#### DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS OF SUMMIT RANCH

NOTICE TO PURCHASERS: SUMMIT RANCH IS A RESTRICTED COMMUNITY. THIS DOCUMENT AFFECTS YOUR RIGHT TO USE THE PROPERTY THAT YOU ARE PURCHASING. BY PURCHASING PROPERTY IN SUMMIT RANCH, YOU ARE BOUND BY THIS DOCUMENT, INCLUDING ANY DESIGN GUIDELINES NOW OR HEREAFTER ADOPTED, THE BYLAWS RELATED TO THE ASSOCIATION, AND THE RULES AND REGULATIONS, IF ANY, ALL OF WHICH ARE INCORPORATED HEREIN BY REFERENCE AS IF SET FORTH AT LENGTH.

This Declaration of Covenants, Conditions, Restrictions, and Easements ("<u>Declaration</u>" or <u>CCRs</u>) is made, entered into, and effective upon it being recorded in the Official Public Records of Parker County, Texas ("<u>OPRPCT</u>") by Savage Creek LLC., a Texas limited liability company ("<u>Declarant</u>").

#### **RECITALS**

WHEREAS, Declarant is the developer of land in Parker County, Texas as described in the plats described as follows:

LOTS 1 – 59, BLOCK 1, SUMMIT RANCH ADDITION, AN ADDITION TO PARKER COUNTY, TEXAS, ACCORDING TO THE PLAT THEREOF RECORDED ON APRIL 22, 2024 IN CABINET F, SLIDE 107, PLAT RECORDS, PARKER COUNTY, TEXAS, AND AS REFLECTED IN DOCUMENT NUMBER 202410143 OF THE OFFICIAL PUBLIC RECORDS OF PARKER COUNTY, TEXAS AND AS IT MAY BE AMENDED OR SUPPLEMENTED (THE "<u>PLATS</u>").

WHEREAS, the Plat of the Property has subdivided the Property into Lots and the Property is commonly known as "Summit Ranch," and Summit Ranch has and is to be developed by Declarant as a quiet, high quality, single family, residential community.

WHEREAS, it is the intent of the Declarant that all homes and other improvements in Summit Ranch shall be compatible with all other homes and improvements in the community, that they be in harmony with their natural surroundings, and that the agricultural and wildlife conservation uses of the land be continued and enhanced as appropriate and consistent with the terms hereof;

NOW THEREFORE, Declarant hereby adopts, establishes, and imposes upon the Property the following restrictions, easements, covenants, conditions, stipulations, reservations, charges, assessments, and liens, which will run with the land and title and/or interest therein, or any part thereof, and will insure to the benefit of each Owner owning a Lot in the Property, whether or not set out or incorporated by reference in any deed or other instrument of conveyance. Declaration of Covenants, Conditions, Restrictions, and Easements of Summit Ranch #497741

## ARTICLE 1 DEFINITIONS

**1.1** <u>Specific Definitions</u>: The following words when used in this Declaration, any supplemental or amendment thereto, or any other Governing Document, shall have the following meanings:

"ARC" means the Architectural Review Committee of the Association.

"Assessment" means a Regular Assessment and/or Special Assessment, or other amount an Owner is required to pay to the Association (including any fines levied against an Owner) under this Declaration or other Governing Documents described herein.

"Association" shall mean the "Summit Ranch Homeowners' Association, Inc." formed by Declarant as a Texas non-profit corporation to act as a "property owners' association" as defined in Section 209.002(7) of the Texas Property Code. Each Owner of a Lot is automatically a Member of the Association, and such membership is mandatory for each Owner and appurtenant to the Lot.

"Board" means the Board of Directors of the Association.

"Building Code" shall mean the applicable municipal and/or county building code and all other applicable statutory codes and ordinances related to residential construction, and if there is no applicable building code for the Property, the most current International Residential Code promulgated, as amended, supplemented, or replaced from time to time.

"Bylaws" shall mean the Bylaws of the Association, as supplemented or amended from time to time, and recorded in the OPRPCT.

"Common Properties" shall mean (i) the Roads, as reflected on the Plats, and (ii) the Landscape Easement as reflected on the Plat and the centralized mailbox, entry monuments, and gates, along with the appurtenances and machinery related to the gates, located on the Northwest corner of Lot 3, Block 1 and the Northeast corner of Lot 2, Block 1, and the landscaping thereof, and including all lighting, wiring, irrigation, equipment, accessories, and machinery used in the operation or maintenance of any of such Common Properties and any additions to, repairs to, or replacements of such Common Properties. Upon construction, the Common Properties shall be owned by the Association without further action by Declarant or the Association.

"Declarant" shall mean Savage Creek LLC., a Texas limited liability company and its assigns, if any, but shall not ever include the Association.

"Declaration" shall mean this Declaration of Covenants, Conditions, Restrictions, and Easements, as amended or supplemented from time to time.

"Development Period" means the period stated herein wherein Declarant reserves: (a) a right to facilitate the development, construction, and marketing of the subdivision, or (b) a right to direct the size, shape, and composition of the subdivision.

"Design Guidelines" shall mean the Design Guidelines which have been or may be promulgated and published by the ARC, and as they may be as amended or supplemented from time to time, as described in Section 2.12 hereof.

"Governing Documents" shall mean this Declaration, the Bylaws, the Design Guidelines, any Rules and Regulations, and any other dedicatory instrument as defined in Section 209.002(4) of the Texas Property Code.

"Initial Owner" shall mean the first purchaser from Declarant of each Lot.

"Lot" refers to each tract of land designated as a Lot on any of the Plats, including any improvements thereon, but excluding the Common Properties.

"Lots" means any two or more such Lots.

"Member" refers to every Owner who holds membership in the Association by virtue of ownership of a Lot.

"Owner" shall mean the record Owner (including Declarant), whether one or more persons or entities, of fee simple title to any Lot; provided, however, that where fee simple title has been transferred and is being held merely as security for the repayment of a loan, the person or entity who would own the Lot and the Structures thereon in fee simple if the loan were paid in full shall be considered the Owner and no mortgagee shall be considered an Owner unless and until the mortgagee has foreclosed on a Lot or been conveyed the Lot by an Owner mortgagor.

"Property" shall mean all of the real property in the Summit Ranch subdivision as reflected on the Plats.

"Summit Ranch" shall mean the Summit Ranch subdivision as established by the Plats and this Declaration.

"Residence" means a detached building designed for and used as a dwelling by a Single Family and constructed on a Lot. Should a Residence be built on more than one (1) Lot as reflected on the Plats, or any amendments thereto by Declarant, notwithstanding anything herein, the Owner of said Residence shall be entitled to only one (1) vote in any vote by the Members of the Association.

"Restrictions" means the covenants, conditions, restrictions, and easements contained in this Declaration.

"Roads" means collectively all of Summit Drive, Denali Pass, Charleston Peak, and Frost Creek being sixty-foot (60') rights-of-way across the Lots as reflected on the Plats.

"Rules and Regulations" means any and all rules and regulations promulgated by the Declarant or the Board, as amended from time to time, as described herein. The Rules and Regulations may, at the discretion of the Declarant or the Board, be incorporated into and made a part of the Design Guidelines.

"Single Family" means an individual or group of individuals related by blood, adoption, marriage, or no more than two (2) unrelated persons living together as a single housekeeping unit, together with any parents of the foregoing who need assisted living care and live in household servants and caretakers.

"Structure" means any improvement (other than a Residence) on a Lot, including a sidewalk, driveway, fence, wall, tennis court, swimming pool, or recreational equipment; provided, however, the foregoing shall not include animate improvements such as trees, flowers, and scrubs.

"Subdivision" shall have the same meaning as "Property."

"Transfer Fee" means a fee or charge payable for a change of ownership entered in the records of the Association and to be utilized by the Association as determined by a majority of the Board. For the sale of any Residence that closes after the effective date of this Declaration, the Transfer Fee shall be five hundred and fifty dollars (\$550.00), and thereafter, the amount of the Transfer Fee may be increased or decreased by the affirmative vote of a majority of the Board. The Transfer Fee shall be a cost paid at closing by the Buyer, and if unpaid, shall be a continuing Assessment against the Lot.

**1.2** <u>Other Definitions</u>. Other terms are defined in other sections of this Declaration and those terms are incorporated herein by this reference.

#### ARTICLE 2 ARCHITECTURAL REVIEW

2.1. <u>Architectural Review Committee</u>. In order to protect the overall integrity of the development of the Property as well as the value of the improvements of all Owners, a committee of representatives designated as the Architectural Review Committee is hereby established to carry out all duties as noted herein with full authority to approve, disapprove, and monitor all construction, development, and improvement activities of any kind within the Property and to help ensure that all such activities are in accordance with the Restrictions, the Design Guidelines, and architecturally and aesthetically designed to be compatible with the Declarant's conceptual plan for the overall Property. At the discretion of the Board, the duties of the ARC may be delegated in whole or in part to a third-party representative of the ARC who need not be an Owner or member of the Board.

