequate, the ACC may reject them as being inadequate or may approve or disapprove them in part, conditionally or unconditionally, and reject the balance. In the event the plans submitted by the Owner have not been approved or disapproved within thirty (30) days after being submitted, the plans so submitted will be deemed to have been approved but a deemed approval shall not permit a violation of any of the terms of this Declaration nor extend to any deviation from or alteration to the plans actually submitted nor to any matter requiring a written variance. A majority of the Committee may act for the Committee and no notice of any of its meetings shall be required. In the event a vacancy on the Committee shall arise, the remaining member or members of the Committee may fill such vacancy by appointment, and if they fail to do so within 30 days, then Declarant may do so.

Section 4. Application Fees. The Committee shall establish, promulgate and charge reasonable fees for its review and approval of applications required to be submitted to it. The initial fees shall be \$75.00 for review of new home construction and \$50.00 for other applications.

Section 5. Powers. The goal of the Committee is to encourage the construction of dwellings of good architectural design, quality and proper size compatible with Declarant's conceptual plan for the subdivision. Dwellings should be planned and designed with particular attention to the design and aesthetic appearance of the exterior and the use of such materials, which, in the sole judgment of the Committee, create an attractive and harmonious blend with existing and proposed dwellings in the immediate area and the natural surroundings. The Committee shall have the express authority to perform fact finding functions hereunder and shall have the power to construe and interpret any covenant herein that may be vague, indefinite, uncertain or capable of more than one interpretation. The Committee may disapprove the construction or design of a home on purely aesthetic grounds where, in its sole judgment, such disapproval is required to protect the continuity of design or values of the neighborhood and of other homeowners or to preserve the serenity and natural beauty of any surroundings. The Committee may dictate certain aesthetic limitations on improvements, whether or not mentioned herein, such as the placement of driveways, limitation of street access to certain Lots, and limitation on heights of certain wall or fences. The foregoing list is not meant to be all inclusive. Members of the Committee and their representatives shall not be liable to any person subject to or possessing or claiming the benefits of these restrictive covenants for any damage or injury to property or for damage or loss arising out of their acts hereunder. The Committee's evaluation of Required Plans is solely to determine compliance with the terms of this Declaration and the aesthetics or the proposed improvements. The Committee

disclaims any responsibility to determine compliance with any applicable building code or other standard for construction.

Section 6. Variances. The Architectural Control Committee shall have the right, but not the obligation, to grant variances and waivers relative to deviations and infractions of the Declaration or to correct or avoid hardships to Owners. Upon submission of a written request for same, the ACC may, from time to time, in its sole discretion, permit an owner to construct, erect or install a dwelling which is in variance from the covenants, restrictions or architectural standards which are provided in this Declaration. In any case, however, the dwelling with such variances must, in the Committee's sole discretion, blend effectively with the general architectural style and design of the neighborhood and must not detrimentally affect the integrity of the subdivision or be incompatible with the natural surroundings. All requests for variances shall be in writing, shall be specifically indicated to be a request for variance, and shall indicate with specificity the particular standard sought to be varied and the nature of the variance requested. All requests for variances shall be deemed to be disapproved if the Committee has not expressly and in writing approved such request within thirty (30) days of the submission of such request. No member of the Committee shall be liable to any owner for any claims, causes of action or damages arising out of the grant of any variance to an owner. No individual member of the ACC shall have any personal liability to any Owner or any other person for the acts or omissions of the ACC if such acts or omissions were committed in good faith and without malice. Each request for a variance submitted hereunder shall be reviewed independently of similar and the grant of a variance to any one Owner shall not constitute a waiver of the Committee's right to deny a variance to another Owner. The decisions of the Architectural Control Committee with respect to variances shall be final and binding upon the applicant with respect to any denial. The Committee's decision with respect to any grant of variance shall not relieve the applicant from the requirement of obtaining a variance from the City if such be required by ordinance.

