

Greenshire Homeowners' Association, Inc.

Declaration of Covenants, Conditions and Restrictions



September 20, 2013

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Preface

P.1 As homeowners and members of the Greenshire Homeowners' Association, Inc. (GHOA), we all fall under the governing documents of the GHOA as well as the City of Schertz, Texas, ordinances. These GHOA covenants, conditions, and restrictions are in place to uphold certain standards for our current and future residents.

P.2 The GHOA has adopted the following covenants, conditions, and restrictions. This document amends and supersedes, except as otherwise stated herein, the (1) Restated Declarations of Covenants, Conditions & Restrictions recorded on the 29th day of April, 1988, in the Official Public Records of Real Property of Guadalupe County, Texas, in Volume 846, pages 492-542; (2) Certificate of Annexation to Declaration of Covenants,

Conditions and Restrictions for Greenshire, executed on December 19, 1996, recorded in Volume 1244, Page 743, Official Public Records of Real Property of Guadalupe County, Texas; and (3) Certificate of Annexation to Declaration of Covenants, Conditions and Restrictions for Greenshire, executed on August 20, 1997, recorded in Volume 1289, Page 0039, Official Public Records of Real Property of Guadalupe County, Texas (hereinafter collectively called "the Prior Restrictions").

P.3 These covenants, conditions and restrictions are imposed on the real property made the subject of the Prior Restrictions; specifically on the land described in the Official Plat Records of Guadalupe County, Texas, as follows:

Unit 1: Volume. 5, Page 65a&b, recorded Oct. 13, 1987

Unit 2: Volume 5, Page 200b, recorded Aug. 4, 1994

Unit 3: Volume 5, Page 232a, recorded Apr 18, 1995

Unit 4: Volume 5, Page 326b, recorded Sep 26, 1996

Unit5a: Volume 6, Page 116, recorded May 21, 1999

Unit5b: Volume 6, Page 114, recorded May 21, 1999

Unit 6: Volume 5, Page 321b, recorded Sep 9, 1996

Unit 7: Volume 5, Page 265a, recorded Aug 7, 1997

Unit 8: Volume 6, Page 007, recorded May 14, 1998

Unit 9: Volume 6, Page 212, recorded Jan 14, 2000

P.4 The purpose of this Declaration is to preserve so far as possible the natural beauty of the property, to avoid harsh contrasts between structures and landscape, to guard against the erection of poorly designed or proportioned structures or use of unsuitable materials, to encourage and secure the erection of attractive improvements which are harmonious with their sites, and in general, to enhance the environmental quality and economic value of the Greenshire Subdivision.

P.5 The Association hereby declares that all of the real property described above shall be held, sold, and conveyed only subject to the following easements, covenants, conditions, and restrictions, which shall constitute covenants running with the land, and shall be binding on all the parties having any right, title or interest in the above-described property, their heirs, successors, and assigns and shall inure to the benefit of each owner thereof.

Article 1: Definitions

The following terms and definitions are provided for clarification and shall have the following meaning:

ARC: Refers to the Architectural Review Committee, established by the GHOA Board of Directors.

Assessments: Charges imposed by the Association.

Assessment Units: The basis for calculating the Assessments payable by each owner. Each Lot shall be assessed as one Assessment Unit. If an Owner owns more than one Lot he shall be charged one Assessment Unit for each Lot he owns.

Association: GHOA, a Schertz, Texas not-for-profit Corporation, and its successors and assigns.

Board: The GHOA Board of Directors.

Capital Improvement: The addition of a permanent structure or any improvement or the restructure of some aspect of the property that will either enhance the property's overall value or increase the overall life.

Common Area: Real property owned by and titled to the Association for the convenience, common use, benefit and enjoyment of the owners. Common Area includes, but is not limited to, the greenbelt, Subdivision and unit entrance ways, and roadway medians.

Declaration: This Declaration of Covenants, Conditions, and Restrictions of Greenshire, as may be amended at any time as provided for herein, and which shall be construed to be a "dedicatory instrument" as defined in Texas Property Code, Section 202.001(1).

Greenshire: The land subject to the Declaration, together with any property annexed or added by express dedication and plat, or by deed of conveyance, filed for record.

Improvement: Includes all buildings, structures, fixtures, parking areas, loading areas, fences, walls, hedges, mass plantings, poles, driveways, grading and site preparation work, concrete or asphalt pads, ponds, lakes, swimming pools, tennis courts, signs, utility connections, solar panels, satellite dishes, flag poles, trees, exterior illumination, changes in any exterior color or shape, and any new exterior construction or exterior improvement that may not be included in any of the foregoing list. Improvement includes original improvements and later changes and improvements. This list is not all inclusive and subject to changes in state law. Refer to ARC rules, Article IV.

Landscaped Easement: Areas within an Owner's property which may be established as such in writing by the Owner and transferred to and accepted by the Association.

Lot: Refers to each parcel of land, shown as a Lot upon any recorded subdivision map or plat of the Property.