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2.2 Plans and Specifications to ARC. (a) No Residence, garage, outbuilding, fence, storage tank, Structure, or inanimate improvement of any kind shall be erected, placed, constructed, installed, maintained, modified, or altered (including exterior cosmetic alteration such as painting) by any Owner, other than Declarant, nor shall any sitework be commenced by any Owner, other than the Declarant, until a complete set of plans and specifications, and the construction contract with the Owner's builder shall have been formally submitted to the ARC with a written request for approval and the ARC's written approval received. Plans and specifications which are submitted shall contain and include, but not necessarily be limited to, all the following information (collectively the "Plans"): floor plans, including finish floor and ground elevations; foundation plans; exterior elevations for any Residence, garage, or building; a plat or site plan showing the proposed location of any such improvements and all utilities thereto; exterior lighting and location; samples of exterior finish materials and color samples; and any other plans, specifications, or information deemed pertinent by the ARC, including but not limited to, all matters required by the Design Guidelines. The architectural and aesthetic style of the improvements shall harmonize as much as may be responsible and practicable with each other and with the heritage and historical architecture of the area. Notwithstanding anything herein, Declarant may commence construction of any improvements without the submission to or approval of the ARC. Submission shall only be by email or certified mail, return receipt requested. Submission or inquiries to the ARC via text shall not constitute official action, including approval, by the ARC.

2.3 <u>ARC Review</u>. The ARC shall review all Plans submitted for compliance with all the requirements of the Restrictions and the Design Guidelines and for the compatibility of the proposed improvements with the architectural and aesthetic goals of the Property and Declarant. Each Owner may be required to pay certain fees to the ARC to reimburse the ARC for the cost of its Plan review as determined by the Board. The ARC shall have full right and authority to utilize its sole discretion in approving or disapproving any Plans which are submitted.

2.4 ARC Discretion to Approve or Disapprove. The ARC will approve or disapprove of Plans in accordance with this Declaration and the Design Guideline. Approval may be withheld if the construction or architectural design of any improvement is deemed, on any grounds, including purely aesthetic grounds, necessary to protect the continuity of design or value of the Property, or to preserve the serenity and natural beauty of any surroundings. Prior approval or disapprovals of the ARC pertaining to any improvement activities or regarding matters of design of aesthetics shall not be deemed binding upon the ARC for later requests for approval if the ARC feels that the repetition of such matters will have an adverse effect on the Property. The ARC shall have the express power to construe and interpret any covenant herein that may be capable of more than one construction, and to grant variances for certain requirements when, in its discretion, it is appropriate to do so (but no variance will be effective unless in writing and signed by the ARC, or by the Board if approved on appeal). All approvals or disapprovals by the ARC are for the sole benefit of the Association and the respective Owner to whom that approval or disapproval is addressed, and no other Owner or any third-party is or shall be deemed to be a third-party beneficiary of such approval or disapproval.

**2.5** <u>Failure of ARC to Respond</u>. In the event the ARC fails to approve submitted Plans within thirty (30) days after submission, the applicant shall give the ARC written notice via email or certified mail, return receipt requested of its failure to respond. Unless the ARC responds within ten (10) days of receipt of such notice, approval will be deemed granted.

2.6 <u>ARC Right to Inspect</u>. During reasonable hours and, if the Residence is occupied, after reasonable advance notice, Declarant, members of the ARC, any member of the Board, or any authorized representative of any of them, shall have the right (but not the obligation) to enter upon and inspect any Lot, and any Structure thereon, for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with, and said persons shall not be deemed guilty of trespass by reason of such entry. All such inspections are for the sole benefit of the Association and no individual Owner or any third-party is or shall be deemed to be a third-party beneficiary of such inspections.

2.7 <u>ARC Variances</u>. The ARC may grant variations from compliance with any provision of these Restrictions when, in its opinion and in its sole and absolute discretion, such variance will not impair or detract from the high-quality development of the Property. All variances must be in writing to be enforceable. The granting of a variance shall not operate to waive, modify, or amend any provision of this Declaration. A granted variance applies only to the particular Lot and matter covered by the variance, and such variance shall not be considered to establish a precedent for future waiver, modification, or amendment of the provisions of this Declaration.

2.8 <u>ARC Decision and Appeal</u>. The ARC shall have the authority to employ professional consultants at the expense of the Association to assist it in performance of its duties. As long as Declarant owns one (1) Lot, the decisions of the ARC shall be final, conclusive, and binding upon all parties; however, thereafter, a decision by the ARC denying an application or request by an Owner for the construction of improvements on a Lot may be appealed to the Board as provided by Section 209.00505 of the Texas Property Code.

2.9 <u>No Liability</u>. Neither the ARC, its members, Declarant, nor the Board shall be liable to any person (including Owners and builders) for any damages arising out of or related to their acts or omissions as set forth in this Article III under any circumstance, except in the case of gross negligence or willful misconduct. Neither the ARC, its members, Declarant, nor the Board shall be deemed to have made any warranty or representation to any Owner, builder, or other third-party about any matter whatsoever arising out of any approvals or inspections. Without limiting the foregoing, it is expressly agreed that no approval of Plans by the ARC and no construction inspection approval shall be deemed a representation or warranty by the ARC that any Residence has been or will be compelled in a good and working manner or in compliance with this Declaration or the Design Guidelines. No discretionary acts by the ARC (such as approval or disapproval of Plans) shall give rise to any liability of the ARC, its members, Declarant, or the Board.

2.10 <u>Number and Makeup of ARC Members</u>. The Declarant shall determine the number of members of the initial ARC. So long as Declarant owns at least (1) Lot, Declarant shall,

in the Declarant's sole discretion, appoint all members of the ARC and shall have the power to remove an ARC member at any time for any or no reason. In the event of the death or resignation of any member of the ARC, Declarant shall have full power and authority to appoint a successor committee member or members, chosen in its sole discretion, with like authority.

2.11 Number and Makeup of ARC Members When Declarant No Longer Owns At Least One (1) Lot and Appeal. When Declarant no longer owns at least one (1) Lot, the following shall apply to the Association:

(a) The Board shall appoint the members of the ARC, which shall consist of at least three (3) but no more than five (5) members and may or may not be members of the Association.

(b) No person may be appointed to serve on the ARC if the person is a current Board member, a current Board member's spouse, or a person residing in a current Board member's household.

A decision by the ARC denying an application or request by an Owner for the (c) construction of improvements may be appealed to the Board. A written notice of the denial must be provided to the Owner by certified mail, hand delivery, or electronic delivery. The notice must: describe the basis for the denial in reasonable detail and changes, if any, to the application or improvements required as a condition to approval; and inform the Owner that the owner may request a hearing on or before the 30th day after the date the notice was mailed to the Owner. The Board shall hold a hearing under this section not later than the 30th day after the date the Board receives the Owner's request for a hearing and shall notify the Owner of the date, time, and place of the hearing not later than the 10th day before the date of the hearing. Only one hearing is required. During the hearing, the Board or the designated representative of the Association and the Owner or the Owner's designated representative will each be provided the opportunity to discuss, verify facts, and resolve the denial of the Owner's application or request for the construction of improvements, and the changes, if any, requested by the ARC in the notice provided to the Owner. The Board or the Owner may request a postponement. If requested, a postponement shall be granted for a period of not more than 10 days. Additional postponements may be granted by agreement of the parties. The Association or the Owner may make an audio recording of the meeting. The Board may affirm, modify, or reverse, in whole or in part, any decision of the ARC as consistent with this Declaration and the Design Guideline.

**2.12** <u>Design Guidelines</u>. The ARC may promulgate and publish the Design Guidelines. The Design Guidelines, as amended from time to time, shall be incorporated into this Declaration by this reference. A copy of the Design Guidelines will be furnished to any Owner upon request. The Design Guidelines will supplement the Declaration and may make other and further provisions relating to the appearance, design, quality, and construction of improvements. The Design Guidelines may be more restrictive than the Restrictions. After expiration of the Development Period, the Design Guidelines may be amended from time to time by the Association upon the affirmative vote of sixty-seven percent (67%) of the Members. The Design Guidelines may include or incorporate any Rules and Regulations promulgated by Declarant or the Board.

2.13 <u>Most Restrictive Instrument Applies</u>. To the extent of any conflict between this Declaration, the Design Guidelines, or the Plats, the most restrictive instrument shall control. Accordingly, each Owner must obtain and study all three (3) instruments and provide them to their architect, builders, contractors, and other appropriate parties prior to purchasing a Lot or commencing the construction of any improvements thereon.

## ARTICLE 3 GENERAL RESTRICTIONS

3.1 <u>Single Family Residential Uses Only</u>. No part of a Lot, or improvements thereon, shall be used for any purpose other than one Residence on each Lot and certain accessory improvements, to the extent accessory improvements are specifically authorized elsewhere by the ARC for a particular purpose and specifically authorized in this Declaration. It is the intent of Declarant that Summit Ranch be a community comprised solely of Single-Family Residences. The construction of any duplex, triplex, quadplex apartment house, or other multi-tenant building is expressly prohibited. No garage may be used as living quarters, and no garage apartment for rental purposes will be permitted. No rooms may be rented to third-parties not included in the definition of Single Family.