Section 7. Decisions Final. All decisions of the Committee shall be final and binding, and there shall not be revisions of any action of the Committee except by procedure for injunctive relief when such action is patently arbitrary and capricious. In the event of construction of improvements or threatened construction of improvements in violation of this Declaration, any Owner, the Association, Declarant or the Committee may seek to enjoin such construction or seek other relief against the Owner or builder responsible therefor provided that each such offending party shall first be given written notice of the perceived violation and the opportunity to remedy the violation prior to the filing of suit. Neither the Declarant, the Architectural Control Committee, nor any member of such Committee shall be liable in damages, or otherwise, to anyone submitting plans and specifications for approval or to any Owner who believes himself adversely affected by this Declaration by reason of mistake of judgment, negligence or non feasant in connection with the approval or disapproval of plans or requests for variance.

ARTICLE VIII.

USE RESTRICTIONS

Section 1. Residential Only. The Existing Property shall be used only for the development of private single-family residences, and Common Facilities serving the Owners and residents thereof.

Section 2. Permitted Use. All land included within the Properties shall be used for "residential purposes" only, either for the construction of private single-family residences, or as part of the Common Facilities; provided, however, that only one such private single-family residence may be constructed, or otherwise placed upon, any one Lot. The terms "residential purposes" as used herein shall be held and construed to exclude any business, commercial, industrial, apartment house, hospital clinic and/or professional uses, and such excluded uses are hereby expressly prohibited subject solely to the use by each Builder Member of residences within the Properties as temporary sales offices and model homes for the display and sale of Lots within the Properties and no others. 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. Model homes and sales offices and any temporary facilities permitted for Builder Members shall all be subject to limitation as to number and location by the Architectural Control Committee.

Section 3. Signage. No signs of any kind shall be displayed to the public view on any Lot including, but not limited to, the displaying of any signs which advertise the Lot or improvements for sale or lease, except as expressly permitted herein or by the Architectural Control Committee. Each home offered for sale or for lease may be advertised by one front yard sign not larger than two feet by three feet (2' x 3'), not rising higher than five feet (5') above the ground. No sign shall indicate in any manner that a property is offered for sale or lease by reason of divorce, distress, foreclosure, bankruptcy or for any stated reason. The Committee specifically reserves the right to establish a separate set of sign standards and criteria for Unimproved Lots and to modify both such standards and criteria from time to time. Signs used by Declarant to advertise the Properties during the development, construction and sales period shall be permitted, irrespective of the foregoing. A single sign advertising an Open House, of the dimensions above stated, shall be permitted on a Lot provided the same shall remain in place no longer than 12 hours. In addition to the foregoing, political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal provided that such signs shall not be erected more than 90 days in advance of the election to which they pertain and are removed within 15 days after the election, and that the ACC shall have the right to regulate the number, size and type of such signs on Lots. All other signage is prohibited such as, but not limited to, signs advertising subcontractors, lenders, real estate companies, etc., and banners.

Section 4. Animals. No sheep, goats, horses, cattle, swine, poultry, snakes, livestock, or other animals of any kind shall ever be raised, kept, bred, or harbored on any portion of the Properties, except that dogs, cats, or other common household pets (not to exceed a total of four (4) "adult animals", which term "adult animals," for the purposes of these covenants, is defined as animals which are one (1) year of age or older), may be kept, provided that they are not kept, bred,

or maintained for any commercial purposes and provided further that such common household pets shall at all times, except when they are confined within the boundaries of a private single-family residence or Lot upon which same is located, be restrained or controlled by a leash, rope, or similar restraint or a basket, cage, or other container, and shall be maintained in accordance with all applicable municipal and other laws.

Section 5. Accumulation of Trash and Rubbish. Except as otherwise expressly provided in this Section, no trash, rubbish, garbage, manure, putrescible matter or debris of any kind shall be dumped or allowed 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, shall not be stored, kept, placed or maintained on any Lot where visible from any street except solely on a day designated for removal of garbage and rubbish and on which days only such cans, bags, containers, and receptacles may be placed in front of a residence and beside a street for removal but shall be removed from view before the following day. All said containers stored outside be kept in an area of the Lot adequately screened by planting or fencing.

Reasonable amounts of construction materials and equipment may be stored upon a Lot by the Owner thereof for reasonable periods of time during the construction of improvements thereon provided that the same shall not be stored or kept within any drainage easement area.

