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**MASTER  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

**FOR**

**KING ESTATES UNIT 1 AND ADDITIONS**

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**MASTER**  
**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

**FOR**

**KING ESTATES UNIT 1 AND ADDITIONS**

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (“Declaration”), is made on the date hereinafter set forth by KING ESTATES, INC., a Texas corporation, (“Declarant”).

W I T N E S S E T H

WHEREAS, Declarant is the owner of certain property in the County of Nueces, State of Texas, which is more particularly described below (“Properties”).

WHEREAS, it is contemplated that additional properties are to be added by annexation to this Declaration, and this Declaration shall serve as a Master Declaration under which various deed restrictions shall be imposed; and

WHEREAS, Declarant desires to create a planned residential community with common area and facilities for the benefit of said community, to provide for the preservation of the values and amenities of said community, and for the maintenance of said common facilities; consequently, Declarant desires to subject the Properties, together with such additions as may hereafter be made, to the easements, restrictions, covenants, charges and liens hereinafter set forth, each and all of which are for the benefit of said Properties and each owner thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an association to which should be delegated and assigned the powers of maintaining and administering the common area and facilities, administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created:

NOW THEREFORE, Declarant declares that all of the Properties described below shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions (“Restrictions”) which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described Properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

**I. DEFINITIONS**

1. “Association” or “Master Association” shall mean and refer to the entity which will have the power, duty, and responsibility of maintaining and administering the Properties, and the Common Area, administering and enforcing the Restrictions, and collecting and disbursing the assessments and charges hereinafter prescribed. The Master Association shall be formed as a non-profit corporation in accordance with the laws of the State of Texas (under the name King Estates Master Association, Inc., its successors and assigns, or a similar name, depending upon the then-existing availability of such corporate name for the purposes set forth herein);

2. “Common Area” shall mean and refer to all real property (including the improvements thereto) owned by the Association and/or intended for the common use and enjoyment of the Owners.

3. “Declarant” shall mean and refer to King Estates, Inc., or any successor entity thereto, which shall assume all of the rights and responsibilities of Declarant herein.

4. "Limited Common Area" shall mean and refer to all real property (including the improvements thereto) owned by the Association and/or intended for the use and enjoyment of some but not all of the Owners. For example, at this time the General Plan of Development contemplates the construction of lake(s) which shall be Limited Common Areas for the use and enjoyment of the Owners of Lot(s) which abut said lake(s).

5. "Living Unit" shall mean and refer to all or a portion of a building situated upon a Lot or Lots (including the garage, if any), subject to this Declaration, for use and occupancy by a single family.

6. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area. For purposes of voting rights, assessment responsibilities and other similar matters, "Lot" and "Living Unit" shall be used interchangeably as the context requires.

7. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot, Living Unit, or other property designation as may be defined in later documentation, which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

8. "Properties" shall mean and refer to that certain real property hereinafter described, and such additions thereto as may hereafter be brought within the jurisdiction of this Declaration.

## **II. SUBJECT PROPERTY AND ADDITIONS**

1. **Existing Property**, The real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration is located in Nueces County, Texas, and is more particularly described as follows ("Properties" or "Existing Property"), to-wit:

**King Estates Unit 1**, a Subdivision in Nueces County, Texas, as shown by the map or plat thereof, recorded in Volume 56. Pages 199-201, Map Records of Nueces County, Texas, to which reference is here made for all pertinent purposes.

2. **Additions to Existing Property**, Additional lands may become subject to this Declaration in the following manner:

(a) **Additions**. The Declarant, its successors and assigns, without the consent of members, shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development, provided that such additions are in accord with a General Plan of Development (compliance with such General Plan to be determined in the sole discretion of Declarant, its successors and assigns) prepared prior to the sale of any Lot, and provided further that not more than five (5) years have elapsed since the last addition. Any such additions shall become a part of the "Properties" as defined herein.

Such General Plan of Development shall show the proposed additions to the Existing Property. Such General Plan shall not bind the Declarant, its successors and assigns, to make the proposed additions or to adhere to the Plan in any subsequent development of the land shown thereon. The property within the General Plan is described in the attached Exhibit "A", incorporated herein by reference ("Annexation Property").

The addition authorized under this and the succeeding subsection, shall be made by filing of record an Annexation Certificate with respect to the additional property which shall extend the scheme of the Restrictions of this Declaration to such property. Such Annexation Certificate may contain such complementary additions and modifications of the Restrictions contained in this Declaration (or separate Restrictions may be imposed) as may be necessary to reflect the different character, if any, of the Annexation Property and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Annexation Certificate revoke, modify or add to the covenants established by this Declaration within the Existing Property.

The General Plan proposed by Declarant to develop additional parcels of property for residential purposes and add Common Area and items of a related nature, are only proposals and shall not be deemed or constructed as promises, commitments or material representations by the Declarant. Each and every Owner waives the right to contest, object, challenge or in any manner dispute Declarant's development (including zoning or rezoning processes) of any of the Annexation Property. In the event there is a valid VA and/or FHA letter of acceptance outstanding and in good standing with respect to the Existing Property, such annexation shall require a determination by VA or FHA that such annexation is in accord with the General Plan.

**(b) Other Additions.** Upon approval in writing of the Association pursuant to a vote of two-thirds (2/3rds) of its members, the owner of any other property who desires to add same to the scheme of this Declaration and to subject such property to the jurisdiction of the Association, may file of record an Annexation Certificate as described above.