3.2 <u>No Commercial Use</u>. An Owner may maintain an office in a Residence for business purposes so long as, (a) the business does not involve any employee, customer, client, coworker, or other party being present at the Residence, and (b) there is no outward sign or other visible evidence of the business on the Lot. No other business or commercial activity of any kind shall be conducted on a Lot, whether for profit or nonprofit. Private orchards and gardens shall not be deemed to be commercial or business activity. No business or hobby may be conducted on any Lot which attracts vehicular or pedestrian traffic to the Lot. No garage sales, yard sales, patio sales, sample sales, promotional parties, or similar activities shall be conducted on any Lot.

3.3 <u>Lease Restrictions</u>. A Residence may be leased for a period of no less than (1) year. All leases must be in writing and a copy of the lease delivered to the Association within ten (10) days after its execution. All tenants shall agree to be bound by the Restrictions, but the lease of the Residence shall not discharge the Owner from compliance with any of the obligations and duties of the Owner. All leases shall make reference to the Restrictions and Owners shall provide tenants with a copy of this Declaration. All Leases shall be subject to this Declaration and the other documents of the Association, regardless of whether the lease makes specific reference to them or whether the Owner delivers this Declaration to the tenant.

**3.4** <u>No Mobile Homes</u>. Except as otherwise specifically set forth herein, no mobile home, trailer home, manufactured home, modular home (single or double wide), or prefabricated home of any kind, whether or not it has wheels or the wheels have been removed, shall be allowed on any Lot.

3.5 <u>No Temporary Structures</u>. (a) Except for the benefit of the Declarant or as otherwise allowed herein, no Structure of a temporary character (whether trailer, tent, shack, etc.) shall be used on any Lot at any time for storage or as an office or Residence, either temporary or

permanently; provided, however, with the prior ARC approval, a job site trailer may be placed in the Lot during construction of the Residence thereon.

**3.6** No Subdividing, Combination, or Replating. No Lot may be subdivided at any time by any Owner other than the Declarant, and no Owner other than Declarant may sell or transfer less than 100% of any Lot (other than the sale or transfer of an undivided interest in an entire Lot to a Single Family member). No Lot may be combined with or replated into another Lot, in whole or part, other than by Declarant, absent an amendment to this Declarant to a third party; provided, however, no part of the Property if not previously conveyed by Declarant, absent an amendment to this Declarant, absent an amendment to this Declarant, absent an amendment to this Declarant to a third party;

3.7 **Parking.** All vehicles belonging to Owners, tenants, or guest must be parked in the Owner's driveway, garage, or other ARC approved parking area overnight. No tractor trailer rigs and/or their trailers may be parked on any part of the Property. No more than (2) vehicles bearing commercial insignia or names shall be parked on any Lot, and then only if the vehicle is utilized by the Owner as transportation to and from the Owner's place of employment. No vehicle of any size which transports flammable or explosive cargo may be kept on a Lot at any time other than the temporary parking of a properly licensed fuel truck that dispenses propane in the Owner's approved on-site propane tank. No travel trailer, motor home, camper, boat, aircraft, recreational vehicle, motorcycle, ATV or truck larger than (1) ton or similar vehicle or trailers shall be parked overnight in front of any Residence. No such vehicles or trailers that are stripped down, wrecked, junked, or inoperable shall be kept, parked, stored or maintained on any Lot unless in an enclosed Structure or in a screened area which prevents the view thereof from any other Lot or the Roads. The ARC shall have the absolute authority to determine from time to time whether a vehicle is operable, and if not, adequately screened from public view. Upon an adverse determination by the ARC the vehicle shall be removed or otherwise brought into compliance with these Restrictions.

**3.8** No Drilling Operations by Owners. The minerals under the Property are not owned by Declarant. Declarant, the Association, and the Members acknowledge that the owner(s) of the minerals related to the Property, as the owners of the dominant estate, have the right to reasonably use the surface of the Property to develop the minerals while accommodating the then current use; however, to the extent permitted by law, the surface of the Subdivision shall not be utilized for the development of oil, gas, or other minerals, or the operations related thereto. Each Owner understands and agrees that to the extent within an Owner's control, the Owner agrees that the Owner will not agree or consent to oil and/or gas drilling, operations, or development of oil, gas, and other minerals on the Property by existing or future mineral lessees of the mineral owner(s). Each Owner further acknowledges that neither Declarant nor the Association owns the minerals underneath Summit Ranch or have control over the development of minerals under the Property now or in the future.

**3.9** <u>**Trash.**</u> (a) No trash, garbage, debris, or other refuse may be burned, stored, disposed of, or allowed to remain upon any Lot or the Roads, whether the Lot is vacant or otherwise. No Lot will be used or maintained as a dumping ground for rubbish, rocks, brush, grass clippings, garbage, dirt, or trash. Garbage and other waste will be kept in sealed, sanitary containers

prior to disposal. Rubbish, trash, garbage, or other waste material to be disposed of shall be placed at all times in an appropriate varmint resistant receptacle. The Owners shall contract for the collection and removal of garbage with a third party. If receptacles are not provided by the garbage collection service with whom the Association or Owner contracts, then each Owner shall be responsible for purchasing and maintaining its own garbage receptacles. Each receptacle must be approved by the Declarant or the Association. No such receptacle shall be placed for collection in a location visible from any of the Roads more than twenty-four (24) hours prior to the scheduled collection time or allowed to remain in a location visible from any of the Roads more than twentyfour (24) hours after the scheduled collection time.

**3.10** <u>No Nuisance or Noxious Activity</u>. No noxious or offensive activity shall be carried on upon any Lot or the Roads by any Owner, worker hired by any Owner, or any Owner's guest or tenant, nor shall anything be done upon any Lot or the Roads which may be or become an annoyance or nuisance to the neighbors such as, but not limited to, the noise created by the operation of an excessive or unreasonable number of off-road vehicles or motorcycles on a Lot. No junk, railroad cars, buses, or other noxious, offensive, or unsafe equipment or materials may be stored on the Property.

**3.11** <u>Animals.</u> Except as specifically set forth in this Section 3.10, no pets are allowed to run loose and become a nuisance to other Owners. No pets may be raised for sale, and commercial kennels of any kind are expressly prohibited. Hogs, swine, goats, exotic animals, and other dangerous pets that pose a safety or health threat to the community shall not be kept on any Lot. Other than as specifically provided herein, no livestock shall be permitted in or on the Property at any time. Chickens are allowed but the number has to be approved by the Association. No roosters are allowed. Any and all animals shall be kept in strict accordance with all applicable laws and ordinances in accordance with the rules and regulations of the state. The Owner is responsible for any property damage, injury, or disturbance caused or inflicted by an animal kept on the Owner's Property. The Owner of a Lot on which an animal is kept is deemed to have agreed to defend, indemnify, and hold harmless the Board, Declarant, builders, and the Association from any loss, claim, or liability resulting from any action of the animal or arising by reason of keeping the animal on the Property.

**3.12** Lawns. Landscaping generally shall be in harmony with a natural occurring flora of the area using native or native hybrid plants as much as is practicable. All grass, landscaping, and vegetation on the Lots shall be maintained at regular intervals as needed to maintain a neat and well-maintained appearance up to Subdivision's standards, including keeping the Lot reasonably free of weeds, to the edge of the Roads. Additionally, the Owners of any Lots fronting or abutting Muir Road and/or Savage Lane shall be responsible for the lawn and landscaping maintenance to the edge of the public roadway. All landscaping, including lawns and shrubs, shall utilize native plants or hybrids to the extent practicable. Non-built lots must be mowed a minimum of four (4) times per year.

3.13 <u>Signs</u>. An Owner may erect an entrance sign to the Owner's Lot so long as the Owner first seeks and obtains approval of the Plans for such sign from the ARC. Signs are not otherwise allowed on any Lot except as set forth herein. One (1) sign per Lot will be allowed, not

more than four square feet, advertising a Lot for sale or lease. Declarant is permitted to use more signs or larger signs and to erect permanent signs at each entrance to the Property. Signs advertising contractors, subcontractors, or suppliers may be authorized by the Design Guidelines. Political signs may be erected upon a Lot by the Owner of the Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue, or proposal provided such signs shall not exceed four feet (4') by six feet (6'), shall be erected no more than ninety (90) days in advance of the election to which they pertain, and are removed within ten (10) days after the election. Declarant or the Association shall have the right to remove any sign that does not comply with the above, and in doing so shall not be subject to any liability in connection with such removal.

**3.14** <u>No Adverse Conditions</u>. No Owner or occupant shall construct any improvements or perform any work that will impair the Roads, easement, or right-of-way, or do any act or allow any condition to exist which will adversely affect the other Lots or their Owners or Residences.