Section 6. Utility Easements. Easements for installation and maintenance of utilities, cable television, and drainage facilities have been reserved as shown on the Subdivision Plat and/or as provided by instruments of record or to be recorded. Within these easements, if any, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities; or in the case of drainage easements, which may change the direction of flow of water through drainage channels in such easements. The easement area of each Lot, if any, and all improvements in such area shall be maintained continuously by the owner of the Lot, except for those improvements for which a public authority or utility or private company is responsible. Neither Declarant, the Committee, the Association, nor any utility company using the easements herein referred to shall be liable for any damage done by them or their assigns, agents, employees, or servants to shrubbery, grass, streets, flowers, trees, landscape or other property of the owners situated on the land covered by said easements, except as may be required by State, County or Municipal statutes, ordinances, rules or regulations or by the Association or by custom and practice of such utility company.

Section 7. Drainage and Drainage Easements. Easements for drainage throughout the subdivision are identified and reserved as shown on the Subdivision Plat.

A. No Owner of any Lot in the subdivision may perform or cause to be performed any act which would alter or change the course of such drainage easements in a manner that would divert, increase, accelerate or impede the natural flow of water over and across such easements. More specifically, and without limitation, no Owner may:

- (1) Alter, change or modify the existing natural vegetation or design of the drainage easements in a manner that changes the character of the design or original environment of such easements; or
- (2) Alter, change or modify the existing configuration of the drainage easements, or fill, excavate or terrace such easements or remove trees or other vegetation therefrom without the prior written approval of the Architectural Control Committee; or
- (3) Construct, erect or install a fence or other structure of any type or nature within or upon such drainage easement; provided however, fences may be permitted in the event proper openings are incorporated therein to accommodate the natural flow of water over said easement; or
- (4) Permit storage, either temporary or permanent, of any type upon or within such drainage easements; or
- (5) Place, store or permit to accumulate trash, garbage, leaves, limbs or other debris within or upon the drainage easements, either on a temporary or permanent basis.

The Subdivision Plat may reflect that certain portions of the Subdivision are anticipated to accept surface water runoff from other properties. By acceptance of a deed to any Lot, each Owner covenants and agrees to ensure such Lot is graded and maintained in accordance with the grading plan, that the drainage of such Lot is maintained in accordance with the grading plan, and that his Lot is maintained to accept surface water runoff in accordance with the Subdivision Plat.

The failure of any Owner to comply with the provisions of this Article shall in no event be deemed or construed to impose liability of any nature on the ACC and/or Declarant, and such Committee and/or Declarant shall not be charged with any affirmative duty to police, control or enforce such provisions. The drainage easements provided for in this Declaration shall in no way affect any other recorded easement in the Subdivision.

Section 8. Maintenance of Easements. By acceptance of a deed to any one or more Lots, the Owner thereof covenants and agrees to keep and maintain, in a neat and clean condition, any easement which may traverse any portion of said Lot or Lots, including, without limitation, by removing weeds, mowing grass and trimming shrubbery and trees, if any, within such area.

Section 9. Maintenance of Yards, Irrigation Systems, and Appearance of Lots. As used in this Section 19 only, the term "Lot" shall also mean, include, and extend to that area lying between any Lot line and a right of way, it being the intention of Declarant that maintenance responsibility of each Owner should extend to such areas.

The Owners of all Lots shall keep grass and vegetation well mown and trimmed, shall promptly remove all weeds as they grow and all trees, shrubs, vines and plants which die, and shall

keep all yard areas in a sanitary, healthful, and attractive manner. Lawns, front and back, must be mowed at regular intervals, and never permitted to exceed six inches (6") in height. Fences must be repaired and maintained in an attractive manner. The front yard area of each improved Lot forward of the front wall line of the residence thereon, and the side yard area adjoining a street of each corner Lot, shall be kept regularly watered by a permanently installed, underground irrigation system which shall be equipped with an automatic timer and pop-up sprinkler heads or such other type and design as may be approved by the Architectural Control Committee. The ACC shall have the right to designate additional areas (such as between the Lot line and the right of way or between all required fences and the right of way) requiring an irrigation system and the prospective purchaser of each Lot is advised to determine such areas. All required sprinkler or irrigation systems shall be maintained in working order and shall be adjusted so as not to significantly spray onto adjacent Lots or into any right of way or common area.