**(c) Mergers.** Upon a merger or consolidation of the Association with another association, the Association's properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Existing Property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration within the Existing Property except as provided herein.

### **III. MASTER ASSOCIATION MEMBERSHIP AND VOTING RIGHTS**

**1. Membership.** Every Owner of a Lot which is subject to assessment shall be a member of the Master Association. When more than one person holds an interest in any Lot, all such persons shall be members. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

**2. Voting Rights.** All Owners (with the exception of the Declarant) shall be non-voting members of the Association until (1) all Annexation Property has been properly annexed into this Declaration or the time period for such annexation has lapsed and expired, and (2) all Lots owned by Declarant in the Existing Property and all Annexation Property have been sold and conveyed by Declarant to third parties. Until such time, Declarant shall be the sole voting member of the Association. Once the Owners become voting members of the Association, they shall be entitled to one (1) vote for each Lot owned. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

### **IV. ASSOCIATION POWERS AND RESPONSIBILITIES**

**1. Powers.** The business of the Association shall be conducted by its Board of Directors ("Board"). The Association shall have the power and authority to do the following:

- (a)** To deal with the Common Area and Limited Common Area, as the owner thereof, except as specifically limited hereby;
- (b)** To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent owners and/or future assessments;
- (c)** To enter into contracts (including but not limited to, yard maintenance contracts, management contracts with professional management companies, contracts for refuse collection, contracts for maintenance of Association equipment and/or any Common Area or Limited Common Area, and contracts for cable or master television service, if any), maintain more than one bank account and, generally,

to have all powers necessary or incidental to the operation and management of the Association;

- (d) To make reasonable rules and regulations for the operation of the Association and Common Area and Limited Common Area, and to amend same from time to time;
- (e) To protect and/or defend the Common Area and Limited Common Area from loss or damage, by suit or otherwise, to sue or defend it in any court of law and to provide adequate reserves for repairs and replacements;
- (f) To grant easements, rights-of-way, or strips of land, where necessary, for utilities over, on or under the Common Area and Limited Common Area to serve the Common Area or Limited Common Area and Lots;
- (g) To determine, in its sole discretion, if it should pay real property ad valorem taxes or other taxes or liens as to Common Area or Limited Common Area which are assessed against Lot Owners, if any;
- (h) To construe and interpret the provisions of this Declaration, and in the absence of an adjudication by a court of competent jurisdiction to the contrary, the Board's construction or interpretation shall be final and binding as to all persons or property benefited or bound by the provisions hereof; any conflict between any construction or interpretation of the Board or any other person or entity entitled to enforce the provisions hereof shall be resolved in favor of the construction or interpretation of the Board; and
- (i) To indemnify and hold harmless its Board, Officers, Employees and/or Agents from all liability in connection with such capacities.

The right to borrow funds shall expressly include the right to borrow from the Declarant and give as security such items described in (b) above.

**2. Responsibilities.** The Master Association shall discharge the responsibilities set forth below at such time, and in such manner, as the Board shall deem appropriate. Any such responsibilities undertaken by Declarant on behalf of the Master Association shall entitle the Declarant to reimbursement from the Master Association, either at the time, or as soon as funds are available therefor.

**(a) General.** The Master Association shall govern, operate, control and manage the Lots, Common Area (if any) and Limited Common Area (if any) within the Existing Property pursuant to the terms and provisions of this Declaration. The Master Association shall at all times pay the real property ad valorem taxes and any other taxes on the Common Area and Limited Common Area if said taxes are billed to the Master Association (as distinguished from being billed to the Owners) and shall pay any governmental liens assessed against the Common Area and Limited Common Area. The Master Association shall further have the obligation and responsibility for the hiring of certain personnel and for the maintenance, repair, upkeep and replacement of Common Area and Limited Common Area (including any facilities and landscaping thereon).

**(b) Sprinkler System and landscaping.** The Master Association shall maintain, repair and replace sprinkler systems, including but not limited to pumps, pipes, and sprinkler heads, and landscaping which is installed for the purpose of enhancing the beauty of the development even if such sprinkler system or landscaping may be located within a road right-of-way owned by a governmental authority. The foregoing includes paying the cost of water for such sprinkler systems, where applicable, and the electricity is used in connection with the pumps which are part of such sprinkler systems, where applicable. It is understood that should the applicable governmental authority or its designee make any repairs within such right-of-ways, and such repairs cause damage to the sprinkler systems or landscaping within such rights-of-way, the cost

of the repair and replacement of such landscaping and sprinkler systems shall be borne solely by the Master Association, so long as such damages were reasonably necessary for the repairs to be properly made.

(c) **Private Lakes.** The Master Association shall maintain all private lake areas, including but not limited to (1) the maintenance and repair of all pumps, pipes and related systems, and (2) landscaping of all island areas within the private lakes. The foregoing includes paying the cost of water and electricity related to any pump system.

## **V. PROPERTY RIGHTS IN THE COMMON AREA**

**1. Owners' Easement of Enjoyment.** Every Owner shall have an unrestricted right of ingress and egress to such Owner's Lot which shall be perpetual and shall pass with the title to every Lot. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to make rules and regulations regarding the use of the Common Area and charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against such Owner's Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3rds) of the members has been recorded;
- (d) The right of the Association to borrow money from all available sources for the purpose of improving the Common Area and in aid thereof to mortgage said Common Area. However, such Common Area may not be mortgaged unless an instrument consenting to such mortgage is signed by two-thirds (2/3rds) of the members and is recorded. In the event of a default upon any such mortgage the lender's rights hereunder shall be limited to a right, after taking possession of such properties, to charge reasonable admission and other fees as a condition to continued enjoyment by the members; and
- (e) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosure.