Maintenance: Reasonable care to keep buildings, roads, landscaping, lighting, and other related improvements and fixtures in a condition comparable to their original condition, normal wear and tear excepted. Maintenance of landscaping shall further mean the exercise of generally-accepted garden-management practices necessary to promote a healthy environment for plant growth and conservation of water.

Member: Every person or entity who holds membership in the Association, otherwise known as an Owner.

Owner: The record owner, whether one or more persons or entities, of a free simple title to any Lot which is a part of the Property, and shall include contract sellers, but shall not include those holding title merely as security for performance of an obligation.

Qualified Planner: A person, who in the ARC's sole discretion, is qualified to prepare plans and specifications for Improvements or rebuild within a single family residential area.

Quorum: The minimum number of voting members who must be present (in person or by proxy) at a properly called meeting in order to conduct business in the name of the GHOA. The basis for the GHOA quorum is 565.

Religious Use: The use of any structure, either temporary or permanent, as a church, temple, synagogue, mosque, religious meeting place, or any other use primarily for religious purposes.

Resident: Any person residing in the Property.

Article 2: The Association, Membership and Voting Rights

2.1. The Association.

2.1.1. The Association, acting through its Board, shall have the authority to enforce the covenants, conditions, restrictions, and all other items contained in this Declaration, and, subject to the provisions set forth herein, shall also have, without limitation, the following powers:

2.1.1.1. To grant variances from the Restrictions and obligations set forth herein;

2.1.1.2. To assure compliance and enforce the obligations and covenants of any owner as set forth herein;

2.1.1.3. To own real and personal property, open bank accounts, contract for legal, accounting and other professional services, retain employees, and to otherwise do that which it believes necessary or prudent to carry out the terms of this Declaration;

2.1.1.4. To conduct its business and affairs including, without limitation, to delegate to any other organization composed of Owners the duty to maintain a portion of the Common Area;

2.1.1.5. To maintain the Common Area and such other portions of the Property (including FM 3009, Green Valley Road, and Woodland Oaks and the drainage areas), as the Association determines is necessary.

2.2. Powers and Duties of the Association

2.2.1. The Association shall have such rights, powers and duties as set forth above, and in the Articles of Incorporation and Bylaws, as the same may be amended from time to time.

2.3. Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be associated with and may not be separated from ownership of a Lot.

2.4. Voting Rights

2.4.1 Members (Owners) shall be entitled to one vote for each Lot owned. When more than one person holds an interest in a given Lot, all such persons shall be Members and the single vote for such Lot shall be exercised as they may determine among themselves.

2.4.2 In no event shall more than one vote be cast with respect to any Lot owned. In the event more than one vote is cast for a single Lot, none of the votes cast for that Lot shall be counted and all such votes

for that Lot shall be void.

2.5. Proxy Votes. Any member may give his/her vote by proxy to any other member of the GHOA, Greenshire resident, or to the Board. If the proxy is given to the Board the Secretary will cast that vote concurrent with Board approval. Proxies will count for both quorums and votes for all matters before the GHOA. In all cases the proxy must be in writing and delivered to the Board.

2.6. Notice and Quorum for Membership Action.

2.6.1. Written notice of any meeting called for the purpose of taking any action shall be sent to all Homeowners not less than ten (10) days nor more than sixty (60) days in advance of the meeting.

2.6.2. With respect to any annual or special "general" membership meeting of the Association, except when a proposed amendment to this Declaration or the Articles of Incorporation or a Special Assessment is to be considered:

2.6.2.1. At the first call of such meeting, the presence at the meeting in person or by absentee ballot, electronic ballot or proxy of ten percent (10%) of the total votes of all Owners shall constitute a quorum.

2.6.2.2. If the required quorum is not forthcoming at such meeting, the meeting may, with proper written notice, be adjourned to a new date not earlier than ten (10) days nor later than sixty (60) days from the date of that adjourned meeting, and the required quorum at such meeting shall be one-half (1/2) of the required quorum at the immediately preceding meeting.

2.6.2.3. This procedure shall be continued until a quorum has been obtained provided, however, that such reduced quorum requirement shall not be applicable at a subsequent meeting held more than sixty (60) days following the originally scheduled meeting. Notification of the new meeting date can be made by email, first class mail, facsimile or hand delivery.

2.6.3. With respect to a meeting called in regards to Sections 3.4.3 and 3.5 (raising the annual Assessment more than 10% or any Special Assessment), written notice of any meeting called for the purpose of taking any action authorized by Sections 3.4.3 or 3.5 shall be sent to all Members not less than ten (10) nor more than sixty (60) days in advance of such meeting;

2.6.3.1. A quorum of 20% is required for raising the annual Assessment more than ten percent (10%);

2.6.3.2. The quorum for a meeting at which a vote is taken on a proposed Special Assessment is thirty-three percent (33%);

2.6.3.3 If the required quorum is not forthcoming at such meeting, the meeting may, with proper written notice, be adjourned to a new date not earlier than ten (10) days nor later than sixty (60) days from the date of that adjourned meeting, and the required quorum at such meeting shall be one-half (1/2) of the required quorum at the immediately preceding meeting.