No objectionable or unsightly usage of Lots, or condition on any Lot will be permitted which is visible to the public view. Building materials shall not be stored on any Lot except when being employed in construction upon such Lot, and any excess materials not needed for construction and any building refuse shall promptly be removed from such Lot. The drying of clothes in full public view is prohibited and the Owners or occupants of any Lots at the intersection of streets or adjacent to parks, playgrounds or other facilities where the rear yard or portion of the Lot is visible to public view from a street or Common Area shall construct and maintain an inner fence or other improvements to adequately screen from view of streets and Common Area any of the following: the drying of clothes, yard equipment, wood piles or storage piles which are incident to the normal residential requirements of a typical family. Trash, garbage or other waste materials shall be kept in a clean and sanitary condition.

In the event of default on the part of the Owner or occupant of any Lot in observing the above requirements or any of them, such default continuing ten (10) days from date of a written notice thereof deposited in the United States mails, Declarant, or the Association may, without liability to Owner or any occupants in trespass or otherwise, enter upon said Lot, cut or cause to be cut, such lawn, weeds and grass and remove or cause to be removed, such dead vegetation, garbage, trash and rubbish or do any other thing necessary to secure compliance with the terms of this Declaration, so as to place said Lot in a neat, attractive, healthful and sanitary condition, and may charge the Owner or occupant of such Lot for the cost of such work, plus a reasonable administrative charge and reasonable attorney's fees. The Owner or occupant, as the case may be, agrees by the purchase or occupation of the Lot to pay such statement immediately upon receipt thereof. The sum due shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such sums are due, and may be enforced in accordance with the provisions of hereof or otherwise as provided by law.

Until a Living Unit is built on a Lot, Declarant may, at its option, have the grass, weeds and vegetation cut when and as often as the same is necessary in its judgment, and have dead trees, shrubs and plants removed therefrom. Declarant may also, at its option, remove any excess building materials or building refuse situated on a Lot in violation of this covenant. The Owner of

such Lot shall be obligated to reimburse Declarant for the cost of any such maintenance or removal upon demand. The sum due shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such sums are due, and may be enforced in accordance with the provisions of hereof or otherwise as provided by law.

Each Owner shall provide and maintain safe and adequate drainage within and across his Lot and no Owner shall construct or maintain any building, fence, walk, landscaping, or any condition which diverts, impedes, backs up, or prevents the drainage and flow of, surface water on, over, or across such Lot.

Each Owner shall be responsible for the maintenance of the Lot upon closing, and shall keep all portions thereof free of unusable building materials, debris, and rubbish during the construction period. Owner shall provide sanitary bathroom facilities to accommodate all contractors and subcontractors during the construction period. It is the goal of the Declaration and the Association to maintain the subdivision in a clean and respectable manner. If Owner reasonably violates this objective, it is Declarant's and/or the Association's option to initiate the cleanup or place facilities on the Lot necessary to maintain the referenced goal at the sole cost and expense of Owner, payable on demand, and secured by a lien on the Lot.

