DECLARATION OF RESTRICTIONS, COVENANTS AND CONDITIONS SPRING CREEK RANCH SUBDIVISION

THE STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF GREGG §

This Declaration of Restrictions, Covenants and Conditions is made this <u>Sro</u> day of <u>November</u>, 1997, by BENCHMARK PROPERTIES, L.C. hereinafter called "Developer", as follows:

RECITALS:

- A. Developer is the owner of that certain tract or parcel of land situated in Gregg County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes (the "Property"), which Property Developer intends to subdivide as a residential subdivision to be known as Spring Creek Ranch (the "Subdivision").
- B. Developer desires to provide for the preservation of values and amenities of the properties situated within the Subdivision, and to this end, desires to establish and carry out a uniform plan of development for the Subdivision and subject each lot or tract therein to the various covenants, conditions and restrictions set forth in this Declaration.

NOW, THEREFORE, Developer hereby declares, establishes and adopts the covenants, restrictions, reservations and conditions set forth below, (herein called "Restrictions"), which Restrictions shall be applicable to the ownership, use, development, improvement and sale of each Lot within the boundaries of the Subdivision, and any contract, deed or other instrument covering any Lot, within the Subdivision shall be conclusively held to have been executed, delivered and accepted subject to these Restrictions, regardless of whether or not these Restrictions are set out in or incorporated by reference in any such contract, deed or other instrument, to the extent as if fully set forth therein, and each of these Restrictions shall be considered a covenant running with the land and shall inure to benefit of the Developer, its successors and assigns, and all subsequent owners of each Lot within the Subdivision, their respective heirs, successors and assigns.

ARTICLE I.

Definitions

As used in these Restrictions, the terms set forth below shall have the meanings indicated:

- 1.01. <u>Association</u> shall mean the Spring Creek Ranch Homeowners' Association, an unincorporated non-profit association whose members shall consist of all Lot Owners, which shall have the duty of maintaining, operating, and managing the Common Area as provided herein. Each Owner shall become a Member of the Association contemporaneously with the execution hereof or upon acquiring a Lot.
 - 1.02. Board shall mean the Board of Directors of the Association.
- 1.03. Common Area shall mean the common area easement for an entrance to the Subdivision, including entry signage as reserved pursuant to Paragraph 2.11 of the Restrictions, and any other common area designated by Developer for the use and enjoyment of all Lot Owners within the Subdivision. The lake covering portions of Lots 8, 9, 10, 20, 21 and 22 referenced in Paragraph 2.21 shall not be deemed common area.
- 1.04. <u>Developer</u> shall mean Benchmark Properties L.C., its successors and assigns, provided such assigns are so designated in writing by the preceding Developer.
- 1.05. Lot shall mean each separate lot or tract of land subdivided and conveyed out of the Property.
- 1.06. Member shall mean each Owner of a Lot, and in the event a Lot is owned by more than one person then all Owners of the Lot shall constitute one Member for purposes of voting as a Member of the Association.
- 1.07. Owner shall mean any person, firm, corporation or other entity which owns a Lot.

ARTICLE II.

Restrictive Covenants

Each of the Lots within the Subdivision, shall be impressed with the following restrictions, covenants and conditions for the purposes of carrying out a general plan of development for the Subdivision:

- 2.01. All Lots shall be used for single family residential purposes only, and no business, professional, or other commercial activity of any type shall be operated from or out of any residence or accessory structure situated upon any Lot. Without in any manner limiting the foregoing, no church, duplex or multifamily structure, or commercial building shall be placed or permitted on any Lot or portion of any Lot, nor shall any Lot be utilized for access to any other land adjacent to or adjoining the Property without the written consent and approval of Developer.
 - 2.02. All dwellings shall have a pitched roof with house type composition shingle,

and adequate overhangs or eaves. All exterior walls of one or one and one-half stories shall be constructed of not less than eighty percent (80%) masonry excluding door and window openings, and all exterior walls of dwellings having two or more stories shall be constructed of not less than sixty-five percent (65%) masonry excluding door and window openings. The term "masonry" as used herein shall mean brick, stone, or stucco. In computing the percentages set forth above, wall masonry to sill line of windows or masonry to mid-point shall be considered thirty-five percent (35%) masonry. This restriction may be waived or varied by the Developer within Developer's sole and absolute discretion to include log, redwood or other exterior building materials, with any such waiver or variance to be executed by Developer and filed in the County Clerk's Office of Gregg County, Texas with respect to the affected Lot at the Owner's expense.