2.6.4. Affirmative actions may be taken if at least fifty-one percent (51%) of the Members voting affirmatively vote for such action.

2.6.5. When a proposed amendment to this Declaration is to be considered, the presence at the meeting in person or by absentee ballot, electronic ballot or proxy of two-thirds (2/3rds) of the total votes of all the Members shall constitute a quorum.

2.6.6. In all cases, except amending the Declaration, once a quorum is met a simple majority vote will prevail. Amending this Declaration requires the approval of two-thirds (2/3rds) of all members per Texas law.

2.7. Board of Directors. The Association shall have a Board of Directors composed of no fewer than three (3) members and the Bylaws shall specify the procedure for nomination and election of Directors, as well as the terms to be served by the respective Board members.

2.8. Powers of the Board. The Board shall have those powers enumerated herein and in the Bylaws of the Association so as to enable it to provide for maintenance of Common Area, if any, maintenance of landscaped easements and landscaped medians, support of the Declaration, ARC and reasonable management of Association affairs.

2.9. Personal Liability. No Member of the Board or any committee of the Association, or any of the Officers of the Association, shall be personally liable to any Owner, or any other party, including the Association, for any damage, loss or injury suffered or claimed on account of any act, omission, error or negligence of the Association, the Board or any other representative or employees of the Association; provided, however, such person has, upon the basis of such information as may be possessed by him, acted in good faith, without willful or intentional misconduct.

2.10. Mergers. Upon a merger or consolidation of the Association with another association as may be provided in its Articles of Incorporation, its

property, rights and obligations may, by operation of law, be transferred to another surviving or consolidated Association or, alternatively, the property, rights and obligations of another Association may, by operation of law, be added to the property, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants, conditions and restrictions established by this Declaration within the Property together with the covenants, conditions and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the covenants, conditions and restrictions established by this Declaration except as herein before provided.

Article 3: Financial: Budget, Assessments, and Member Charges

3.1. Annual Budget

3.1.1. Subject to provisions and limitations of the Declaration, the Board shall adopt an annual budget and set the amount of the Annual Assessment to be levied for the next year, taking into consideration the Association's operating costs for the then current year, expected normal increases or decreases in such costs over the next year, and future needs of the Association, including the establishment and maintenance of the Association reserve fund as provided for in the Bylaws of the Association.

3.1.2. The annual budget shall be adopted by the Board at least thirty (30) days prior to the commencement of each fiscal year. Notwithstanding the above, in the event the Board fails for any reason to adopt an annual budget covering the succeeding fiscal year, then until such time as an annual budget shall have been adopted for such succeeding year, the annual budget currently in effect shall continue and the Annual Assessment for the next succeeding fiscal year shall be deemed to be the same as for the current year.

3.1.3. At the end of any fiscal year, the Board may, at its own discretion, carry over any surplus into next year's budget for future requirements, place in certificates of deposit for unexpected expenses or reduce the amount for the next Annual Assessment by an amount not more than the surplus.

3.2 Lien and Personal Obligation of Assessments

3.2.1. Each Owner of a Lot is hereby deemed to covenant by acceptance of his deed for such Lot, whether or not it shall be so expressed in his deed, to

pay to the Association (1) annual Assessments and (2) special Assessments for Capital Improvements. Such assessments will be established, collected as stipulated, and not co-mingled. The annual and special Assessments, together with interest, costs and reasonable attorneys' fees, if any, shall be a charge on the land and a continuing lien on each Lot against which such an Assessment is made. The lien established by the Prior Restrictions is hereby ratified, extended and carried forward for that reason.

3.2.2. Each such Assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the person or persons who owned the Lot at the time the Assessment fell due, but such personal obligation shall not pass to the successors in title of such person or persons unless expressly assumed by them.

3.3. Purpose of Annual Assessments

3.3.1. The annual Assessments shall be used exclusively to protect and promote the comfort, collective mutual enjoyment, health, safety, welfare, and recreation of the Owners, residents and tenants in the Property, and for the improvement and maintenance of the Common Area situated within the Property. Annual Assessments shall include, and the Association shall acquire and pay for out of the funds derived from annual Assessments, the following as determined by the Board:

3.3.1.1. Improvements, maintenance, or repair of the Common Area.

3.3.1.2. Water, sewer, garbage, electrical, lighting, telephone, gas, and other necessary utility service for the Common Area.

3.3.1.3. Acquisition of furnishings and equipment for the Common Area as may be determined by the Association, including without limitation all equipment, furnishings, and personnel necessary or proper for use of the recreational facilities.

3.3.1.4. Property insurance covering the full insurable replacement value of the Common Area with extended coverage.

3.3.1.5. Liability insurance insuring the Association against any and all liability of the public, to any Owners or to the invitees or tenants of any Owner arising out of their occupation and/or use of the Common Area. The policy limits shall be set by the Board, and shall be reviewed at least annually and increased or decreased at the discretion of the Association.

3.3.1.6. Personal Liability and Property Damage insurance covering all members of the Board of Directors of the Association and all other employees of the Association in an amount to be determined by the Board of Directors.