**3.15 Insurance**. Each Owner must carry all risk casualty insurance for the full insurable value of the Residence and the other Structures on their Lot. Each Owner must use all insurance proceeds required to properly rebuild in case of a partial loss or damage, or in the case of complete damage, to either rebuild or clear all debris and return the Lot to substantially the natural state as it existed prior to destruction. After a casualty event, reconstruction must be promptly commenced and diligently pursued to completion (and in any event must be completed within eighteen (18) months and if not, the Owner shall make payment in the amount as described in Section 4.8). No damaged buildings, including the foundation, shall be allowed to remain on any Lot unless they are to be properly repaired or restored. Each Owner must carry homeowner's liability insurance at all times, including prior to the construction of improvements on the Lot.

**3.16 <u>Property Taxes</u>**. Each Owner shalt be responsible for the payment of all ad valorem and other Property taxes owing on the Owner's Lot.

**3.17** <u>Underground Utilities</u>. Subject to Section 4.15, all utility lines and other facilities installed by or for any Owner for electricity, water, cable, telephone, internet, sewer, storm sewer, or other utilities must be installed underground, but these provisions do not apply to above ground utilities existing on the date the particular Lot is sold by Declarant or any replacement thereof by Declarant or those otherwise expressly authorized in writing by the ARC.

**3.18** <u>Hunting/Firearms/Fishing</u>. No hunting may be allowed on any Lot. No firearm may be discharged on the Property except for in the case of the protection of personal property, self-defense, or extermination of varmints in conformity with Commissioners Court Order OR09-08. Fishing is allowed, but any non-Owner must have permission from the Lot Owner from which the fishing would occur.

**3.19** <u>Fires.</u> Only controlled fires, in compliance with all applicable laws, shall be allowed outdoors on any Lot. All fires must be supervised by an adult at all times, and each Owner bears the sole responsibility and risk of any each fire.

**3.20** <u>Fireworks</u>. Unless prohibited by law, fireworks may be discharged on a Lot only on July 4 or December 31 of each year and no later than 11:59 PM. Otherwise, fireworks are prohibited. The use of fireworks must be supervised by an adult, and each Owner bears the sole responsibility and risk of the use of fireworks.

**3.21** <u>Entry Gate</u>. As long as the Roads are gated, installation of siren controls and a minimum of one Knox box is required for emergency purposes.

**3.22** <u>Culvert</u>. The size of all culverts must be the larger of (i) the size of the culverts as reflected on the Plats or (ii) as required by the applicable governmental authority.

## ARTICLE 4 CONSTRUCTION RELATED RESTRICTIONS

4.1 <u>Approved Builders</u>. An Owner of a Lot may choose a builder for the initial Lot development; provided, however, the Builder must be approved by the ARC. The Builder must obtain approval for all Plans through the ARC as provided herein. As long as the Declarant owns a Lot, the Declarant may refuse to approve a builder in its sole discretion. Builders must also be approved by the ARC for construction subsequent to the initial development of a Lot.

Minimal Construction Requirements. Each Resident shall have a minimum 4.2 contiguous interior living area of 3,000 square feet, exclusive of garages, carports, porches, and patios. At least eighty percent (80%) of the exterior of each Residence, exclusive of glass and doors, shall be in masonry materials approved by the ARC. Board and batten of any type shall not be considered masonry material. All exterior construction shall be of new materials and shall be natural or ARC approved natural appearing materials. No Residence or other Structure will exceed two (2) stories in height unless approved by the ARC due to unusual topography. Each Resident shall have a garage capable of housing at least two (2) vehicles. One (1) carport may be constructed in addition to the garage so long as Owner first seeks and obtains approval of the Plans for such a carport from the ARC. Carports and garages shall be constructed so that they do not face the Roads; however, if the Lot has three (3) or more garages, and as long as two (2) garages do not face the Road or a public roadway, the third (3<sup>rd</sup>) garage may face one of the Roads or public roadway. If the lot has more than three (3) garages, the ARC shall determine which direction the additional garages shall face. Lots 2, 3, 25, and 26 may not have garages or a driveway facing Summit Drive. Construction materials having a life of less than twenty (25) years, as determined by the ARC, shall not be utilized in the construction of any improvement on a Lot. Roofing shall be either slate, tile, factory treated fire retardant wood, metal, or dimensional composition shingles as may be specified in the Design Guidelines, or other materials approved by the ARC.

**4.3** <u>Accessory Improvements</u>. (a) A building that is immediately accessory to the Residence and other similar improvements of the Residence, such as a detached garage, storage buildings, shops, maid's quarters, guest house, or cabana may be allowed, provided (i) it conforms to the same style and architecture and is constructed of the same material as the Residence, (ii) is approved by the ARC, and (iii) its interior living area, as described in Section 4.2, does not exceed thirty-three percent (33%) of the interior living area of the Residence. (b) Non-habitable Structures

on a Lot must comply with (a) above and must additionally be at least twenty-five feet (25') behind the rear plane of the Residence. The Residence for the Lot must be completed before accessory buildings can be built on said Lot, and under no circumstances shall an accessory building be used for lodging of any sort until after the Residence for the Lot is completed.

4.4 <u>Recreational Improvements</u>. Batting cages, tennis courts, swimming pools, or any other similar sporting a recreational equipment or improvement shall be placed behind the Residence unless otherwise approved by the ARC. All pool equipment shall be screeened so as not to be visible from any of the Roads, Muir Road, Savage Lane, and the other Lots. Basketball goals are allowed in the driveway.

4.5 <u>Minimum Setback</u>. No improvements of any kind (other than approved fences) may be placed closer than the following setbacks from the edge of each Lot: 25' front, 20' back, and 10' sides. In cases where rugged terrain is encountered, thus necessitating, or making it hardly desirable to use such space, a variance to this restriction may be granted by written approval of the ARC, within its sole discretion.

**4.6** <u>Storage of Building Materials</u>. No building materials of any kind may be stored on any Lot for longer than one (1) week prior to the commencement of work for which the materials were purchased unless they are stored in an enclosed building or located such that they cannot be viewed from any other Lot.

4.7 <u>Construction Clean Up</u>. From time to time during construction as required to maintain a neat and orderly appearance, and upon completion of construction, the Owner of the Lot will be responsible for the removal of any and all trash and debris that may have been thrown, placed, or discarded on any part of the Lot or on any other Lot if the trash or debris originated from the Owner's Lot.

**4.8** <u>Completion of Construction</u>. In order to promote the marketing of Summit Ranch and maintain the aesthetics of the development, once construction of a Residence is commenced on a Lot it shall be diligently continued to completion. No Residence shall remain incomplete for more than twelve (12) months after construction has commenced. Any pauses or interruptions in construction of the Residence may not last longer than thirty (30) days. An Owner who breaches this Section 4.8 shall pay to Declarant for so long as Declarant owns a Lot and thereafter to the Association, as liquidated damages, the sum of one hundred dollars (\$100) per day for each day construction remains incomplete beyond the twelve (12) months and one hundred dollars (\$100) per day for each day construction is paused or interrupted beyond thirty (30) days.

**4.9** <u>Lighting</u>. In general, exterior lighting used in connection with the occupancy of a Residence shall be kept to the minimum required for safety and security. Landscape lighting is allowed. All exterior lights must have a bonnet or shield preventing the light from traveling in an upward direction and limiting its vertical travel. No fluorescent, neon lights, or lights pointing into a neighbor's residence are allowed.

**4.10** <u>Sound Devices</u>. No exterior horns, whistles, bells, or other sound devices (except reasonable security devices) audible from any adjoining Lot shall be placed or used upon any Lot.

4.11 <u>Fences</u>. All fencing along the Roads, Muir Road, and Savage Lane shall match the exterior fence of Summit Ranch constructed by Declarant. No privacy fence, barbed wire, or chainlink fences of any kind are allowed. Each Owner is responsible for maintaining the fence on the Owner's Lot. No fence may go across the Roads or encroach on another Lot or the property of Parker County, Texas.

**4.12** <u>Sewage Disposal</u>. Each Owner must install an aerobic septic system for sewage disposal or any other system that complies with applicable law. All septic systems must be installed by state certified licensed installer and must be permitted and inspected by Parker County. Septic Systems must be inspected by a state certified licensed installer every three (3) years and must be regularly maintained so as to remain fully functional. No outside toilets or cesspools will be permitted.