- 2.03. All dwellings shall have an attached or detached garage or carport for two or more vehicles which conforms in design and construction with the main dwelling.
- 2.04. No mobile homes, modular or manufactured type housing shall be placed on any Lot. No structure of a temporary character, trailer, basement, tent or shack, garage, barn or other out buildings shall be used on any Lot at any time as a residence, either temporarily or permanently. No dwelling shall be moved onto or placed on any Lot, with all dwellings to be constructed of new materials on site. All dwellings and accessory structures shall be completed within twelve (12) months of the date of commencement of initial construction unless otherwise extended by the Developer in writing. Upon occupying the dwelling, ground cover shall be established on all affected areas and all required measures taken to eliminate erosion problems on steep sloped areas.
- 2.05. The floor area or area that is enclosed for heating and/or air conditioning (exclusive of porches, garages and storerooms) of any residence shall not be less than 1800 square feet.
- 2.06. No accessory structure such as a barn, utility or storage type of building shall be erected, placed or maintained nearer than twenty-five feet (25') from the sideline of any Lot or one hundred fifty feet (150') from the front line of any Lot, and in no event shall any accessory structure be situated closer to the road than the dwelling. Any such structure shall not exceed 1500 square feet. No portable structures or buildings shall by permitted on any Lot. All accessory structures or buildings shall be completed within twelve (12) months of the date of commencement and shall be constructed of new materials with permitted materials being masonry, prefinished colored metal, or siding material and shall not have an eave height of more than 14 feet. Roof material may be a painted color or a type of galvanized or "galvalume" or similar type finish. No ordinary corrugated tin will be permitted. This restriction may be waived or varied with the written consent of the Developer in the same manner as provided in 2.02 above.
- 2.07. All septic systems shall conform and be in compliance with all rules and regulations of the Gregg County Health Department or other governmental authority or

agency having jurisdiction over the construction, installation and maintenance of septic systems.

- 2.08. All Lots must be maintained in a neat and orderly fashion, with all grass or pasture being mowed at least twice annually, the first mowing to be completed by July 1 and the second mowing to be completed by October 1. No Lots shall be used for the dumping or storage of rubbish, trash, debris, surplus soil, rocks, or junk cars. No accessories, parts or objects used with cars, boats, buses, trucks, trailers, house trailers or the like, shall be kept on any Lot other than in a garage or other structure approved by the Developer. In the event the Owner of any Lot violates this restriction, the Developer may perform any required maintenance and cure the violation at the Owner's expense, with any expense incurred by the Developer to be reimbursed upon demand, plus interest thereon at the rate of ten percent (10%) per annum from the date of demand until paid in full. Prior to the Developer taking action to cure any violation of this restriction, the Owner shall be given thirty (30) days prior written notice of default and opportunity to cure the violation specified in such notice, which notice may be given at the Owner's residence address or the Owner's last known mailing address according to Developer's records.
- 2.09. All entrances from the county or public road to each dwelling shall be a surface of asphalt or concrete to a minimum width of ten feet (10'). All entrances or driveways shall be completed before occupying the dwelling.
- 2.10. Privacy fencing with a maximum height of six feet (6') shall be allowed only in the area to the side and rear of a dwelling. In no event shall privacy fencing extend further than thirty feet (30') either side of or one hundred feet (100') to the rear of any dwelling. No barbed wire fencing will be allowed within one hundred fifty feet (150') of a public road. The design and character of any fencing fronting FM 2204 and roads constructed by the Developer or within one hundred fifty feet (150') of any public or county road must be approved in writing by the Developer prior to the installation of said fencing.
- 2.11. Developer reserves a fifteen (15') foot utility easement along the frontage of any Lot where it abuts a public road. Developer further reserves, for the benefit of the Association, a perpetual Common Area easement having dimensions of 35 feet by 50 feet (35 feet along the south right of way of FM 2204 and 50 feet deep from the right of way line) out of the northeast corner of Lot 12 and the northwest corner of Lot 11 for the purpose of constructing and maintaining an entrance way to the Subdivision, including signage and landscaping of such easement area. The Association shall maintain the entrance easement areas as needed. Developer shall also have the right, but not an obligation to maintain the entrance way to the Subdivision within Developer's discretion.
- 2.12. No healthy timber shall be sold and/or removed from any Lot. Removal of timber shall be permitted only when trees interfere with construction of a dwelling, driveway or outbuilding. Any other removal of timber shall be approved in writing by the Developer.