Section 10. Outside Parking and Storage of Vehicles etc. No boat, trailer, tent, recreational vehicle, camping unit, wrecked, junked, inoperable, self propelled or towable vehicle, equipment or machinery of any sort shall be kept, parked, stored, or maintained in the driveway or front yard of any house, or on the exposed sideyard of any corner lot, or parked on any street within the Subdivision except in strict accordance with the exceptions herein provided. All such vehicles shall be kept, parked, stored or maintained on other portions of a Lot only within an enclosed structure or a screened area which prevents the view thereof from adjacent lots, all Subdivision streets, and all Common Area. No dismantling or assembling of motor vehicles, boats, trailers or other machinery or equipment shall be permitted in any front yard, driveway, or within view of an adjacent street. No commercial vans or vehicles bearing commercial insignia or names, and no semi-tractors (with or without trailers) or trailers, shall be parked on any Lot or Subdivision street except solely for (a) a van owned by a resident which shall at all times be parked within an enclosed garage attached to the residence and with the garage doors closed; or (b) a commercial vehicle servicing a residence or Lot which shall only remain in the driveway or on the street for the minimum amount of time necessary to service the resident or Lot. No camper, boat, trailer, equipment, or machinery shall be parked in front of any residence for a period in excess of twenty-four (24) consecutive hours. No more than two automobiles, trucks, or vehicles shall be routinely parked or kept on a driveway or within the street in front of a residence. The Board of Directors is empowered to establish additional rules and regulations relating to the parking and storage of vehicles, equipment, and other property both on Lots and the Common Facilities (including subdivision streets) as it may from time-to-time deem necessary to ensure the preservation and appearance of the Subdivision as a first class residential neighborhood and such rules and regulations shall, when promulgated, be in all respects binding on and enforceable against all Lot Owners, provided, however, no such additional rules or regulations shall in any manner revoke or

relax any of the restrictions of 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 only. No vehicles, trailers, implements or apparatus may be driven or parked on any easement or Common Area except for lawn mowing equipment while in use.

Section 11. House Numbering. House numbers identifying the address of each house must be placed as close as possible to the front entry and shall be illuminated so that the numbers can be easily read from the street at night. Size, color and material of the numbers must be compatible with the design and color of the house. House numbers shall not exceed six inches (6") in height.

Section 12. Lot Subdivision and Consolidation. No Lot may be subdivided except with the written consent of Declarant. Any Owner owning two or more adjoining Lots, or portions of two or more such Lots, may with the prior approval of the Architectural Control 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 Lot resulting from such consolidation shall bear, and the Owner thereof shall be responsible for all assessments previously applicable to the Lots which are consolidated. When two Unimproved Lots being consolidated and improved by a single Living Unit, the Owner will be subject to assessment for both Lots, one at the rate for Improved Lots and one at the rate for Unimproved Lots.

Section 13. No Oil or Mining Development. No oil or natural gas drilling, oil or natural gas development or oil refining or quarrying, or mining operations, or excavation of minerals or materials for sale of any kind shall be permitted upon any portion of the Properties, nor shall oil, natural gas, or water wells, tanks, tunnels, 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, minerals or water shall be erected, maintained or permitted upon, in or within any portion of the Properties. The foregoing prohibitions of this Section 34 shall govern every Owner and occupant of a Lot but Owners are advised that these covenants are not binding upon the owner or any mineral interest in the Properties.

Section 14. No Cesspools or Private Water Wells. No privy, cesspool, or septic tank, or private water well or water system, or part thereof shall be placed, installed, or maintained upon any Lot.

Section 15. Firearms, Projectiles, Fireworks and Weapons. The discharge of any firearm, including BB guns and pellet guns, within the subdivision or on adjacent lands owned in whole or in part by Declarant or located within Canterbury Farm Subdivision, is strictly prohibited and each Owner shall ensure that his guests and family members do not violate such prohibition. Additionally, there is hereby prohibited the use of any bow and arrow, slingshot, or other launching or catapulting device except strictly within the confines of a Lot and not involving the hunting or killing of any animal. No fireworks (other than sparklers) of any type shall be used within the Properties or on adjacent or nearby lands owned by Declarant.

Section 16. Storage and Disposal of Hazardous Materials. No Owner or other person shall store, dump or dispose of any oil, gasoline, fuel, pesticide, fertilizer, household chemicals, or other hazardous or potentially hazardous materials on any Lot, whether or not owned by them, or on any of the Common Area. The sole exception to this requirement shall be the storage of such minimum amounts of oil or gasoline as an Owner may reasonably require for the maintenance of his vehicles or maintenance and operation of lawn equipment, but all such storage shall be limited to the garage and to appropriate, unbreakable containers.

ARTICLE IX.

BUILDING STANDARDS

Section 1. Minimum Floor Area. Each residence shall contain not less than 800 contiguous square feet of finished living area, such areas to be exclusive of open porches, terraces, patios, driveways, carports, garages, and attics.