Water Wells. The Owner of each Lot shall have the right, subject to the approval 4.13 of and permitting by all appropriate government authorities, to have and maintain no more than one (1) producing water well on the Lot for the Owner's personal and domestic consumption in connection with the ownership of that Lot. In the event that the well authorized by this Section 4.13 does not provide sufficient amounts of water for the Owner's personal and domestic consumption, the Association may allow an additional well or wells as reasonably required if approved by all appropriate governmental authorities. Each Owner is strictly prohibited from selling any water commercially from any well. The drilling and operation of any well shall meet the approval of all federal, state, county, or municipal regulatory authorities entitled by law to approve, regulate, or supervise same, and obtaining such approval and the cost thereof shall be the sole responsibility of the Owner. To the extent possible, each water well on a Lot shall be at least 100' from the boundaries of the Lot to ensure that no water well is less than 200' from the water wells on contiguous property; provided, however, a water well may be less than 100' from the boundaries of the Lot as long as the well is not less than 200' from all other water wells contiguous to the Lot. While the drilling of water wells to the Paluxy formation is permitted, Declarant strongly encourages and recommends that all water wells be drilled to the Twin Mountains formation due to potential water quantity and quality issues that may arise from wells drilled to the Paluxy formation. It is also recommended that all water wells have a maximum production capacity of twelve (12) gallons per minute. DECLARANT MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS, OR IMPLIED, WITH RESPECT TO (1) WHETHER THE OWNER WILL BE ALLOWED BY APPROPRIATE GOVERNMENTAL AUTHORITIES TO DRILL A WATER WELL; (2) WHETHER WATER WILL BE FOUND ON ANY LOT; (3) THE QUALITY OR QUANTITY OF THE WATER AVAILABLE TO ANY LOT NOW OR IN THE FUTURE; AND/OR (4) WHETHER ANY WATER FOUND IN ANY LOT WILL BE POTABLE (SAFE TO DRINK). EACH OWNER ACKNOWLEDGES THAT THE TOPOGRAPHY OF ANY GIVEN LOT MAY AFFECT THE AVAILABILITY, QUALITY, OR **OUANTITY OF ANY WATER.** 

**4.14 Drainage/Impoundment of Surface Water.** Any construction of a Structure in the drainage areas reflected on the Plats along or across portions of the Property shall take into account the overall drainage of the Property to ensure no adverse effect on the remainder of the Property. The drainage areas will be maintained by the respective Owners of the Lots. The Owners shall keep the natural drainage areas traversing the Owner's Lot clean and free of debris, silt, or any substance which would result in unsanitary conditions or any obstruction of the natural flow of the water. No person may dam any creek, seasonal creek, or ephemeral stream. A pond located on one (1) Lot shall be maintained by the Lot Owner. If a pond is located on more than one (1) Lot, each respective Lot Owner shall maintain the portion of the pond located on the Owner's Lot unless agreed otherwise between or among the Owners of said Lots. No one may impound said water without first obtaining ARC approval. No one shall alter the course of said water, including in any setback, or take any action that would violate any applicable law or could affect the safety of the environment or the other Lots. New small ponds may be allowed if approved by the ARC, which may require such studies and reports as the ARC deems appropriate in its sole discretion.

**4.15** <u>Antennas</u>. Except as required by law, no microwave dishes, radio (citizen band or otherwise), or television axial wires or antennas shall be maintained or any portion of any Lot, except direct broadcast satellite (DBS) antennae no more than eighteen inches (18") in diameter or multi-channel multipoint distribution system antennae no more than eighteen inches (18") in diameter, which Owner shall screen from view as much as possible without impairing the installation, maintenance, or use. All matters set forth in this provision require express approval, in advance of the ARC, which will be exercised in conformity with the rules of the Federal Communications Commission. Telecommunications Act of 1996, the Federal Communications equipment (antennas) covered by the Rule are DBS antennas one (1) meter or less in diameter, broadband radio services antennas one (1) meter or less in diameter, and television broadcast antennas regardless of size.

**4.16 Solar Panels.** Subject to Section 202.010 of the Texas Property Code, all solar panels must be screened from public view but are allowed.

**4.17** <u>Storage Tanks</u>. Propane and other storage tanks will be located behind the Owner's Residence and shall be screened from public view with stone, stucco, or shrubbery. If shrubbery is used for screening purposes, the shrubbery, at the time it is planted, must be of adequate size to screen the propane or storage tanks.

**4.18** <u>Driveways Fronting Public Roads</u>. All driveways fronting either Muir Road or Savage Lane must be 305' from the driveway on the abutting Lot fronting the public road. The driveway entry from the public roadway on Lots 1 through 2, Block 1 shall be located on the western most twenty percent (20%) of the Lot frontage. The driveway entry from the public roadway on Lots 3 through 5, Block 1 shall be located on the eastern most twenty percent (20%) of the Lot frontage. The driveway entry for Lot 6 shall be from Savage Lane only. The driveway entry from the public roadway on Lots 6 through 14, Block 1 shall be located on the southernmost twenty percent (20%) of the Lot frontage. **4.19** <u>House Numbering</u>. All house numbering must be of reflective material in compliance with applicable law. Each Owner should confirm with Parker County that his or her numbering is in compliance prior to installation of the numbering.

**4.20** <u>Building Code</u>. At the time construction of a Residence or other Structure commences on a Lot, it shall comply with the then current Building Code.

**4.21** <u>Compliance</u>. Each Owner will abide by the Governing Documents, including any and all Rules and Regulations, as adopted and promulgated from time to time, including but not limited to related to the Common Properties.

## ARTICLE 5 MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

5.1 <u>Control by Declarant</u>. So long as Declarant owns at least one (1) Lot, and not withstanding any provision of the Bylaws to the contrary, Declarant shall, at Declarant's option, have exclusive control of the Association by being the sole voting Member. Declarant may, at any time and at Declarant's option, turn over control of the Association to the Members by filing an instrument to that effect in the OPRPCT. Subject to Section 8.5, at the point in time the Declarant no longer owns any Lots, control of the Association shalt be deemed delivered to the Members without the need for any further act or action on the part of the Declarant.

5.2 <u>Membership and Voting</u>. Each Owner is a Member of the Association. Ownership of a Lot being the sole qualification for membership. Membership is appurtenant to and may not be separated from ownership of the Lot. The Board may require satisfactory evidence of transfer of ownership before an Owner is entitled to vote at meetings of the Association. If a Lot is owned by more than one (1) person or entity, each co-Owner is a Member of the Association and may exercise the membership rights appurtenant to the Lot, yet that Lot still only receives one (1) vote as the Owners of the Lot agree. A Member who sells a Lot under contract for deed may delegate its membership rights to the contract purchaser, provided a written assignment is delivered to the Board. However, the contract seller remains liable for all Assessments attributable to the Lot until fee title to the Lot is transferred. One (1) vote is appurtenant to each Lot. The total number of votes equals the total number of Lots in the development. Each vote is uniform and equal to the vote of other Lots. In the event of any conflict with Sections 5.1 and this Section 5.2, Section 5.1 shall control.

# ARTICLE 6 MAINTENANCE BY AND OTHER ACTIVITIES OF ASSOCIATION

## 6.1 **Board Rights, Powers, and Duties.**

The Board shall have the right, power, and duty to provide, and shall pay out on behalf of the Association, from the Assessments provided for the herein, the following:

1. The duty of maintenance, care, preservation, repair, and replacement of the Common Properties and any desired personal property for use in conjunction with the Common Properties.

2. The right and power to receive legal and accounting services.

3. The right and power to receive and retain the services of a person or entity (including Declarant and any affiliates of Declarant) to manage the Association or the Board.

4. The right, power, and duty to obtain or pay for other materials, supplies, furniture, labor, service, maintenance, repairs, structural alteration, taxes, or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration and the right and power which, in its opinion, shall be necessary or proper for the operation or protection Association for the enforcement of this Declaration.

5. The right and power to execute all declarations of ownership for tax assessment purposes with regard to any of the Common Properties owned by the Association.

6. The right and power to enter into agreements or contracts with insurance companies, taxing authorities, or the holders of first mortgage liens on the individual Lots with respect to: (i) taxes on the Common Properties, (ii) insurance coverage on Common Properties, as they relate to the assessments and collections and disbursements envisioned herein, and (iii) utility installation consumption and service matters.

7. The right and power to enter into contracts, maintain one (1) or more bank accounts, and generally to have all the powers necessary or incidental to the operation and management of the Association.

8. The right, power, and duty to protect and defend the Common Properties from loss or damage by suit or otherwise and sue or defend in any court of law and on behalf of the Association and to provide adequate reserves for repairs and replacements.

10. The rights and powers as are provided for in Chapter 22 of the Business Organizations Code or the Texas Property Code.

6.2 <u>Easement for Maintenance</u>. Declarant and the Associations shall have an easement upon and access all Lots for the maintenance of the Common Properties, and there is hereby granted and reserved to Declarant and the Association an easement for those purposes. Declarant, the Association, and any officer or agent thereof shall not be guilty of trespass because of entry and the use of such easement.

**6.3** <u>Declarant Reimbursement</u>. Out of pocket expenses of Declarant on behalf of the Association shall be reimbursed to Declarant upon request. Without limiting the generality of the foregoing, any Assessments levied by the Association may be used to reimburse Declarant for all out-of-pocket costs and expenses incurred by the Declarant in organization and conducting affairs on behalf of the Association, including, but not limited to, the organization cost of the Association and modification of the Declaration and any amendments thereto, legal, and accounting fees, and other costs.

## ARTICLE 7 COVENANT FOR ASSESSMENT

7.1 <u>Creation of the Lien and Personal Obligation of Assessment</u>. Each Owner of any Lot, other than Declarant, by acceptance of the deed thereof, whether or not it shall be so expressed in the deed or not, hereby covenants and agrees to pay to the Association Regular Assessments and Special Assessments as well as the fine as provided for in this Declaration, and covenants the Owner's agreement to the enforcement of payment of the Assessments and the lien of the Association as hereinafter provided. Such Assessments shall be fixed, established, and collected from time to time as provided by the Association. The Assessments, together with any interest thereon and cost of collection thereof, including reasonable attorneys' fees, are and shall be a charge and lien upon the Lot and the Lot Owner and lien will not be lifted unless paid.