**2. Delegation of Use.** Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property, subject to the rules and regulations established by the Association.

**3. Alteration of Common Area.** No improvement, excavation or work which in any way alters the Common Area from its existing state on the date any such area is conveyed by Grantor to the Association or a purchaser of a Lot shall be made or done by any person other than the Association or its authorized agents.

**4. Title to Common Area.** Declarant may retain the legal title to the Common Area until such time as it has completed improvements therein and until such time as, in the sole opinion of the Declarant, the Association is able to maintain the same. All costs incurred by Declarant in the maintenance of the Common Area after completion of improvements and prior

to conveyance of title to the Association and all costs incurred by Declarant in the purchase and installation of all grass coverings, trees, shrubs, fertilizer, and sprinkler systems in the Common Area shall be considered loans to the Association which shall be repaid to Declarant as soon as financially feasible together with interest at the rate of ten percent (10%) per annum.

## **VI. PROPERTY RIGHTS IN THE LIMITED COMMON AREA**

**1. Owners' Easement of Enjoyment.** Every Owner who own a Lot which abuts a Limited Common Area shall have a right and easement of enjoyment in and to the Limited Common Area which shall be appurtenant to and shall pass with the title to said Lot, subject to the following provisions:

- (a) The right of the Association to make rules and regulations regarding the use of the Limited Common Area and charge reasonable admission and other fees for the use of any recreational facility situated upon the Limited Common Area;
- (b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against such Owner's Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (c) The right of the Association to dedicate or transfer all or any part of the Limited Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by all of the Owners abutting the Limited Common Area. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been recorded;
- (d) The right of the Association to borrow money from all available sources for the purpose of improving the Limited Common Area and in aid thereof to mortgage said Limited Common Area. However, such Limited Common Area may not be mortgaged unless an instrument consenting to such mortgage is signed by two-thirds (2/3rds) of the Owners abutting the Limited Common Area and is recorded. In the event of a default upon any such mortgage the lender's rights hereunder shall be limited to a right, after taking possession of such properties, to charge reasonable admission and other fees as a condition to continued enjoyment by the abutting Owners; and
- (e) The right of the Association to take such steps as are reasonably necessary to protect the Limited Common Area against foreclosure.

**2. Delegation of Use.** Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Limited Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property, subject to the rules and regulations established by the Association.

**3. Alteration of Limited Common Area.** No improvement, excavation or work which in any way alters the Limited Common Area from its existing state on the date any such area is conveyed by Grantor to the Association or a purchaser of a Lot shall be made or done by any person other than the Association or its authorized agents.

**4. Title to Limited Common Area.** Declarant may retain the legal title to the Limited Common Area until such time as it has completed improvements therein and until such time as, in the sole opinion of the Declarant, the Association is able to maintain the same. All costs incurred by Declarant in the maintenance of the Limited Common Area after completion of improvements and prior to conveyance of title to the Association shall be considered loans to the Association which shall be repaid to Declarant as soon as financially feasible together with interest at the rate of ten percent (10%) per annum from the date of each advance.

**5. Boating.** On all Limited Common Area lakes boating shall be allowed subject to the rules and regulations of the Association and the prohibition of any motor powered boats (including jet ski type boats) and boats in excess of twelve feet (12') unless a length requirement variance is granted by the Board.

**6. Pumping/Digging.** The pumping of water from any Limited Common Area lake or the digging or change in configuration or any lot located thereon is prohibited.

## **VII. COVENANT FOR MAINTENANCE ASSESSMENTS**

**1. Lien and Personal Obligation.** The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The covenant in this section shall not constitute a guarantee, or promise of any kind by Declarant to pay any assessments, or any other obligation of any other Owner, other than Declarant. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

**2. Purpose.** The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area and Limited Common Area. The assessments shall be placed in an account ("Common Fund") for such purposes.

**3. Maximum Annual Assessment.** Until January 1, 1996, the maximum annual assessment shall be Two Hundred Forty and No/100 Dollars (\$240.00) for each Lot which does not abut a Lake and Four Hundred Twenty and No/100 Dollars (\$420.00) for each Lot which abuts a Lake, per Lot and such annual assessment may be increased as follows:

- (a) From and after January 1, 1996, the maximum annual assessment per Lot may be increased each fiscal year not more than ten percent (10%) above the maximum assessment for the previous year, without a vote of the membership.
- (b) From and after January 1, 1996, the maximum annual assessment per Lot may be increased above ten percent (10%) by a vote of two-thirds (2/3rds) of each class (both voting and non-voting) of members who are voting in person or by proxy, at a meeting duly called for this purpose.
- (c) The Board of Directors may fix the annual assessment, from time to time, at an amount not in excess of the maximum.

**4. Special Assessments.** In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area or Limited Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3rds) of the votes of voting members of the Association who are voting in person or by proxy at a meeting duly called for this purpose.

**5. Notice and Quorum.** Written notice of any meeting called for the purpose of taking any action regarding assessments shall be sent to all members not less than fifteen (15) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes shall constitute a quorum. If the required quorum is not present, additional meetings may be called

subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

**6. Uniform Rate of Assessment.** Except as specifically provided herein, both annual and special assessments must be fixed at a uniform rate for all Lots. The Association may continue to distinguish between “lake” Lots and “dry” Lots in any future changes in the assessments levied by the Association.