Section 2. Height. No building or structure erected, altered or placed on, within or in the Properties shall exceed thirty-five feet (35') in height measured from finished elevation of the lower, habitable floor to the topmost part of the roof, without the written consent of the Declarant, however, that all applicable ordinances, regulations, and statutes with respect to the maximum height of building and structures shall be complied with at all times.

Section 3. Placement of Structures on Lots and Sideyards. All buildings or other structures, permanent or temporary, habitable or not, must be constructed, placed and maintained in conformity with the minimum setback requirements of the applicable municipal zoning ordinance, and any additional setbacks shown on the Subdivision Plat. For good cause shown a variance to the setback requirements may be allowed by the Declarant. Eaves of buildings and box windows shall not be deemed to be a part of a building or structure provided they project three feet or less, but porches shall be deemed to be a part of a building or structure for the purpose of these covenants and setback requirements. In no event may any structure be constructed or maintained upon any utility or other easement.

Section 4. Fences. Fences located between the main structure and any side Lot line (wing walls) shall not be required, but if built shall be masonry or cedar privacy fencing. Fences adjacent to a street on corner lots shall not be required, but if built shall be masonry or cedar privacy fencing.

No fence, wall, or hedge shall be built or maintained forward of the front wall line of the main structure. Any fences over six feet (6') in height must be approved by the Declarant.

Fencing installed by the Declarant as a common facility shall not be removed, increased or decreased in height, or otherwise modified without the written consent of the Declarant.

Each Owner shall maintain all fencing placed on his Lot in a neat appearing and usable condition including the reconstruction or replacement of fences which are tilted more than ten (10) degrees from a vertical position.

Section 5. Roofing. The surface of roofs of principal and secondary structures shall be composition shingles, tile, or other material approved by Declarant. The Architectural Control Committee shall have the authority to approve other roof treatments and materials if, in its sole discretion, it determines that the form utilized will be harmonious with the surrounding homes and Subdivision as a whole.

Section 6. Guttering. Guttering shall not be required but all dwellings with guttering must be guttered with downspouts being so situated as to minimize adverse drainage consequences for adjoining Lots.

Section 7. Front Yards. Absent the express written waiver of the Declarant, no more than sixty percent (60%) in area of the front yard area of any Lot, and no more than forty percent (40%) in area of the combined front and street side yard of a corner lot, may be covered by rock, concrete, or material other than landscaping. The "front yard area" shall be defined as that area of a Lot situated between the front Lot line and a line extending from the front of a residence to the side Lot lines.

Section 8. Sidewalks and Driveways. All sidewalks and driveways shall be pebble finish or broom finish concrete, brick, or other hard surfaced material of a finish and composition approved by the Committee. Asphalt paving and loose gravel driveways are prohibited. All driveway and curb cut locations must be approved by the municipal authority having jurisdiction.

Section 9. Temporary Structures and Facilities. Except as expressly provided herein, no structure of a temporary character (sales structure, trailer, tent, shack, garage, barn or other outbuildings) shall be used on any Lot at any time for storage or as a residence, either temporarily or permanently. No prefabricated dwelling or building previously constructed elsewhere may be placed or maintained on any Lot. No modular or mobile home, whether or not the wheels have been removed, may be placed or maintained on any Lot. All structures of a temporary character must be approved by the Architectural Control Committee.

Notwithstanding the foregoing provisions, Declarant reserves unto itself and Builder Members acting as such the exclusive right to erect, place, and maintain such facilities in or upon any portions of the Properties as Declarant 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. Each Builder Member may not, however, utilize more than one mobile trailer or similar vehicle as such a temporary facility, may use such as a sales or construction office only in support of sales and construction activities within Canterbury Farm Subdivision, and each such mobile trailer or similar vehicle shall be parked within a Lot owned by such Member, the

location of which shall have been approved in advance by Declarant. In addition, each Owner shall have the right to erect, place, and maintain on his Lot such temporary facilities other than mobile trailers or similar vehicles as may be necessary or convenient for construction of a residence thereon and each Owner engaged in the construction of residences within the Properties for sale shall have the right to erect, place, and maintain temporary facilities for offices, storage, and accumulation of reasonable amounts of construction debris while so engaged in the construction of residences within the Properties.