7.2 <u>Purpose of Assessments</u>. Assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety, enjoyment, and welfare of the Owners in the Property, for the improvement and maintenance for any capital improvements and Common Properties owned or controlled by the Association, establishing and maintaining repair and replacement reserves as determined by Declarant or the Association, and any purpose deems necessary or incidental to such purposes as determined by the Association. The Association shall not be obligated to spend all monies collected in a year and may carry forward as surplus any balance is remaining.

7.3 <u>Regular Assessment and Special Assessments</u>. The Association may levy a Regular Assessment on the Lots for the calendar year, which shall be due January 1 of each year. The Association may also levy, in addition to the Regular Assessments, one or more Special Assessments in a calendar year applicable to that year only. All Assessments, other than fines related to a particular Lot or Owner, are applicable and uniform as to all Owners and Lots for the purpose of defraying in whole or in part the cost of insuring, maintaining, constructing, reconstructing, repairing, or replacing the Common Properties, including necessary fixtures and personal property related thereto, or for such other lawful purpose related to the use and maintenance of the Property and/or the Common Properties as Association may determine.

7.4 <u>Fines</u>. The Association may levy fines pursuant to the Association's fine policy, which shall at all times comply with Section 209.0061 of the Texas Property Code. Fines may be assessed for nonpayment of Assessments and/or for any violation of the Association's Governing Documents.

7.5 <u>The Effect of Non-Payment of Assessments: Remedies of the Association</u>. The effect of nonpayment of Assessments levied by the Association for violations of the Governing Documents can be enforced by specific performance of the terms and conditions of the Governing Documents. Each Owner shall be deemed to covenant and agree to pay the Association Assessments. Enforcement or other action will be taken, and the Owner agrees to pay reasonable attorneys' fees and costs thereby incurred in addition to any other amounts due in order to relieve or remedy the violation. In the event of a default and payment of any such Assessment when due, the Assessment shall be deemed delinquent in addition to any of the remedies by law provided,

and the Association may enforce each such obligation in any manner provided by law or in quality specifically including filing a notice of lien against a Lot, enforcement by suit, or enforcement and foreclosure of the lien.

7.6 <u>Declarant and Assessments</u>. Declarant shall not be liable and shall not pay Assessments; however, Declarant shall be responsible for any deficiency the Association may have to cover the Association's expenses described herein in an amount equal to all operational expenses of the Association, less the operational expense portion of the Assessments paid by Lot Owners other than Declarant.

## ARTICLE 8 <u>RIGHTS OF DECLARANT</u>

So long as Declarant owns any interest in the Property, Declarant hereby specifically excepts, excludes, and reserves the following rights and interests in the Property:

8.1 <u>Amendments</u>. So long as Declarant owns at least (1) Lot, Declarant shall have the right to amend this Declaration and each amendment shall apply to all of the Property, whether owned by the Declarant or not.

**8.2** <u>Plats Revisions</u>. During the Development Period Declarant reserves the right to replat the Property, revise the acreage and configuration of Lots, to change any building lines or setback lines, change the course or size of an easement, and direct the size, shape, and composition of the subdivision, including but not limited to adding real property to the subdivision, as well as to facilitate the development, construction, and marketing of the subdivision so long as Declarant holds legal title to the affected real property.

**8.3** <u>Sales & Construction Activities</u>. Declarant shall have the right to maintain sales and administrative offices, construction offices or trailers, model home and parking facilities, storage facilities and signs on the Property and to conduct sales activities on the Property as long as Declarant owns at least one (1) Lot.

**8.4** <u>Construction Work by Declarant</u>. Declarant shall have the right to construct and complete the construction of the Roads and the Common Properties. In connection therewith, Declarant reserves the right to use, occupy, and excavate the service and subsurface of the ground for the erection, construction, and installation of said improvements including, but not limited to, the right to locate, install, maintain, and repair all utilities and utility lines, whether temporary or permanent, necessary for the Declarant's construction, reconstructions, maintenance, and operation. Declarant also reserves the right to extend the Roads located or to be located on the Property to other property. Declarant, in addition, reserves the right to convey to any county, water district, sanitary sewer district, or other municipal or quasi municipal corporation all utilities constructed or to be Constructed or to be constructed on the Property, together with suitable rights-of-way over said lands for the required maintenance, repair, replacement, and operation thereof. The foregoing rights reserved by Declarant do not impose on Declarant the obligation to construct or install any improvements of any kind.

Declaration of Covenants, Conditions, Restrictions, and Easements of Summit Ranch #497741 **8.5** <u>Development Period</u>. Declarant's "Development Period" rights shall terminate three (3) years after Declarant sells its last Lot in the Subdivision.

## ARTICLE 9 OTHER EASEMENTS, RIGHTS, AND DUTIES

#### 9.1 <u>Utility and other Easements</u>.

Declarant will bring an electric and a fiberoptic line adjacent to each Lot or to the utility easement adjacent to each Lot. Each Owner will be responsible for bringing that service from such point to the Residence and other Structures requiring service. A drainage and utility easement as reflected on the recorded Plats is hereby reserved to the Association inside and along the Property lines of each Lot. In the event topography necessitates or makes desirable a route for drainage or utilities other than described above, Declarant and the Association shall each have the right to use such other route as is reasonable, and an easement for such route, once recorded by Declarant or the Association, shall be binding on all Owners of the affected Lot. The easements described herein shall be for the purpose of installation and maintenance of possible drainage facilities or utilities, and for any other purpose deemed by Declarant or the Association to be beneficial to the Property as a whole. Nothing contained herein shall be construed as imposing upon Declarant or the Association any obligation to provide any other utilities or services. Furthermore, Declarant reserves the right to sell, lease, license, or assign, in whole or in part, such easements and to otherwise negotiate as to such lines, utilities, or other facilities for the providing of services by a municipality, governmental agency, or other private or public service corporation. Except for Declarant's obligation set forth in the first sentence of this Section 9.1, each Owner shall be responsible for, and shall pay for, the installation and maintenance of all utilities to the Owner's Lot, and Declarant does not warrant or guaranty the availability of utilities or the economic feasibility of bringing utilities to any Lot.

The drainage easements as described herein include culverts abutting both sides of the Roads for the drainage of water from the Property. The culverts under the driveways of the Owners shall be maintained by the respective Owner. The culverts that are not under a driveway of an Owner shall be maintained by the Association. The maintaining of the culverts as used herein means to keep the drainage traversing the Owner's Lot clean and free of debris, silt, or any substance that would result in unsanitary conditions, the pooling of water, or any obstruction of the designed flow of the water from the Property.

On, over, and across each Lot, upon which is now or hereafter constructed (or replaced) all or any part of any common entryway into the Property or the Roads, there is hereby reserved to Declarant and the Association an easement for the construction, maintenance, repair, and replacement of all common entryway and improvements to the Roads including, but not limited to, gates, poles, and posts associated therewith, motors and electrical lines associated therewith, irrigation systems and water lines, brick, stone, metal, or other decorative fences, walls, planters, or other improvements, landscaping, and similar common entryway improvements. The Property, and each Lot, as applicable, is subject to all easements established by or shown on the Plats and as provided herein.

9.2 <u>Owners Easements of Enjoyment.</u> Subject to the provisions of Section 9.4, every Owner and every tenant of every Owner, who resides on a Lot, and each individual who resides with either of them, on such Lot shall have a right and easement of use and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Lot; provided, however, such easement shall not give such person the right to make alterations, additions, or improvements to the Common Properties, which shall be the sole right, power, and duty of the Association.

9.3 <u>Title to the Common Properties.</u> Upon completion of construction of the Common Properties, title shall be deemed to have been transferred to the Association without any further action by Declarant with all right, title, and interest in the Common Properties being conveying to the Association. Declarant reserves the right to execute any conveyance document applicable to the Common Properties which may be permitted or required in order to reduce property taxes, and upon expiration of the Development Period, this right shall pass to the Association. Declarant shall have the right and option on behalf of Declarant and the Association (without the joinder and consent of any person or entity including but not limited to the Association) to encumber, mortgage, design, redesign, reconfigure, alter, and improve the Common Properties during the Development Period even though title will have vested in the Association.

9.4 <u>Extent of Owner's Easements.</u> The rights and easements of use and enjoyment created hereby shall be subject to the following:

1. The right of the Association to prescribe Rules and Regulations governing, and to charge fees and or deposits related to, the use, operation, and maintenance of the Common Properties.

2. Liens or mortgage placed against all or any portion of the Common Properties with respect to the monies borrowed by Declarant to develop and improve the Property or by the Association to improve or maintain the Common Properties.

3. The right of the Association to enter into and execute contracts with any party (including, without limitation, Declarant) for the purpose of providing maintenance or such other materials or services consistent with the purposes of the Association.