- 2.13. Developer may select up to three (3) Lot owners to be members of a committee which assumes the Developer's authority to approve or disapprove requests for variances permitted by these Restrictions. In the event Developer delegates its authority to a committee pursuant to this paragraph, the committee members shall serve on the committee for a term not exceeding three (3) years, and at the end of any term Lot Owners within the Subdivision may select successor committee members based upon one vote for each Lot.
- 2.14. No unlicensed motor vehicles, commercial trucks (except trucks serving specific purposes such as moving vans or trucks bringing building materials to a Lot) with a capacity rating in excess of one (1) ton, or commercial trailers shall be stored or parked upon or in front of any Lot.
- 2.15. No sheep, goats, chickens or other such small animals may be kept, bred, or maintained for any commercial purposes. No hogs or swine of any kind shall be raised, kept or bred on any Lot. Large animals such as horses and cattle may be raised or bred for commercial purposes, but only in such numbers as will avoid grazing the land to bare ground and creating dust and erosion problems, and in no event shall there be more than one large animal per acre of land. Domestic animals, such as dogs and cats, will be permitted, provided they are kept on Owner's property and not permitted to wander, except on a leash.
- 2.16. Except as hereafter provided no "For Sale" signs or other signs, billboards, posters, political placards, or advertising devices of any character may be placed or erected on any Lot, except that the following signs shall be permitted:
 - 1. Any signs including "For Sale" advertising signs placed on any Lot by the Developer;
 - 2. Signs displayed by builders and contractors during initial construction of any residence; and
 - 3. One "For Sale" sign may be erected or placed on any Lot upon which a residence has been completed and the Owner is advertising the home for sale, provided any such "For Sale" sign shall not exceed five (5) square feet.

Without limiting the foregoing, except for Lots owned by Developer, no "For Sale" signs or other advertising devices may be placed upon any vacant Lot. Further, this restriction shall not apply to any signs the Developer may erect or place at the entrance or within the Subdivision for any sales or construction activities carried on by the Developer.

2.17. No oil or gas drilling or development operations, refining, quarrying or mining operations of any kind shall be permitted on any Lot, nor shall oil or gas wells, tanks or

shafts be permitted on any Lot. No derrick or other similar structure shall be erected, maintained or permitted on any Lot. This section is subject to the rights of any outstanding mineral owners or oil and gas leases, and the Developer makes no warranty or representations regarding the enforceability of this restriction.

- 2.18. Subject to the prior written consent and approval of the Developer, which consent may be withheld within Developer's absolute discretion, an Owner may re-subdivide a Lot; provided, that in no event shall any re-subdivision of a Lot result in a density of more than one (1) residence for each two and one-half (2.50) acres of land.
- 2.19. Developer's interpretation of the meaning and application of the provisions hereof shall be final and binding on all interested parties at any time in question.
- 2.20. In the event that all or any part of an Owner's improvements on any Lot are damaged by fire or other casualty, Owner shall promptly either (a) remove from such Lot the debris and damaged building material or other damaged property caused by such damage or loss and secure same so that it will not constitute a hazard or menace to public safety or health; or (b) repair or replace said damage or loss. In either event, such action is to be completed within ninety (90) days of the date of such damage or loss, unless an extension of time is granted in writing by Developer at Developer's sole discretion.
- 2.21 The small lake covering portions of Lots 8, 9, 10, 20, 21 and 22 shall be subject to the following restrictions:
 - 1. Only Lot owners adjoining the lake shall have any right of access and use of the lake;
 - 2. Each Lot owner whose Lot includes part of the lake shall have a nonexclusive easement of access to use and enjoyment of the lake for recreational purposes and fishing;
 - 3. Lot owners may not use, remove or pump water from the lake for any purposes including, without limitation, irrigation or other domestic usage;
 - 4. No gasoline powered watercraft may be used on the lake;
 - 5. No structures may be built or constructed on any portion of the lake including, without limitation, piers, docks or boathouses, without the written consent of the Developer.
 - 6. Each Lot Owner shall maintain such Owner's shoreline around the lake in a good and clean condition.