**7. Unimproved Lots Owned by Declarant.** Declarant shall not be required to pay any annual maintenance charge or special assessment for any unimproved Lot owned by it unless and until a Living Unit has been built thereon and three (3) months have elapsed since the substantial completion of such Living Unit. Thereafter, commencing on the first day of the next succeeding calendar month, the full maintenance charge then assessed shall become applicable. The term “substantial completion” as used in this Declaration shall mean that a certificate of occupancy has been granted by the applicable governing authority and the residence is ready for sale or occupancy, except for minor items which must be furnished, completed, corrected or adjusted.

**8. Commencement and Due Dates.** Except as specifically provided herein, the assessments provided for herein shall commence as to all Lots upon recordation of this Declaration. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board shall fix the amount of the initial and subsequent annual assessments against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board and, unless otherwise provided, the Association shall collect each month from the Owner of each Lot, one-twelfth (1/12th) of the annual assessment for each Lot. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer, or the managing agent, if any, of the Association, setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

**9. Effect of Nonpayment and Remedies.** Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, then it shall bear interest from the due date at the lesser of (1) the highest interest allowed by law or (2) the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against such Owner’s Lot, and interest, costs and reasonable attorney’s fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or Limited Common Area, or abandonment of his Lot, or by renunciation of membership in the Association.

Each such Owner, by acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of liens against real property, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage foreclosure on real property and such Owner hereby expressly grants to the Association a power of sale in connection with the foreclosure of said lien.

One method of enforcement and foreclosure of such assessment liens, although not to the exclusion of other means of enforcement, shall be by the Association appointing, in writing, a Trustee, and upon requesting the Trustee to foreclose the lien, the Trustee shall do the following:

- (1) Advertise the time, place and terms of sale and mail notices as required by applicable law;

- (2) Sell all or any part of the property to the purchaser with a general warranty binding the defaulting Owner; and
- (3) From the proceeds of the sale, pay, in this order:
  - (a) Expenses of foreclosure, including a reasonable commission to Trustee;
  - (b) To the Association, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
  - (c) Any amounts required by law to be paid before payment to the defaulting Owner; and
  - (d) To the defaulting Owner, any balance.

The Association, acting on behalf of the Owners, shall have the power to bid for the interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same; and to subrogate so much of its right to such liens as may be necessary or expedient to an insurance company continuing to give total coverage notwithstanding nonpayment of such defaulting Owner's portion of the premium for fire and other hazard insurance.

If any of the property is sold under this lien, the defaulting Owner shall immediately surrender possession to the purchaser. If the defaulting Owner fails to do so, the defaulting Owner shall become a tenant at will of the purchaser, subject to an action for forcible detainer. Recitals in any trustee's deed conveying the property will be deemed conclusively true. Notwithstanding anything contained herein to the contrary, an Owner may give to the Association, subject to acceptance thereof by the Association, a deed in lieu of foreclosure.

**10. Subordination of the Lien to Mortgages.** The lien of the assessments provided for herein shall be subordinate and inferior to any mortgage, vendor's lien, deed of trust or other security instrument which secures any loan made by any lender to an Owner for any part of the purchase price of any Lot and the improvements thereon, if improved, when the same is purchased, or for any part of the cost of constructing, repairing, adding to, or remodeling the Living Unit and appurtenances situated on any Lot, and which mortgage, vendor's lien, deed of trust or other security instrument is filed for record prior to the date on which payment of any such charges or assessments become due and payable. Sale or transfer of any Lot or Living Unit shall not affect the assessment lien. However, the sale or transfer of any Lot or Living Unit pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve the Owner of such Lot or Living Unit from liability for any assessments thereafter becoming due or the Lot or Living Unit from the lien thereof.

**11. Exempt Property.** All properties dedicated to, and accepted by, a local public municipality or authority and the Common Area and Limited Common Area shall be exempt from the assessments created herein.

**12. Reserves and Surplus.** The Board may establish, from time to time, reserves for such lawful purposes as in its sole discretion it may determine necessary or desirable for the greater financial security of the Association and the effectuation of its purpose. The Association shall not be obligated to spend in any fiscal year all of the sums collected in such year, and may carry forward, as surplus, any balances remaining; nor shall the Association be obligated to apply any such surplus to the reduction of the amount of the annual assessment in the succeeding year, but may carry forward same from year to year.

**13. Establishment of Working Capital Fund.** Notwithstanding anything contained herein to the contrary, Declarant shall establish a working capital fund to insure that the Association will have the funds to meet unforeseen expenditures or to purchase any additional equipment or services. The fund should equal at least two-twelfths (2/12ths) of the annual

assessment for each Lot as determined by the Board. Any amounts paid into this fund should not be considered as advance payments of regular annual assessments.

**14. Collection of Working Capital Fund.** With respect to those Lots that are sold prior to commencement of annual assessments, each Owner shall pay the share of the working capital fund to the Association attributable to the Lots owned on the commencement of annual assessments thereon. With respect to those Lots that are sold by Declarant to a purchaser after commencement of annual assessments, each Lot's share of the working capital fund shall be collected from the purchaser at the time the sale of the Lot is closed and then shall be transferred to the Association for deposit to a segregated fund. Failure to collect such share at closing shall not constitute a waiver of the right to later collect said amount. Declarant shall not be required to pay into the working capital fund until Declarant has sold the Lot to a purchaser.