3.3.1.7. Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, taxes or Assessments which the Association is required to secure or pay pursuant to the terms of this Declaration or by law or which shall be necessary or proper in the opinion of the Board of Directors of the Association for the operation of the Common Area, for the benefit of Lot Owners, or for the enforcement of these restrictions.

3.3.1.8. The carrying out of all other matters set forth or contemplated in the Declaration.

3.4. Maximum Annual Assessment

3.4.1. Effective January 1, 2013 the Annual Assessment shall be \$110.00 per Lot.

3.4.2. The annual Assessment for each succeeding year shall be determined by a majority vote of the Board and shall not exceed one hundred ten percent (110%) of the current Annual Assessment, or the annual inflation rate for the current year, above the prior year, whichever is greater. The inflation rate used will be the Bureau of Labor Statistics Consumer Price Index (CPI-U).

3.4.3. The Association may increase the annual Assessment by more than the amount allowed above by a majority vote at a duly called meeting of the Members. (See Sections 2.6.3.1 and 2.6.4)

3.5. Special Assessments for Capital Improvements

3.5.1. In addition to the annual Assessments authorized above, the Association may levy in any year a special Assessment applicable only to the years specified in the resolution for the purpose of:

3.5.1.1. Defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a Capital Improvement on the Common Area, including fixtures and personal property;

3.5.1.2. Any project deemed by the Association to be of benefit to the Association as a whole;

3.5.1.3. Defraying the costs of repairs or replacements to Capital Improvements resulting from an uninsured loss or damage or an insured loss for damage where there are insufficient insurance proceeds, and/or

3.5.1.4. Responding to the unusual emergency needs of the Association as may be expected to appear from time to time.

3.6. Notice and quorum for action authorized under Sections 3.4.3 and 3.5 are addressed in Section 2.6.

3.7. Uniform Rate of Assessment

3.7.1. Both annual and special Assessments must be fixed at a uniform rate for all Lots.

3.8. Commencement and Collection of Annual Assessments

3.8.1. The Board of Directors shall fix the amount of the annual Assessment against each Lot at least sixty (60) days in advance of the due date and shall fix the date such amount become due. Assessments are payable annually (currently due January 1). Notice of the annual Assessment shall be sent to every Owner.

3.9. Effect of Nonpayment of Assessments: Remedies of the Association

3.9.1. Any Assessment not paid within thirty (30) days after the due date shall be deemed in default and shall bear interest from the due date at a rate not to exceed the maximum rate allowable by state law. The Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the property.

3.10. Member Charges.

3.10.1. In addition to the annual Assessment and any special Assessments, the Association, by vote of the Board, may impose a charge upon any Owner for the following purposes:

3.10.1.1. Reimbursing the Association for all costs to bring a Lot into compliance with the Declaration, provided the Board serves notice in writing to the Owner, gives a reasonable time to correct deficiencies, and Owner fails to comply;

3.10.1.2. Reimbursing the Association for any and all costs of removing anything placed by an Owner in the Common Area;

3.10.1.3. Reimbursing the Association for the cost of defraying the expense of the ARC's review of plans and specifications submitted by an Owner, if professional fees are required; and/or

3.10.1.4. Reimbursing the Association for any and all costs of collecting annual Assessments, special Assessments and other Member Charges from an Owner if not paid on or before each one's respective due date, including without limitation, the Association's attorney's fees, court costs and other collection expenses plus interest on said Assessments and Member Charges at the maximum rate allowable by law.

3.11 Due Dates

3.11.1. Due dates for Annual Assessments, Special Assessments, and Member Charges will be determined by the Board. In all cases, homeowners will be given a minimum of thirty (30) days notice.

3.12. Subordination of Assessment Lien to Mortgages

3.12.1. The Assessment lien shall be subordinate to the lien of any first mortgage. A sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof shall extinguish the Assessment lien as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

3.13. Stewardship of Assessment and all Association Financial Assets

3.13.1. All financial assets, including but not limited to, annual Assessments and interest earned, shall only be kept and invested in Federal Deposit Insurance Corporation or National Credit Union Administration insured accounts.

Article 4: Architectural Review Committee

4.1. Establishment and Composition

4.1.1. An Architectural Review Committee (ARC) has been established under the Prior Restrictions, and is hereby extended, ratified and carried forward to review all Owner requests to improve their Lots and structures or Improvements thereon in accordance with restrictions contained in this Declaration. The ARC is composed of a chairperson and four (4) members appointed by the Board of Directors for six (6) year terms subject to removal and replacement by the Board of Directors. The Board of Directors shall serve as the ARC, and the Board Member-at-Large shall serve as ARC chairperson, if committee volunteers are not forthcoming. ARC members may be reappointed for additional six (6) year terms.