- 7. In no event shall any Lot owner construct any fences or other obstructions across any portion of the lake which may restrict access to any part of the lake by adjoining Lot Owners; and
- 8. Each Lot owner around the lake shall be responsible for any required maintenance and repairs to the dam and spillway for the lake with the cost thereof to be allocated equally among each of the Lots around the lake.
- 9. Each Lot owner owning a Lot which includes part of the lake shall be responsible for complying with any applicable state or federal laws, rules and regulations related to the lake impoundment and maintenance of the dam and spillway including without limitation securing and maintaining any required permits.

ARTICLE III.

HOMEOWNER'S ASSOCIATION

- 3.01. The Owners of Lots within the Subdivision shall constitute the Association. Association membership shall be appurtenant to the ownership of a Lot. Ownership of a Lot is the sole criterion for membership in the Association.
- 3.02. Membership in the Association can be transferred to the purchaser of a Lot and may not be assigned, pledged or transferred in any other manner. Any attempt to make a prohibitive transfer shall be void and of no force or effect.
- 3.03. The Association shall be an unincorporated non-profit association created pursuant to the Texas Uniform Unincorporated Non-profit Association Act. The Association shall be managed by its Board subject to these Restrictions, Articles of Association and By-laws established by the Association.
 - 3.04. Each Owner shall have one vote for each Lot owned.
 - 3.05. The Board shall have the following powers and duties:
 - 1. To adopt rules and regulations to implement the Restrictions and the Association's By-laws;
 - 2. To enforce these Restrictions, the By-laws and its rules and regulations;
 - 3. To elect officers of the Board;

- 4. To prepare financial statements for the Association;
- 5. To establish and collect regular assessments in the initial sum of \$5.00 per month payable annually to defer the expenses attributable to the Association's duties, to be levied against each Lot Owner;
- 6. To establish and collect special assessments for capital improvements or other purposes; provided, however, that all such assessments shall be divided between the Owners in accordance with the number of Lots owned, with each Owner being responsible for the payment of assessments in proportion to his Lot ownership with relation to the total number of Lots within the Subdivision;
- 7. To receive complaints regarding violations of the Restrictions, By-laws or the rules and regulations;
- 8. To pay the cost of any liability insurance for members of the Board;
- 9. To manage and maintain the Common Area; and
- 10. To pay taxes and assessments that are or could become a lien on the Common Area.
- 3.06. The Association shall have and is hereby granted a lien upon each Lot for the purpose of securing any regular or special assessments levied against each Lot Owner. Such lien shall be subordinate to any valid mortgage against any Lot to secure the purchase of a lot or improvements constructed thereon. In the event any legal action becomes necessary to collect assessments or foreclose the assessment lien by judicial action, then the Association shall be entitled to recover all costs and expenses incurred including reasonable attorney's fees and costs of court.

ARTICLE IV.

Rights Reserved by Developer

- 4.01. Reserved Rights of Developer. Notwithstanding any other provisions contained in the Declaration to the contrary, the Developer reserves the right, upon application and request of the Owner of any Lot, to waive, vary or amend (by an appropriate letter to that effect addressed and delivered to such applicant/Owner by Developer) the application of any of these Restrictions to such Lot if, in the sole discretion of the Developer, such action is necessary to relieve a hardship or to permit good architectural planning and development to be effected. Developer further reserves the right:
 - 1. To re-subdivide any Lot; provided, however, no re-subdivision shall

- result in a density of more than one (1) residence per 2.50 acres of land; and,
- 2. To change the location of streets and easements prior to the time the same are actually opened for public use or availed of by the public or public utilities; however, in no case shall any such change deprive an Owner to reasonable access.
- 4.02. <u>Exemption of Developer</u>. Exempted from these Restrictions are activities carried on by the Developer in connection with Developer's development of the Subdivision and regular pursuit of construction, maintenance and sales within the Subdivision until all construction and development activity has been completed and all Lots have been sold by the Developer to a first purchaser.