## **VIII. EASEMENTS**

**1. Utility Easements.** There is hereby created an easement upon, over and under the Properties for ingress, egress, installation, replacement, repair and maintenance of all utility and service lines and systems including but not limited to water, sewer (if any in the future), gas, telephone, electricity, television, cable or communication lines and other systems reasonably necessary for proper and effective operation. By virtue of this easement, it shall be expressly permissible for the Declarant or the providing utility or service company to install and maintain facilities and equipment on the Properties, to excavate for such purposes and to affix and maintain wires, circuits and conduits on, in and under the roofs and exterior wall of Living Units provided such company promptly restores disturbed areas to the condition in which they were found.

**2. Easements to Correct Drainage.** For a period of two years from the date of conveyance of each Lot, Declarant reserves an easement and right on, over and under the ground within the subject Lot to maintain and to correct drainage of surface water in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any grading of the land, or to take any other similar action reasonably necessary, following which the Declarant shall restore the affected property to its original condition as nearly as practicable. The Declarant shall give reasonable notice of intent to take such action to all affected Owners, unless in the opinion of the Declarant an emergency exists which precludes such notice.

**3. Construction Easements and Rights.** Notwithstanding any provision of this Declaration or of any Annexation Certificate, so long as Declarant or Builders are engaged in developing or improving any portion of the Properties, such persons shall have an easement of ingress, egress and use over any lands not conveyed to an Owner for occupancy for (1) movement and storage of building materials and equipment, (2) erection and maintenance of directional and promotional signs and (3) sales activities, including maintenance of model Living Units. Such easement shall be subject to such rules as may be established by Declarant to maintain reasonable standards of safety, cleanliness and general appearance of the Properties. Any violation which continues after substantial completion of improvements shall subject the builder use of such easement and owner of the lot to joint and several liability for three (3) times the actual cost, incurred by the Committee in clearing up the adjacent lot.

**4. Easement to Inspect and Maintain.** There is hereby created an easement in favor of the Master Association for ingress and egress on any Lot for the following purposes: (a) to inspect such property for alleged violations of the governing documents, based on formal, written complaints, and/or compliance with architectural standards and/or approved plans for alterations and improvements and (b) performing any maintenance as is required on such Lots, provided the Owner is given written notice of the purpose and time of inspection at least three (3) days in advance thereof and such inspection is performed during reasonable hours.

**5. Easement for Governmental Personnel.** A right of entry on any Lot, Living Unit,, Limited Common Area or Common Area is hereby granted to law enforcement officers and fire

and rescue personnel as needed to carry out their duties, including enforcement of cleared emergency vehicle access.

## **IX. INSURANCE**

**1. Physical Damage Insurance.** The Association shall obtain fire and extended coverage insurance for no less than one hundred percent (100%) of the replacement cost (based on insurable value) of the Common Area and Limited Common Area having an insurable value. The policy shall name as the insured the Association. All hazard insurance proceeds for losses must be used for the repair, replacement or reconstruction of the Common Area or Limited Common Area which was damaged.

**2. Public Liability Insurance.** The Association shall obtain Comprehensive General Liability Insurance with a Broad Form Comprehensive General Liability endorsement (this may be included in a multi-peril package if so desired), Directors and Officers Liability Insurance, and Hired Car, Employee Nonowner Automobile Liability Insurance with limits in the amount not less than those limits required as 'Underlying Limits of Liability' to purchase an Umbrella Policy. Furthermore, the Association shall purchase an Umbrella Policy protecting the Association, the Board, Officers, Employees and/or Agents of such Association, in a combined single limit amount of not less than \$1,000,000.00, or such other comparable insurance as the Association deems desirable. Premiums for Public Liability insurance shall be part of the common expense payable out of annual assessments provided herein. Any insurance policy obtained pursuant to this section shall contain a 'severability of interest' clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association or other Owners, and must provide for at least ten (10) days' written notice to the Association before the insurer can cancel or substantially modify it. Each Owner shall be responsible for his own personal liability for any areas within the exclusive use and occupancy of such Owner.

**3. Limitations on Hazards.** Under no circumstance shall an Owner permit or suffer anything to be done or left on the Properties which will increase the insurance rate on the Common Area or Limited Common Area.

### **4. Repair or Reconstruction.**

- (a) In the event of any injury or damage to or destruction of any part of the improvements on the Common Area or Limited Common Area as a result of fire or other casualty covered by insurance, the Association shall arrange for the repair and restoration of the improvements in accordance with the original plans and specifications (except as modified to changed building requirements or conditions), if any, and the Association shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration, in appropriate progress payments.
- (b) If such insurance indemnity or proceeds collected shall exceed the total cost of such reconstruction or repair, then, unless the contract of insurance or the Bylaws, as existing or as may be hereafter amended, shall specify otherwise, the Association shall retain such excess in the Common Fund.
- (c) Where the insurance indemnity is insufficient to cover the cost of reconstruction, and reconstruction is required as provided for herein, the building or reconstruction costs in excess of the insurance proceeds shall be paid by the Association from the Common Fund, and in the event the Common Fund is inadequate to cover such cost, such inadequacy shall be paid for by all Owners by a special assessment in proportion to their respective interests, as set forth in this Declaration. No vote on such special assessment shall be necessary.

- (d) With respect to the allocation of sums required to be paid within the limits of the deductible portion of insurance policies, the party causing the damage shall be responsible for such deductible amount, whether or not caused by the negligence or fault of such party.