4.2. Function of the ARC

4.2.1. All improvements to Lots and shall be requested of, and approved by, the ARC prior to construction. Requests shall consist of a completed ARC Request, available by downloading from the GHOA website, a copy of the Lot plat map, and a description of the proposed work to include photos, specifications, colors, samples, brochures and other supportive materials, as appropriate. One copy of the request shall be submitted to the ARC for approval at least three (3) weeks prior to the desired construction start date. The applicant shall prepare a second copy, shall be delivered by the applicant or contractor to the City of Schertz Inspection Department, 1400 Schertz Parkway, Schertz, Texas 78154, so that appropriate building or construction permits may be issued. The ARC shall provide the applicant with verbal approval to proceed, or disapproval immediately. ARC written approval/disapproval shall be provided to the applicant within thirty (30) days of the request. The decision of the ARC, by majority vote, concerning all improvement requests shall be final, and binding upon the applicant.

4.3. Meetings

4.3.1. The ARC shall meet as necessary to consider requests and unusual situations where extenuating circumstances may require an applicant's presence.

Article 5: Property Rights

5.1. Owner's Easements of Enjoyment (Common Area). Every Owner of a Lot shall have a right and easement of enjoyment in and to the Common

Area which shall be associated with and shall pass with the title to such Lot, subject to the following rights of the Association:

5.1.1. The right to charge reasonable admission and other fees for the use of any Common Area.

5.1.2. The right of the Association to make, publish, and enforce reasonable rules and regulations governing the use and enjoyment of Common Area.

5.1.3. The right to dedicate or transfer all or any part of the Common Area to any municipality, public agency, authority, or utility for such purposes and subject to such conditions as may be agreed upon by the Members. No such dedication or transfer shall be effective unless an instrument certifying approval by two-thirds (2/3rds) of the Members agreeing to such dedication or transfer has been duly recorded.

5.1.4. The right to suspend any individual's right to use the Common Area for any unlawful acts or abuse to others, which occurs on or to Association property. Any such suspension shall be for a reasonable length of time, not to exceed six months.

5.1.5. Subject to such limitations as may be imposed by the Bylaws, each Owner may delegate his right of enjoyment in and to the Common Area and facilities to the members of his family, his guests, tenants, and invitees.

5.2. Easements of Encroachment

5.2.1. There is a one (1) foot encroachment easement along each boundary line of each Lot and Common Area, in favor of the adjoining land, for the placement and maintenance of improvements or structures placed on the adjacent land with ARC approval, that has been moved due to settlement or shifting.

5.3. Other Easements

5.3.1. Easements for installation and maintenance of utilities and drainage facilities are shown on the recorded subdivision plats. Within these easements, 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 which may damage, interfere with, or change the direction of flow of drainage facilities in the easements. The easement area of each Lot and all improvements shall be continuously maintained by the Owner of such Lot, except for Improvements the maintenance of which a public authority or utility company is responsible.

5.3.2. No dwelling unit or other structure of any kind shall be built, erected, or maintained on any easement, reservation, or right of way, and any easements, reservations, and rights of way shall at all times be open and accessible to public and quasi-public utility corporations, their employees and contractors, and shall also be open and accessible to the Association, its successors and assigns, all of whom shall have the right and privilege of doing whatever may be necessary in, on, under, and above such locations to carry out any of the purposes for which such easements, reservations, and rights of way are reserved.

5.3.3. The Association reserves the right of easement to place entry signs on the Brick Wall (as defined below) for the benefit of all Greenshire residents and visitors.

5.4. Right of Entry. The Association, through its duly authorized employees and contractors, shall have the right after reasonable notice to the Owner, to enter any Lot at any reasonable hour on any day to perform such maintenance as may be required due to non-compliance with covenants, or to certify compliance, or the issuance of a resale certificate.

5.5. No Partition. There shall be no judicial partition of the Common Area, nor shall any Owner or any other person acquiring any interest in the Property or any part thereof, seek judicial partition thereof. However, nothing contained herein shall be construed to prevent judicial partition of any Lot owned in co-tenancy.

5.6. Re-subdivision. No Lot shall be further subdivided or separated into smaller Lots or parcels by any Owner.

5.7. Combining Lots. An Owner of two (2) or more contiguous Lots may, with prior written approval of the ARC, combine said Lots into one Lot. Such combinations shall be at the sole expense of the Owner. The voting rights and Assessment obligations shall be unaltered by virtue of any Lot consolidation.

Article 6: Use Restrictions

6.1. All Lots shall be occupied and used only for Single Family Residences.

6.1.1. Family as defined in this Article will have the following definition: One or more persons, each related to each other by blood, adoption, marriage, or civil union, and not more than two other persons not related by blood, adoption, marriage, or civil union, and any child living in a "foster family home" as that term is defined in the City of Schertz Zoning Ordinance. Exceptions require GHOA Board pre-approval.

6.1.2. Rentals are permitted; however, the Owners are responsible to notify the GHOA of the rental and provide the Owners' contact information, and are ultimately responsible to ensure compliance with all covenants.

6.1.3. No outbuilding, basement, tent, shack, garage, trailer, shed or temporary building of any kind shall be used as a residence, either temporarily or permanently.

6.2. Building Requirements/Restrictions

6.2.1. All future residence structures built in the subdivision shall have a minimum of one thousand six hundred (1,600) square feet of livable floor area, exclusive of any area for garage. Each Lot shall be planned to contain at least a two (2) car garage and two (2) off street parking spaces. No duplex structures shall be permitted.