Section 10. Outbuilding and Exterior Modifications. Every outbuilding, inclusive of such structures as a storage building, pool house, servants' quarters, greenhouse or workshop, shall be compatible with the dwelling to which it is appurtenant in terms of its design and material composition. The design, materials and location of all such buildings shall be subject to the prior written approval of the Committee.

Every proposed addition or exterior modification to any structure or improvement shall be subject to the terms of this Declaration and the plans and specifications for same shall be submitted to the Committee for approval.

ARTICLE X. GOVERNMENTAL REQUIREMENTS

Section 1. Owner's Acknowledgment. Each Owner is responsible for ascertaining all governmental rules and regulations pertaining to the use of their Lots, especially during the construction period, and ensuring their compliance and the compliance of all contractors and subcontractors working thereon.

Section 2. Remedies of Declarant and the Association. By acceptance of a deed to a Lot, each Builder Member and Owner agrees that Declarant and the Association shall have the right to enter upon any Lot on which one or more conditions or activities prohibited by appropriate governmental authority is maintained, or on which there has been a failure to perform any act required by appropriate governmental authority, for the purpose of curing any such violation, provided that the Owner or Builder Member has been given five days prior written notice and has failed to remedy the complained of violation within such time, and each such Owner and Builder Member indemnifies and holds harmless Declarant and the Association from all cost and expense of such curative action and any cost or expense of penalty or fine levied by any governmental authority as a result of the act or failure to act of the Owner or Builder Member with respect to his Lot or the Properties. The foregoing remedy shall be cumulative of all other remedies for violations of provisions of these covenants.

ARTICLE XI.
AMENDMENT AND VARIANCE

This Declaration may be amended until January 1, 2015, by written instrument executed by the Owners of ninety percent (90%) or more of the residential lots subject to the jurisdiction of CF Community Association, upon recording of such written instrument in the Real Property Records of Bexar County, Texas, provided that until such date no amendment hereto shall be effective unless approved and executed by Declarant. After January 1, 2015, this Declaration may be amended in like manner by ninety percent (90%) of the Owners of residential lots subject to the jurisdiction of CF Community Association but the approval and joinder of Declarant shall not be required after said date. Notwithstanding the foregoing, Declarant shall have the right to file an amendment to this Declaration, without the necessity of joinder by any other Owner of Lots, or any interest therein, for the limited purposes of correcting a clerical error, clarifying an ambiguity, or removing any contradiction in the terms hereof.

The Architectural Control Committee shall have the right to grant a variance from the objective requirements hereof relative to minor deviations or infractions hereof or in such situations as it shall determine necessary to avoid an unduly harsh effect or expense of compliance with the terms hereof or to avoid any Lot, or significant portion thereof, from being unusable. Each request for variance must be in writing and must be specifically approved in writing. No presumption of approval of a request for variance shall arise with the mere passage of time or inaction on the request.

ARTICLE XII.
FHA/VA APPROVAL

Absent Declarant's written waiver, then for so long as the Declarant, its successors and assigns, have a controlling vote of the Association, the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration: (a) annexation of property other than within the area described on Exhibit "A" hereto, (b) dedication of Common Area; and (c) amendment of this Declaration other than pursuant to Article X hereof.

ARTICLE XIII.
ENFORCEMENT

In addition to the remedies for enforcement provided for elsewhere in this Declaration or by law, the violation or attempted violation of the provisions of this Declaration, or any amendment hereto, or of any guidelines, rules, regulations, bylaws, or Articles of Incorporation herein referenced or permitted, by any Owner, his family, guests, lessees or licensees shall authorize Declarant or the Association (in the case of all of the following remedies) or any Owner [in the case

of the remedies provided in (d), below], including Declarant, to avail itself of any one or more of the following remedies:

- (a) The imposition by the Association of a special charge not to exceed Fifty (\$50.00) Dollars per violation;
- (b) The suspension by the Association of rights to use any Association property for a period not to exceed thirty (30) days per violation, plus attorney's fees incurred by the Association with respect to the exercise of such remedy;
- (c) The right of Declarant or the Association to enter the Lot to cure or abate such violation through self help and to charge the expense thereof, if any, to such Owner, plus attorney's fees incurred by the Association with respect to the exercise of such remedy; or
- (d) The right to seek injunctive or any other relief provided or allowed by law against such violation and to recover from such Owner all its expenses and costs in connection therewith, including, but not limited to attorney's fees and court costs.