4. The right of Declarant or the Association to take such steps as are reasonably necessary to protect the Common Properties against foreclosure;

5. The right of Declarant or the Association to dedicate or transfer all or any part of the Common Properties to any municipal corporation, public agency, authority, or utility company for such purposes and upon such conditions as may be agreed upon;

6. The right of Declarant or the Association to convey, sell, or lease all or part of the Common Properties upon such terms and conditions as may be agreed upon by Declarant and the Members having a majority of the outstanding eligible votes of the Association;

7. The right of Declarant or the Association to enter into and execute contracts with the Owners operators of any community antenna television system or other similar operations for

the purpose of extending cable or utility service on, over, or under the Common Properties to ultimately provide service to one or more of the Lots.

9.5 <u>Perpetual Easements.</u> All easements reserved or created in any part of this Declaration or to the benefit of Declarant or the Association are perpetual. All easements reserved or created herein for the benefit of Declarant may be granted or assigned by Declarant, in whole or in part, on an exclusive or nonexclusive basis, to any third party. Utility easements reserved or created herein for the benefit of the Association may be granted or assigned by the Association, in whole or in part, on an exclusive or nonexclusive basis, to any utility or utilities.

9.6 Condemnation or Governmental Taking. If all or any part of the Common Properties are taken by any authority having the power of condemnation or eminent domain or are conveyed in lieu thereof, the funds payable with respect thereto shall be payable to the Association and shall be used by the Association to purchase additional Common Properties to replace that which has been condemned or to take whatever steps it deems reasonably necessary to repair any damage suffered by the condemnation. If all the funds cannot be used in such manner, any remaining funds may be distributed equitably to the Owners. If all or any part of a Lot is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and the Owner elects not to restore the remainder of the Lot, then the Owner shall promptly remove any remaining improvements damaged or destroyed by such taking or conveyance and shall leave the Lot in orderly, safe, and neat condition. If any part of a Lot is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof and the Owner elects to restore the remainder of the Lot, then, subject to the provisions of this Declaration, the Owner shall diligently restore, within ninety (90) days after the taking, the remainder of the Lot to the same condition it was in prior to such taking or conveyance.

## ARTICLE 10 INSURANCE AND INDEMNIFICATION

**10.1** <u>Insurance Requirements Generally</u>. The Association shall obtain and maintain in full force and effect commercial general liability insurance and such other insurance as it deems necessary or desirable. All such insurance shall be obtained from responsible companies, duly authorized and licensed to do business in the State of Texas. To the extent possible, the insurance shall:

1. Provide for a waiver of subrogation by the insurer as to claims against the Association, its directors, officers, employees, agents and Owners; and

2. Provide that the policy of insurance shall not be terminated, canceled, or substantially modified without at least thirty (30) days prior written notice to the Association.

Any insurance policy may contain such deductible provisions as the Association deems consistent with good business practice. The cost and expense of all insurance obtained by the Association shall be paid out of the Association's funds.

The Association will <u>not</u> carry any insurance pertaining to, nor does it assume any liability or responsibility for, the real or personal property of the Owners (and their respective family members, tenants, and guests). Each Owner expressly understands, covenants and agrees with Declaration and the Association that:

1. Neither Declarant nor the Association has any responsibility or liability of any kind or character whatsoever regarding or pertaining to the real and personal property of each Owner;

2. Each Owner shall, from time to time and at various times, consult with reputable insurance industry representatives of each Owner's own selection to select, purchase, obtain and maintain appropriate insurance providing the amount, type and kind of insurance deemed satisfactory to each Owner covering his or her real and personal Property.

Each Owner releases and holds Declarant and the Association harmless from any uninsured liability, claims, causes of action or related (directly or indirectly) to any and all aspects of the gated entry system within the Property.

**10.2** Indemnification. Each officer, director, ARC member, or other committee member, or agent of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him, her, or it in any proceeding to which he, she, or it may be a party, or in which he, she, or it may become involved, by reason of his being or having been an officer, director, committee member, or agent of the Association; provided, however, that in the case of Declarant or any affiliate entity of Declarant, or any officer, director, or employee of Declarant or any affiliate, this indemnification shall not apply if Declarant or any affiliate or the indemnified officer, director, or employee of Declarant or any affiliate is adjudged guilty of gross negligence or malfeasance in the performance of his, her, or its obligation hereunder.

#### ARTICLE 11

# **PROTECTION OF MORTGAGEES AND SPECIAL MORTGAGEE PROVISIONS**

**11.1** <u>Notice to Association</u>. An Owner who mortgages his Lot shall notify the Association, giving the name and address of the mortgagee. Each mortgagee shall be permitted to notify the Association of the fact that such mortgagee holds a deed of trust or mortgage on a Lot. The Association may maintain a record of such information.

**11.2 Examination of Books.** The Association shall permit first or second mortgagees to examine the books and records of the Association during normal business hours.

11.3 <u>Lien Subordination</u>. Notwithstanding anything herein, any lien as described herein shall be superior to any and all charges, liens, or encumbrances which may in any manner arise or be imposed upon the Lot or in any manner arise or be imposed upon a Lot, whether arising from or imposed by judgment or decree or by any agreement, contract, mortgage, deed to secure debt, or other instrument excepting the following in which case the lien shall be subordinate: (i) such liens for taxes or other public charges as are by applicable law made superior, and (ii) all deeds of trust or mortgages given to secure a loan the proceeds of which are used to purchase a Lot or

Lots (together with any and all Structures which may from time to time be placed or located thereon) or the proceeds of which are used to finance the construction, repair, or alteration of Structures. Sale or transfer of any Lot shall not affect the lien and no sale or transfer shall relieve such Lot from liability except as provided in this Section 11.3, and such subordinated liability as described in this Section 11.3 that accrued prior to the mortgagee acquiring the Residence and/or Lot, whether by foreclosure, deed in lieu of foreclosure, or otherwise, shall continue to be a personal obligation of the Owner of the Residence and/or Lot immediately prior to the mortgagee's acquisition.

**11.4** <u>Notice of Action</u>. An institutional holder, insurer, or guarantor of a first mortgage (an "eligible holder"), will be entitled to timely written notice of:

- (a) Any condemnation loss or any casualty loss which affects a material portion of the Subdivision, the Common Properties, or that affects any Residence on which there is a first mortgage held, insured, or guaranteed by such eligible holder;
- (b) Any delinquency in the payment of any Assessments, liens, or other charges owed by an Owner of a Residence subject to the mortgage of such eligible holder where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first mortgage, upon request, is entitled to written notice from the Association of any default in the performance by its mortgagor of any obligation under the Declaration or Bylaws of the Association which is not cured within sixty (60) days;
- (c) Any proposed action which would require the consent of a specified percentage of eligible mortgagees; or
- (d) The Association failing to maintain insurance as required by the Declaration, and any lapse, cancellation, or threatened cancellation, or material modification thereof.

11.5 <u>Special Mortgage Provision</u>. So long as required by the Federal Housing Administration ("<u>FHA</u>"), the Veterans Administration ("<u>VA</u>"), the Federal National Mortgage Association ("<u>FNMA</u>"), the Federal Home Loan Mortgage Corporation ("<u>FHLMC</u>"), or the Department of Housing and Urban Development ("<u>HUD</u>"), the following provisions apply in addition to and not in lieu of the foregoing. Unless at least two-thirds (2/3) of the votes of Lot estates that are subject to mortgages and at least two-thirds (2/3) of the total Members of the Association consent, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Properties that the Association owns, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Properties shall not be deemed a transfer within the meaning of this subsection);

- (b) Change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner of a Residence;
- (c) By act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Residences and of the Common Properties (the issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this provision);
- (d) Fail to maintain insurance, as required by this Declaration;
- (e) Except as provided herein, use hazard insurance proceeds for any Common Properties losses for other than the repair, replacement, or reconstruction of such property; or
- (f) Amend this Declaration in a materially adverse nature to any mortgagee.

11.6 <u>Insurance</u>. The Association shall obtain such additional amounts and types of insurance as may be required from time to time, by the FHA, VA, FNMA, FHLMC, and HUD, their successors and assigns, for similar type residential subdivision communities.

**11.7** <u>No Priority</u>. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first mortgagee of any Residence in the cases of distribution to such Owner of insurance proceeds.

**11.8** <u>Federal Mortgage Law Change.</u> Should the FHA, VA, FNMA, FHLMC, or HUD subsequently change any of their respective requirements which necessitate the provisions of this Article or make any such requirements less or more stringent, the Declaration shall be deemed to have been amended to reflect such changes without the necessity of an Association vote or the recording of an amendment to this Declaration; provided, however, should a mortgagee refuse to close the sale of a Residence or Lot without a recorded amendment reflecting the federal mortgage requirement change(s), the Board shall be empowered to execute and record an amendment to the Declaration without the necessity of an Association wide vote only to the extent necessary to comply with the respective requirements.

**11.9** <u>Applicability</u>. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under Texas law for any of the acts set out in this Article except as specifically provided herein.

11.10 <u>Failure of Mortgagee to Respond</u>. Any mortgagee who receives a written request from the Association delivered by certified mail or registered mail with a return receipt requested to respond to or consent to any action shall be deemed to have approved such action if the

Association does not receive a written response from the mortgagee within sixty (60) days of the date of receipt of the Association's request.