6.2.2. The ARC shall have the right to impose limitations on the height of any improvement to preserve lines of sight and views enjoyed by neighboring Lots.

6.2.3. The ARC or its representative must approve in writing building placement on the Lot, grade lines, and building elevations prior to obtaining any building or excavation permit.

6.2.4. Before the commencement of any construction on any Lot, the building design, location, construction plans, and construction materials must be approved by the ARC and a city permit obtained. The Owner also agrees to the master grading plan as shown on the recorded plats and to construct surface drainage in accordance with said plats.

6.2.5. Exterior Material - The exterior of every improvement shall be composed of not less than eighty percent (80%) stone, brick or comparable quality masonry material facing, as may be approved in writing by the ARC, exclusive of all doorways, windows, balconies and other openings. The remaining portion of the exterior of each improvement shall be of materials approved for that Improvement by the ARC. The ARC shall have the right to

impose limitations on the exterior color and materials to be used in all improvements.

6.2.6. **Roofing Materials.** No reflective roofing materials are permitted on any Improvement unless approved in writing by the ARC.

6.3. **Carports.** No carports are allowed.

6.4. **Common Area.** Nothing shall be altered in, constructed on, or removed from the Common Area except on the written consent of the Association.

6.5 **Compost.** Composting is permitted provided it is done in an approved container and complies with all city ordinances. Compost shall be maintained so as to prevent the harborage of rodents and pests, and maintained so as to prevent unpleasant, rotten egg-like, putrefactive, sweet, sour or pungent odors.

6.6. **Dangerous or unsafe uses.** No noxious or offensive activity which the Association deems objectionable and adverse to the preservation of property values within the Property is permitted. No hunting or off-roading activities are permitted.

6.7. **Exterior Illumination.** Exterior illumination shall be designed to light only buildings, parking areas, walkways and landscape. Glare should not be produced on adjacent street or Lots.

6.8. **Fences and retaining walls.** Requests for a fence, wall, or similar improvement must meet the following requirements. Variances may be granted by the ARC.

6.8.1. Minimum height is six (6) feet and maximum height is eight (8) feet.

6.8.2. Material must be cedar, wrought iron, brick, designer block or other similar material (no chain link or barbed wire).

6.8.3. No fence shall protrude beyond the front of the house.

6.8.4. Retaining walls must not affect natural drainage.

6.8.5. City of Schertz building permits and ARC approval are required prior to construction.

6.9. General Maintenance. The Owner and/or lessee of any Lot has the duty and responsibility for keeping the premises, improvements, and landscaping in a well maintained, safe, clean and attractive condition at all times.

6.10. General Restriction. Nothing shall be done or kept on a Lot or in the Common Area which would increase the rate of insurance without the prior written consent of the Association, and no Owner shall permit anything to be done or kept on his Lot or the Common Area which would result in the cancellation of insurance on any residence or on any part of the Common Area, or which would be in violation of a law or Schertz City ordinance.

6.11. Grass and Weeds. All grass and weeds shall be kept mowed to a maximum of five (5) inches high. Rubbish and other unsightly objects shall not be allowed to accumulate on the property. Edging and trimming will be done to ensure that no grass, shrubs, bushes, or greenery shall grow on or over sidewalks. Trees shall be trimmed to comply with all Schertz City Ordinances.

6.12. Home Business. No business (profit or non-profit) or commercial activity to which the general public is invited shall be conducted at any residence. An in-home business may be approved providing:

6.12.1. A City of Schertz permit is obtained and all city ordinances are followed;

6.12.2. An approval is granted by the GHOA Board and renewed annually. A copy of the city permit and any other required documentation needs to accompany the request for a home business approval;

6.12.3. No retail sales are conducted at the residence. The home business must not increase vehicle traffic or parking in the neighborhood;

6.12.4. If the home is a rental/lease, the Owner must grant permission in writing; and,

6.12.5. Child day care is permitted providing all licenses and permissions are granted, and all contiguous neighbors have given permission in writing. GHOA retains the right to revoke approval for cause.

6.13. House colors. Must be conservative and approved by the ARC. Earth tones and neutral colors must be used.

6.14. **Laundry.** Outside clothes lines or other facilities for drying or airing laundry shall not be erected, placed or maintained on any Lot unless they are concealed in a manner approved by the ARC.

6.15. **Livestock.** Any use which involves the raising, breeding, keeping of animals, livestock, or poultry, is prohibited except for domestic pets in reasonable numbers, for non-commercial purposes and in accordance with the City of Schertz ordinances.

6.16. **Parking.** Parking of any vehicle is prohibited on the grass of any Lot. Also, no vehicles are allowed to block any sidewalks. Residents are encouraged to maximize parking in their driveway in order to lessen congestion on our streets and provide safe passage for emergency vehicles.

6.16.1. No boats, trailers, campers, horse trailers, buses, mobile homes, three quarter ($\frac{3}{4}$) ton or larger vehicles, inoperative vehicles of any kind, or other vehicles or associated equipment of a recreational or commercial nature shall be parked or stored on any Lot unless properly screened from public view in a manner approved in writing by the ARC.