**5. Flood Insurance.** If any part of the Common Area or Limited Common Area is in a special flood hazard area (as defined by the Federal Emergency Management Agency) the Association shall maintain a “master” or “blanket” policy of flood insurance, if available, and if not available, the Association shall maintain specific insurance on any building, its contents, or other improvement, if and as available, and the premiums shall be paid as a common expense. The policy shall cover any Common Area or Limited Common Area buildings and any other common property. The amount of insurance should be at least equal to the lesser of the following:

- (1) One hundred percent (100%) of the current replacement cost of all buildings and other insurable property located on the Common Area or Limited Common Area in the flood hazard area; or
- (2) The maximum coverage available for such property under the National Flood Insurance Program.

**6. Fidelity Bonds.** The Association shall obtain Blanket Fidelity Bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The Association shall require any management agent who handles funds for the Association to also obtain its own Fidelity Bond. Except for fidelity bonds that a management agent obtains for its personnel, all other bonds should name the Association as an obligee and should have their premiums paid as a common expense by the Association. The Fidelity Bond should cover the maximum funds that will be in the custody of the Association or its management agent at any time while the bond is in force. In addition, the Fidelity Bond coverage must at least equal the sum of three (3) months’ assessments on all the Properties, plus the Associations’ reserve funds, if any. In no event shall the amount of the bond ever be less than one and one-half times the insured’s estimated annual operating expenses and reserves. The bonds must include a provision that calls for ten (10) days’ written notice to the Association before the bond can be cancelled or substantially modified for any reason. This same notice must also be given to each servicer that services a FNMA-owned mortgage within the Properties.

**7. Other Insurance.** The Association shall have the authority to procure whatever other forms or types of insurance it deems desirable.

## **X. CONDEMNATION**

If all or any part of the Properties are taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association, with respect only to the Common Area, Limited Common Area and common facilities, and each Owner, with respect to such Owner’s Lot(s) and/or Living Unit(s), shall be entitled to participate in proceedings incident thereto at their respective expense. The Association shall give timely written notice of the existence of such proceeding (which concerns the Common Area or common facilities) to all Owners and to all First Mortgagees known to the Association to have an interest in any of the Lots and/or Living Units. The expense of participation in such proceedings by the Association shall be borne by the common fund. The Association is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. AU damages or awards for any such taking shall be deposited with the Association and such damages or awards shall be paid into the common fund.

## **XI. GENERAL COVENANTS**

**1. Estate.** Each Lot shall be conveyed as a separately designated and legally described freehold estate according to a subdivision plat subject to the terms, conditions and provisions hereof but without the necessity of specifically referring to same.

**2. Sports Activities.** There shall be no organized sports activities in the Common Area or Limited Common Area, except as designated by the Board.

**3. Zoning and Specific Restrictions.** These Restrictions shall not be taken as permitting any action or thing prohibited by the applicable zoning laws, or the laws, rules or regulations of any governmental authority, or by specific restrictions of record. In the event of any conflict, the most restrictive provisions of such laws, rules, regulations, restrictions of record, or these Restrictions shall be taken to govern and control.

**4. Nuisances.** No noxious or offensive activities (including but not limited to the repair of motor vehicles) shall be carried on upon the Properties. No horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of a Living Unit and its contents, shall be placed or used in any such Living Unit. No loud noises, noxious odors, noisy or smoky vehicles, large power equipment or large power tools, unlicensed off-road motor vehicles or items which may unreasonably interfere with television or radio reception of any Owner, shall be located, used or placed on any portion of the Properties, or exposed to the view of other Owners without the prior written approval of the Board. The Board shall have the authority to determine if any noise, odor, or activity producing such noise or odor constitutes a nuisance. No Owner shall permit or cause anything to be done or kept on the Properties which will obstruct or interfere with the rights of other Owners, nor will such Owner commit or permit any nuisance thereon. Each Owner shall comply with all of the requirements of the local or state health authorities and with all other governmental authorities with respect to the occupancy and use of a Living Unit. Each Owner shall be accountable to the Association and other Owners for the conduct and behavior of children and other family members or persons residing in or visiting his Lot and/or Living Unit; and any damage to the Common Area, Limited Common Area, personal property of the Association, or property of another Owner, caused by such children or other family members, shall be repaired at the sole expense of the Owner with whom such children or other family members or persons are residing or visiting.

**5. Drainage.** There shall be no interference with the established drainage pattern over any Lot within the Properties, unless an adequate alternative provision is made for proper drainage. For the purposes hereof, "established drainage is defined as the drainage which exists at the time that such Lot and/or Living Unit is conveyed to a purchaser from Declarant, which may include drainage from the Common Area and Limited Common Area over any Lot(s) and drainage easements shown on the recorded plat of the Properties across any Lot(s).

**6. View Obstructions.** Each Owner by accepting a deed to a Lot hereby acknowledges that any construction or installation by Declarant or other Builders may impair the view of such Owner and hereby consents to such impairment. No improvement or other obstruction shall be constructed, planted or maintained upon any Lot and/or Living Unit in such location or of such height as to unreasonably obstruct the view from any other Owner in the vicinity thereof. If there is a dispute between Owners concerning the obstruction of a view, the dispute shall be submitted to the Board, whose decision in such matters shall be binding. Any item or vegetation maintained upon any Lot or Living Unit which item or vegetation is exposed to the view of any Owner, shall be removed or otherwise altered to the satisfaction of the Board, if the Board determines that the maintenance of such item or vegetation in its then existing state is contrary to the purposes or provisions of this Declaration. The Board shall ensure that the vegetation on the Common Area and Limited Common Area maintained by the Association is maintained, so that the view of any Owner is not unreasonably obstructed.