#### ARTICLE 12 GENERAL PROVISIONS

12.1 Term of the Amendment to Restrictions. The provisions hereof, including the Restrictions, shall run with the Property and be binding on each Owner for a period of thirty (30) years from the date hereof, at which time all provisions shall be automatically extended for successive periods of ten (10) years, unless prior to the expiration of any such initial period or extended period, Declarant and at least seventy-five percent (75%) of the other Owners shall have executed and recorded an instrument to become operative at the expiration of the particular period. So long as Declarant owns at least one (1) Lot, these Restrictions may be amended or revoked only by Declarant, and no other Owner shall have a vote regarding amendment or revocation. After Declarant no longer owns any Lot, these Restrictions may be amended with the consent of sixty-seven percent (67%) of the Lot Owners, with each Lot being entitled to one (1) vote.

12.2 <u>Complaints by Owner</u>. If any Owner believes any other Owner is in violation of this Declaration or the other Governing Document, he, she, or it may so notify such Owner in writing, explaining the reasons for such complaint. If the Owner fails to remedy the alleged violation in ten (10) days after delivery of such notice, a complaint may be transmitted in writing to the President of the Association, who shall thereupon notify the Board. The Board shall have the right (but not the obligation or duty) to institute appropriate legal action, at law or in equity, to enforce this Declaration, and may recover its reasonable expenses, including attorneys' fees from the violating Owner. Without limiting the foregoing, the Association may take such other action as it deems necessary to cure the Owner's violation and the cost expended by the Association in doing so shall be a charge and lien upon the subject Lot.

**12.3** <u>Complaints by Association</u>. If an Owner is in violation of this Declaration or the other Governing Documents, the Association may so notify such Owner in writing. If the Owner fails to remedy the violation within ten (10) days following delivery of such notice, then the Association shall have the right (but not the obligation or duty) to institute appropriate legal action, at law or in equity, including, but not limited to, obtaining a temporary restraining order and subsequent injunction, to enforce this Declaration, and may recover the damages owed by such Owner pursuant to Section 12.4 below, any other damages incurred by the Association, and its reasonable expenses, including attorneys' fees. Without limiting the foregoing, the Association may take such other action as it deems necessary to cure the Owner's violation and the cost expended by the Association in doing so shall be a charge and lien upon the subject Lot.

12.4 <u>Per Day Damages for Violations</u>. Any Owner in breach or violation of the Governing Documents shall incur a fine pursuant to the Summit Ranch Homeowners' Association Enforcement Policy and Fining Schedule until the breach or violation is remedied or cured. Such sum shall be payable to the Association as damages. The Board may increase these amounts in its discretion to ensure compliance with the Governing Documents.

12.5 <u>Waiver of Enforcement</u>. Waiver of enforcement of any provision of this Declaration shalt be limited to that particular provision which is waived, in writing, as to a particular matter as it relates to a particular Lot, and shalt not be construed to be a waiver of any other provision of this Declaration. A variance granted by Declarant or the Association is not a waiver.

**12.6** <u>Effect of Ordinances</u>. Police, fire, and other public safety ordinances of any governmental corporation or unit having jurisdiction over any portion of the Property shall govern where more restrictive than this Declaration.

12.7 <u>Bylaws</u>. To the extent of any conflict between this Declaration and the Bylaws, this Declaration shall control.

12.8 <u>Severability</u>. Invalidation of any provision of this Declaration by judgement or court decree shall in no way affect any other provisions which shall remain in full force and effect. Nothing herein shall be in conflict with Texas homestead law. Should a provision herein be in conflict, Texas homestead law shall apply. All other provisions shall remain in full force and effect.

#### 12.9 Dispute Resolution between Owners.

(a) Each Owner agrees that if any dispute arises between such Owner and Declarant, the Association, or the ARC as to any matter arising out of or related to this Declaration or the other Governing Documents, then before proceeding with any legal action the parties shall, with reasonable promptness, arrange a mutually agreeable time for a face-to-face meeting between fully authorized representatives to seek to resolve the dispute in a mutually acceptable manner.

(b) If the meeting described in (a) above fails to resolve the dispute or fails to occur, then said parties shall agree to promptly submit the dispute to mediation in Parker County, Texas before a single attorney mediator practicing law in Parker County, Texas (or any surrounding county) chosen by Declarant or the Association, as the case may be, and approved by the Owner within the Owner's reasonable discretion.

(c) If the mediation described in (b) above fails to resolve the dispute or fails to occur, then subject to Section 12.3 above and Section 12.9 (i) below, upon demand by either party the parties shall submit to binding arbitration all disputes between or among them arising out of or relating to this Agreement.

(d) Any arbitration proceeding in accordance with (c) above will (i) proceed in a location in Parker County, Texas (or any surrounding county) selected by the American Arbitration Association ("AAA"); (ii) be governed by the Federal Arbitration Action (Title 9 of the United States Code), notwithstanding any conflicting choice of law provision in any of the documents between the parties; and (iii) be conducted by the AAA, or such other administrator as the parties shall mutually agree upon, in accordance with the AAA's commercial dispute resolution procedures (the commercial dispute resolution procedures to be referred to as the "Rules"). If there is any inconsistency between the terms hereof and the Rules, the terms and procedures set forth herein shall control. Any party who fails or refuses to submit to arbitration following a proper demand by any other party shall bear all costs and expenses incurred by such other party in compelling arbitration of any dispute.

(e) The arbitrator will determine whether or not an issue is arbitration and will give effect to the statutes of limitation in determining any claim. In any arbitration proceeding the arbitrator will decide (by documents only or with a hearing at the arbitrator's discretion) any prehearing motions which are similar to motions to dismiss for failure to state a claim or motion for summary adjudication. The arbitrator shall resolve all disputes in accordance with the substantive law of Texas and may grant any remedy or relief that a court of such state could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award. The arbitrator shall also have the power to award recovery of all costs and fees, to impose sanctions and to take such other action as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure or other applicable law. Judgement upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief by Declarant or the Association or pursuit of a provisional or ancillary remedy by Declarant or the Association shall not constitute a waiver of the right of to submit the controversy or claim to arbitration if any other party contests such action for judicial relief.

(f) In any arbitration proceeding discovery will be permitted in accordance with the Rules. All discovery shall be expressly limited to matters directly relevant to the dispute being arbitrated and must be completed no later than twenty (20) days before the hearing date and within ninety (90) days of the filing of the dispute with the AAA. Any requests for an extension of the discovery periods, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available.

(g) The arbitrator shall award all costs and expenses of the arbitration proceeding.

(h) To the maximum extent practicable, the AAA, the arbitrator, and the parties shall take all action required to conclude any arbitration proceeding within one hundred and twenty (120) days of the filing of the dispute with the AAA. No arbitrator as other party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. If more than one agreement for arbitration by or between the parties potentially applies to a dispute, then the arbitration provision most directly related to the Declaration or the subject matter of the dispute shall control.

(i) Notwithstanding the foregoing, this Section 12.9 shall not preclude the Declarant or the Association from exercising its rights pursuant to Section 12.3 or from seeking, in an appropriate court of law, an injunction or temporary restraining order otherwise designed to enforce against any Owner any such compliance with, and prohibit any further violation(s) of, this Declaration or the other Governing Documents.

**12.10** <u>Additional Property.</u> Declarant may at any time subject additional land to this Declaration and the Restrictions by filing an amendment or supplement to this Declaration covering the additional land and declaring it to be subject hereto. Unless the additional land is an easement interest or a common use area, the land covered by the amendment to this Declaration shall be deemed to be a Lot or Lots, as described in the amendment or supplement, and part of the Property and each Owner of the additional land shall be deemed an Owner, and entitled to membership in the Association, in accordance with the terms of this Declaration.

12.11 <u>Prior Structure in Violation</u>. Should any Lot contain a Structure that is in violation of any Governing Document, but the Structure would not have been in violation of any Governing Document in effect at the time of construction and the ARC approved the Structure prior to construction and before the Governing Document was changed, then the violating Structure shall be deemed to not be in violation of this Declaration. However, notwithstanding anything herein, if the foregoing Structure is replaced or reconstructed, in whole or part, it shall be constructed in conformity with the Governing Documents then in effect.

Executed to be effective the date this Declaration is recorded in the OPRPCT.

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## DECLARANT:

## SAVAGE CREEK, L.L.C. A Texas limited liability company

By: 4 Ouis Philippe Ladouceur, Managing Member STATE OF TEXAS )

#### COUNTY OF PARKER

This instrument was acknowledged before me on May 22, 2024 by Louis Philippe Ladouceur, Managing Member of Savage Creek, L.L.C., a Texas limited liability company, on behalf of said limited liability company.

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R. CHENAULT Notary Public, State of Texas Comm. Expires 05-20-2025 Notary ID 129431195

Notary Public, State of Texas

My commission expires:

# FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Lila Deakle

202413602 05/29/2024 10:07:19 AM Fee: \$141.00 Lila Deakle, County Clerk Parker County, Texas DECLARE