6.16.2. All vehicles referenced in Section 6.16.1 may be kept on a Lot for a maximum seventy-two (72) hours per month to clean and prepare for off-site storage. Moving a vehicle a few feet or driving around the block in order to get around this rule does not constitute a valid "use" and violates the intent of this rule. Extending any slide outs in the street should only be done for cleaning purposes, not create a safety hazard, and is not allowed overnight. Sleeping in and/or living in an RV is not allowed.

6.17 **Pets.** Pets are permitted but Owners must comply with all Schertz ordinances including: no more than three of any species (six (6) total), must be restrained or confined at all times (including cats), must have current rabies vaccine, have a current Schertz license, and cannot be tethered or staked more than three (3) hours at a time (State Law). Also, any animal to human bites that break the skin must be reported to Animal Control immediately.

6.18. **Signs.** No sign of any kind shall be displayed on a Lot or the Common Area without the prior written consent of the Association. Residence name and address signs, and lawn signs of not more than four (4) square feet in size advertising a property for sale or rent are exempt. Also, signs supporting a political candidate or governmental election ballot item during voting season and garage sales that comply with this section are permitted without approval. Political signs cannot be posted more than ninety (90)

days before an election and must be removed within ten (10) days after the election. Garage sale signs will be allowed provided that they are removed the day following the event.

6.19. Solar/Alternative Energy Equipment – Solar/Alternative Energy Equipment is permitted with ARC approval.

6.20. Storage Sheds. No storage unit can be over ten (10) feet high at the peak of the roof. Variances for extenuating circumstances may be approved by the ARC.

6.21. Swimming Pools/Spas. Pools and spas are permitted. A city permit and ARC approval are required before construction begins. Also, all pools and spas must be maintained in a clean and sanitary condition and in good repair.

6.22. Towers and Antennas – No antennas or towers shall be erected without the approval of the ARC. In no case can communication equipment become an eyesore or excessive in number. No radio signals, television signals, or any other form of electromagnetic radiation shall originate from any Lot which may unreasonably interfere with the reception of any television or radio signal on any other Lot.

6.23. Trash. No rubbish, trash, garbage, or other waste material shall be kept or permitted on any Lot except in covered containers concealed from public view. Refuse should not be placed at the curb more than twenty-four (24) hours prior to scheduled pickup. (Exceptions are allowed during Spring and Fall for leaf collections.)

Article 7: Owner's Obligation to Repair

7.1. Each Owner shall, at his sole cost and expense, repair his residence, and all other Improvements, keeping the same in a condition comparable to the condition of such residence and all other Improvements at the time of initial construction, excepting only normal wear and tear.

Article 8: Owner's Obligation to Rebuild

8.1. If all or any portion of a residence is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner, with all due diligence, to rebuild, repair, or reconstruct such residence in a manner which will substantially restore it to its appearance and condition immediately prior to the casualty. Reconstruction shall be undertaken within two (2) months after the damage occurs, and shall be completed within six (6) months after the damage occurs, unless prevented by causes beyond the control of the Owner or Owners. Exception: Use of exterior storage (like PODS) on premises during construction shall be limited to six (6) weeks. Anything longer must be moved to off premises storage unless the ARC has granted a waiver.

Article 9: Owner's Obligation for Sidewalks, Curbs, and Grading of Yards

9.1. Each Owner shall be responsible for the condition of the sidewalk, curb, and yard grade on the premises, if the city is not responsible. In the event of damage during any construction on the premises, the Owner assumes all responsibility to restore the damaged area to a safe condition that is also in good repair in compliance with current city codes. Should the Owner not comply with these provisions within thirty (30) days, the Association has the right to bring the sidewalk, curb, or grade of yard into compliance and bill the Member as a Member Charge. (See also Article 11)

Article 10: Annexation of Additional Property

10.1. Additional residential property and Common Area may be annexed to the Property with the consent of two-thirds (2/3rds) of the Members.

Article 11: General Provisions

11.1. Covenant Enforcement.

11.1.1. The Association has the right to enforce all restrictions, conditions, covenants, liens and charges imposed by the provisions in this Declaration. Failure by the Association to enforce any covenant or restriction shall in no event be deemed a waiver of the right to do so thereafter.

11.1.2. Enforcement occurs upon notification to an Owner, regardless of how long the violation has been occurring. New Owners assume responsibility of all preexisting violations upon purchase.

11.2. Violation Notices.

11.2.1. When damage or injury to persons or property is imminent, corrective action is required at time of initial notice.

11.2.2. If, in the opinion of the Association, any Owner or lessee fails in this duty and responsibility, the Association shall notify the Owner or lessee of any discrepancies. The Owner must within ten (10) days of such notice, restore the Lot to a safe, clean and attractive condition.