## **XII. GENERAL PROVISIONS**

**1. Enforcement.** The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Damages shall not be deemed adequate relief for any breach or violation of any provision hereof. Any person or entity entitled to enforce any provision hereof shall be entitled to relief by way of injunction as well as any other available relief either at law or in equity and such remedies shall be deemed cumulative, and not exclusive of the other. Any party to a proceeding who succeeds in enforcing a Restriction or enjoining the violation of a Restriction against an Owner shall be awarded a reasonable attorney's fee against such Owner.

**2. No Waiver.** The failure of Declarant, the Association or the Owner of any Lot included in the Properties, their respective legal representatives, heirs, successors and assigns, to enforce any Restriction herein contained shall in no event be considered a waiver of the right to do so thereafter, as to the same violation or breach or as to such a violation or breach occurring prior or subsequent thereto.

**3. Severability.** The determination by a court that any provision hereof is invalid for any reason shall not affect the validity or enforceability of any other provision hereof.

**4. Observance Hereof.** Each grantee accepting a deed, lease or other instrument conveying any interest in any Lot, whether or not the same incorporates or refers to these Restrictions, covenants for himself, his heirs, successors and assigns to observe, perform and be bound by these Restrictions.

**5. FHA/VA Approval.** As long as there is a non-voting membership and there is a valid VA or FHA letter of acceptance outstanding and in good standing on the subject property, the following actions will require the prior approval of the Federal Housing Administration ("FHA") or the Veterans Administration ("VA"): Annexation of additional Properties, dedication of Common Area and Limited Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions (except for ministerial amendments specially provided herein).

**6. Regulatory Requirements.** Notwithstanding anything contained herein to the contrary, Declarant hereby reserves the right, without the necessity of joining any Owner or Mortgagee, to further amend this Declaration to meet any requirement of the FHA, VA, the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA"), the Government National Mortgage Association ("GNMA"), or the Office of Interstate Land Sales Registration ("OILSR"), and each Owner, by accepting conveyance of any Lot or Living Unit subject to this Declaration does hereby grant to Declarant a specific irrevocable power of attorney, which power is coupled with an interest, to execute and file for record any such amendments to this Declaration as may hereafter be necessary to meet the requirements of the said PHA, VA, FHLMC, FNMA, GNMA or OILSR.

**7. Duration.** The Restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by The Association, or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then-Owners of two-thirds (2/3rds) of the voting rights has been recorded, agreeing to change said Restrictions in whole or in part. Provided, however, that no such agreement to change shall be effective unless made and recorded three (3) years in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

**8. Notices.** Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Owner on the records of the Association at the time of

such mailing. Absent specific written notice of such address and/or ownership, the Association may address such notices to "Owner", at the subject Lot or Living Unit address.

**9. Interpretation.** The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of the Common Area and Limited Common Area. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the masculine, feminine and neuter.

**10. Proposals of Declarant.** Any proposals of the Declarant, as set forth in various provisions hereinabove, to develop additional parcels of property for residential purposes and/or to expand the Common Area and Limited Common Area (not only geographically but also in terms of the types of amenities available for use) and items of a related nature are mere proposals and expressions of the existing good faith intentions and plans of the Declarant and shall not be deemed or construed as promises, solicitations, inducements, contractual commitments or material representations by the Declarant upon which any person or entity can or should rely.

**11. "AS IS".** Each Owner understands that all Lots are to be conveyed by Declarant subject to the following, whether or not a similar provision is contained in the Owner's conveyance document or not:

Except as specifically stated herein, Grantor hereby specifically disclaims any warranty, guaranty, or representation, oral or written, past, present or future, of, as, to, or concerning (i) the nature and condition of the Property, including but not by way of limitation, the water, soil, geology and the suitability thereof, and of the Property, for any and all activities and uses which Grantee may elect to conduct thereon or any improvements Grantee may elect to construct thereon, income to be derived therefrom or expenses to be incurred with respect thereto, or any obligations or any other matter or thing relating to or affecting the same; (ii) the manner of construction and condition and state of repair or lack of repair of any improvements located on the Property or any Common Area or Limited Common Area related thereto; (iii) except for any warranties contained herein, the nature and extent of any easement right-of-way, lease, possession, lien, encumbrance, license, reservation, condition or otherwise; and (iv) the compliance of the Property or the operation of the Property with any laws, rules, ordinances, or regulations of any government or other body. THE CONVEYANCE OF THE PROPERTY AS PROVIDED HEREIN IS MADE ON AN "AS IS" BASIS, AN] GRANTEE ACKNOWLEDGES THAT, IN CONSIDERATION OF THE AGREEMENTS OF GRANTOR HEREIN, EXCEPT AS OTHERWISE SPECIFIED HEREIN, GRANTOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT IN NO WAY LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY.

### **XIII. LIENHOLDER RATIFICATION AND PROTECTION**

**1. Ratification.** The owner and holder (whether one or more) of lien(s) covering the Properties has executed this Declaration to evidence its joinder in, consent to, and ratification of the imposition of the foregoing Restrictions. No violation of any of these Restrictions shall defeat or render invalid the lien of any mortgage made in good faith and for value upon any portion of the Properties; providing however, that any mortgagee in actual possession, or any purchaser at any mortgagee's foreclosure sale, shall be bound by and subject to these Restrictions as fully as any other Owner of any portion of the Properties.