ARTICLE V.

Duration of Restrictions; Amendments

These Restrictions shall run with and bind the land, and inure to the benefit of, and be enforceable by the Developer and the Owner of any Lot subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, and, unless amended as provided herein, shall be effective for a period of twenty (20) years from the date this Declaration is recorded, after which time these Restrictions shall be automatically extended for successive periods of ten (10) years each. These Restrictions may be amended by an instrument signed by sixty-seven percent (67%) of the Lot Owners. No amendments shall be effective until recorded in the official public records of Gregg County, Texas, or until the approval of any governmental regulatory body which is required shall have been obtained.

ARTICLE VI.

General Provisions

- 6.01. <u>Assignment.</u> Developer shall have the right to assign to any person or persons, corporation or other legal entity any or all rights, powers, reservations and privileges herein reserved by and to Developer, and any such assignee shall have the right to assign.
- 6.02. Enforcement. In the event any one or more persons, firms, corporations or other entities shall violate or attempt to violate any of these Restrictions, Developer and/or each purchaser, grantee or Owner of any Lot may institute and prosecute any proceeding at law or in equity or both to abate, prevent or enjoin any such violation or attempted violation or to recover damages. In the event any such proceedings are initiated, the party initiating any such proceedings shall be entitled to recover against any violator all expenses incurred in connection therewith, including court costs and attorney fees. No delay in enforcing the provisions of this Declaration as to any breach or violation thereof shall

impair, damage or waive the right of any party entitled to enforce the same to obtain relief against or recover for the continuation or repetition of such breach or violation or similar breach or violation thereof at any later time or times. Further, the failure by any party entitled to enforce these Restrictions shall in no way be deemed a waiver of the right to do so thereafter for the same or similar violation. Developer has no duty and shall not be responsible for enforcement of these Restrictions, and Developer shall not be liable or subject to any recourse for any failure to enforce these Restrictions.

- 6.03. <u>Interpretation</u>. Developer's interpretation of the meaning and application of the provisions of this Declaration shall be final and binding on all interested parties at any time in question.
- 6.04. <u>Invalidation and Severability</u>. The invalidation by any court of any reservation, covenant or restriction herein or in any contract or deed shall not impair the full force and effect of any other reservation, covenant, or restriction.
- 6.05. Acceptance of Declaration. The provisions hereof are hereby made a part of each contract and deed in respect to any Lot to the same effect as if fully set forth therein, and each such contract and deed shall be conclusively held to be executed, delivered and accepted upon and subject to the provisions and conditions herein set forth, and each Lot Owner contracting for or accepting a conveyance of any Lot agrees to fully comply with and be bound by all of the provisions in this Declaration.
- 6.06. Gender. Words of any gender used herein shall be held and construed to include any other gender, and words in the singular number shall by held to include the plural, and vice versa, unless the context requires otherwise.
- 6.07. <u>Captions</u>. The captions used in connection with all articles and paragraphs contained in this Declaration are for convenience only and shall not be controlling in the construction of any provisions hereof or limit the meaning of the language used in any article or paragraph.
- 6.08. <u>Limitation of Developer's Liability</u>. Developer, as well as its members, principals, officers, agents and employees, shall not be liable to any Owner of any Lot or any other party for any loss, claim or demand in connection with any breach of any provisions of this Declaration by any other party.
- 6.09. Restrictions Not Applicable to Other Lands. These Restrictions apply only to the land described in Exhibit "A" to be known as SPRING CREEK RANCH Subdivision. Developer is not obligated to impose any restrictions on other lands owned by Developer, whether contiguous or noncontiguous, provided that Developer reserves the right within Developer's sole discretion to supplement these Restrictions by adding additional lands which Developer desires to be governed by these Restrictions.