11.2.3. Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been sent when deposited to the care and custody of the US Postal Service, postpaid, addressed to the last known address of the person who appears as Owner on the records of the Association at the time of such mailing. Notice to the Association or to the ARC shall be effective upon receipt. The Board may change the Association's address by giving notice to the Owners of its new address or by filing an instrument in the Official Public Records of Real Property Records of Guadalupe County, Texas specifying the new address; however, until such time, the Association's address shall be the current Community Manager's address.

11.3. Violation Enforcement.

11.3.1. If any of the covenants contained herein are breached, the Association may assess a monetary fine which shall be secured by a lien on the Lot involved. Such fines shall include attorney's fees, legal costs, and all other necessary expenses that the Association incurs in enforcing the covenants.

11.3.2. Should the Owner or lessee fail to resolve the discrepancies to the satisfaction of the Association, the Association has the right and power to perform such care and maintenance, and the Owner or lessee shall be liable for the cost. If the Owner fails to reimburse the entity performing the work after written demand upon the Owner for payment, the Board may impose a Member Charge for the amount of the work in the manner set forth in Article 3.

11.3.3. Failure to get ARC approval before adding, removing, or changing the appearance of any property or house (including painting, fencing, or

landscaping) may result in the Owner being required to restore the property to its previous condition prior to the unapproved change within thirty (30) days at Owner expense. The ARC may, but is not required to, give retroactive approval.

11.4 Greenbelt Use. The Greenbelt is for the use of residents for walking, hiking, and biking. No motorized vehicles, recreational vehicles, or off-roading is permitted. Also, no dumping, storage of any kind or blocking of the proper drainage is permitted.

11.5. Greenshire Perimeter Brick Wall

11.5.1. The Brick Walls marking part of the exterior boundaries of property along FM 3009, Woodland Oaks Drive and in front of Greenshire Estates (hereinafter "the Brick Wall") are owned by the Owners of the Lots on which the Brick Wall is located. As such, the Owners are responsible for the maintenance and upkeep of the Brick Wall.

11.5.2. The Brick Wall cannot be removed or in any way changed without prior written consent of the ARC, and must be well maintained.

11.5.3 Since the Owner with any part of the Brick Wall cannot modify or remove the Brick Wall, and further because the Brick Wall adds to the aesthetics of the Greenshire Subdivision and provides all Owners with increased property values and salability, the Association may assist the Owners with the maintenance of the exterior of the Brick Wall not to exceed fifty percent (50%) of the cost of repairs, monies coming from the General Fund, if available. As such, the Association retains all control of who makes the repairs to ensure the Brick Wall maintains a consistent appearance and preserves the original appearance. If the Owner does not maintain the Brick Wall the Association has the right to repair the Brick Wall, and bill the Member as a Member Charge.

11.5.4. Also, the Association shall have the right to place signage on the exterior of the Brick Wall, and assumes full responsibility for any damage caused.

11.5.5. Owners must keep the exterior of the Brick Wall clear of all foliage. Trees and foliage must not touch the top of the Brick Wall.

11.5.6. Any Owner who by neglect or interior landscape weakens the integrity of the Brick Wall assumes full responsibility for repair or replacement.

11.6. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

11.7. Subordination. No breach of any of the covenants or conditions herein contained or re-entry by reason of such breach shall defeat or render invalid the lien of any mortgage made in good faith and for value as to the Property or any Lot therein; provided, however, that such conditions shall be binding on any Owner whose title is acquired by foreclosure, trustee's sale, or otherwise.

11.8. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or any Member thereof for a period of twenty (20) years from the date hereof. Thereafter, they shall be automatically extended for additional periods of ten (10) years unless otherwise agreed to in writing by the then Owners of at least two-thirds (67%) of the subdivision Lots.

11.9. Amendment. This Declaration or any supplemental Declaration may be amended or modified at any time by sixty-seven percent (67%) of the Members having voting rights.

The foregoing was adopted with the approval of Owners entitled to cast sixty-seven percent (67%) of more of the votes of all Members of the Association, to certify which the President and Secretary of the Association have signed below.

Signed this the ____ day of _____, 2013.

GREENSHIRE HOMEOWNERS'
ASSOCIATION, INC.

By: Bob Pond, its President

By: John Westerbeck, Its Secretary

STATE OF TEXAS §
 §
COUNTY OF GUADALUPE §

Before me, the undersigned notary public, on this day personally appeared Bob Pond, President of Greenshore Homeowners' Association, Inc., known to me or proved to me by presentation to me of a governmentally-issued identification card to be one of the persons whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed it for the purposes and consideration expressed in it.

Given under my hand and seal of office the ____ day of _____, 2013.

Notary Public, State of Texas

STATE OF TEXAS §
 §
COUNTY OF GUADALUPE §

Before me, the undersigned notary public, on this day personally appeared _____, Secretary of Greenshore Homeowners' Association, Inc., known to me or proved to me by presentation to me of a governmentally-issued identification card to be one of the persons whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed it for the purposes and consideration expressed in it.

Given under my hand and seal of office the ____ day of _____, 2013.

Notary Public, State of Texas

AFTER RECORDING RETURN TO:
Greenshore Homeowners Association, Inc.
888 Isom Road, Suite 202
San Antonio TX 78216

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