Before the Association may invoke the remedies of a special charge or suspension of privileges as set forth in Sections (a) and (b) above, it shall give written notice of such alleged violation to Owner, and shall afford the Owner a hearing. If, after the hearing, a violation is found to exist, the Association's right to proceed with the special charge and/or suspension of privileges shall be absolute. Each day a violation continues after notice thereof has been given Owner shall be deemed a separate violation. Failure of the Association, the Declarant, or of any Owner to take any action upon any violation shall not be deemed a waiver of any right to take enforcement action thereafter or upon a subsequent violation. No Owner shall have the right to compel or require the filing of suit by Declarant or the Association.

All assessments, charges and costs imposed by the Association and unpaid when due shall bear interest at the rate of twelve percent (12%) per annum from the date due until paid, said interest to be compounded monthly.

ARTICLE XIV.

TITLES

The titles, headings and captions which have been used throughout this Declaration are for convenience only and are not to be used in construing this Declaration or any part thereof.

ARTICLE XV.

INTERPRETATION

If this Declaration or any word, clause, sentence, paragraph, or other part thereof shall be susceptible of more than one or conflicting interpretations, then the interpretation which is most nearly in accordance with the general purposes and objectives of this Declaration shall govern.

ARTICLE XVI.
OMISSIONS

If any punctuation, word, clause, sentence, or provision necessary to give meaning, validity, or effect to any other word, clause, sentence, or provision appearing in this Declaration shall be omitted herefrom, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence or provision shall be supplied by inference.

ARTICLE XVII.
GENDER AND GRAMMAR

The singular, whenever used herein, shall be construed to mean the plural, when applicable, and the necessary grammatical changes required to make the provisions here apply either to corporations or individuals, males or females, shall in all cases be assumed as though in each case fully expressed.

ARTICLE XVIII.
ADDITIONAL INFORMATION

Declarant and the Association are not responsible for the security of residents or residences. Although safety devices and regulations may from time to time be contracted or implemented, each resident is responsible for ensuring the security of his family, guests, and residence in whatever lawful means he desires to employ that does not violate these covenants. The Association and Declarant promote security measures and notwithstanding any other terms herein expressly or impliedly contained, the Architectural Control Committee may waive or vary any term hereof if in the opinion of the Committee the security of the applicant is sufficiently affected as to outweigh the purpose of the restriction as to which waiver is sought.

EXECUTED effective this 5th day of November, 2001.

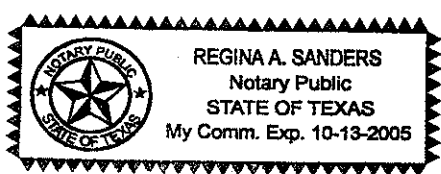
DECLARANT

ARMADILLO CONSTRUCTION COMPANY, INC.

BY: Arthur Zuniga
Arthur Zuniga, Vice President

STATE OF TEXAS ^{PS} §
 ^{BEXAR} §
COUNTY OF ~~WEBB~~ §

This instrument was acknowledged before me the ^{PS} 6th day of November, 2001, by Arthur Zuniga, Vice President of Armadillo Construction Company, Inc., a Texas limited partnership, on behalf of said corporation.



Regina A. Sanders
Notary Public, State of Texas

Printed Name of Notary _____
My Commission Expires: _____

AFTER RECORDING RETURN TO:

Arthur Zuniga
P.O. Box 2519
Laredo, Texas 78044-2519

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



NOV 06 2001
Gerry Rickhoff
COUNTY CLERK, BEXAR COUNTY, TEXAS

Doc# 20010196361
Pages 26
11/06/2001 04:44:38 PM
Filed & Recorded in
Official Records of
BEXAR COUNTY
GERRY RICKHOFF
COUNTY CLERK
Fees \$59.00

VOL 9122 PG 0296