**2. Notices.** Notwithstanding anything herein to the contrary, the holder, insurer or guarantor of a mortgage on any Lot shall be given written notice by the Association (provided such holder, insurer or guarantor has furnished the Association with written notice of its name, address, and the property securing same), of any one or more of the following:

- (a) Any condemnation or casualty loss that affects either a material portion of the Properties or the Lot securing its mortgage;
- (b) Any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any Lot on which it holds the mortgage;
- (c) A lapse, cancellation or material modification of any insurance policy or Fidelity Bond maintained by the Association; and
- (d) Any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

**3. Taxes, Insurance and Other Charges.** The first mortgagees of Lots may, jointly or separately, pay taxes or other charges which are in default and which may or have become a charge against any Common Area or Limited Common Area and may pay overdue premiums on insurance policies or fidelity bonds, or secure new insurance coverage or fidelity bonds on the lapse of a policy or bond, and the mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

**4. Material Amendments.** The consent of at least ninety percent (90%) of the members in the Association (both voting and non-voting) and the approval of eligible mortgage holders (those holders of a first mortgage on a Lot who have requested the Association to notify them of any proposed action that requires the consent of a specified percentage of eligible mortgage holders) representing at least seventy-five percent (75%) of the votes subject to mortgages held by eligible holders, shall be required to add or amend any material provisions to this Declaration including those provisions which provide for, govern or regulate any of the following, unless otherwise specifically provided herein, to-wit:

- (a) Voting rights, unless Declarant desires to amend this Declaration to uniformly extend voting to all members before the time period provided for in Article III, in which case Declarant shall have the unilateral right to so amend this Declaration;
- (b) Assessments (except as to the amount of the same), assessments liens, or subordination of such liens;
- (c) Reserves for maintenance, repair and replacement of Common Area and Limited Common Area;
- (d) Responsibility for maintenance and repairs;
- (e) Reallocation of interests in the Common Area, Limited Common Area, or right to its use;
- (f) Boundaries of any Lot and/or Living Unit;
- (g) Convertibility of Lots or Living Units into Common Area or Limited Common Area or vice versa;
- (h) Expansion or contraction of the Properties, or the addition, annexation or withdrawal of property to or from the Properties;
- (i) Insurance or Fidelity Bonds;

- (j) Leasing of Lots and/or Living Units;
- (k) Imposition of any restrictions on a Lot Owner's right to sell or transfer such Owner's Lot or Living Unit;
- (l) A decision by the Association to establish self-management when professional management had been required previously by an eligible mortgage holder;
- (m) Restoration or repair of the Properties (after a hazard damage or partial condemnation) in a manner other than that specified in the documents;
- (n) Any action to terminate the legal status of the Properties after substantial destruction or condemnation occurs; or
- (o) Any provisions that expressly benefit mortgage holders, insurers or guarantors.

**5. Termination of PUD Status.** The consent of all Owners of Lots and the approval of eligible mortgage holders representing at least sixty-seven percent (67%) of the votes of the mortgaged Lots must agree before the PUD status of the Properties can be terminated for reasons other than substantial destruction or condemnation of the Properties.

**6. General Amendments.** Except as specifically provided herein, and the requirement of VA or FHA consent, this Declaration may be amended by an instrument signed by those persons representing fifty-one percent (51%) of the votes of the Association. Any amendment must be recorded. The Declarant shall have and reserves the right at any time, and from time to time, without the joinder or consent of any other party, to amend this Declaration by an instrument in writing, duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical error, ambiguity, or inconsistency appearing herein, provided that any such amendment shall be consistent with and in furtherance of the general plan of development as evidenced by this Declaration and shall not impair or affect the vested Property or other rights of any Owner or his mortgagee.

DATED this 26 day of June, 1995.

**KING ESTATES, INC.,  
a Texas corporation**

By: W.T. Young  
Its Pres.  
W.T. Young

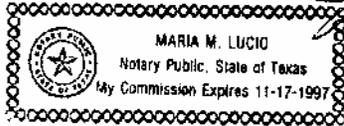
**Lienholder:**

**PACIFIC SOUTHWEST BANK, F.S.B.**

BY: Tony Floyd  
Its V.P.  
Tony Floyd

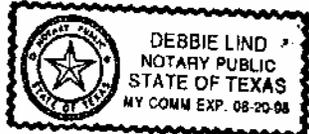
THE STATE OF TEXAS §  
COUNTY OF NUECES §

This instrument was acknowledged before me on this 26 day of June, 1995, by  
W. T. YOUNG, PRESIDENT of  
KING ESTATES, INC., a Texas corporation, on behalf of said corporation.

 *Maria M. Lucio*  
Notary Public, State of Texas

THE STATE OF TEXAS §  
COUNTY OF NUECES §

This instrument was acknowledged before me on this 27 day of June, 1995, by  
Tony Floyd, Vice President of  
PACIFIC SOUTHWEST BANK, F.S.B., a banking institution, on behalf of said bank.

 *Debbie Lind*  
Notary Public, State of Texas

AFTER RECORDING RETURN TO:  
Mark B. Gilbreath  
**NICOLAS, MORRIS & BARROW**  
5926 South Staples, Suite A-2  
Corpus Christi, Texas 78413

MASTER DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

KING ESTATES UNIT 1 AND ADDITIONS

GF# 95-05-126NB  
AMOUNT: \_\_\_\_\_  
PAGES: 22  
SAN JACINTO TITLE COMPANY

Doc# 967351  
# Pages / 22  
Date : 06-27-1995  
Time : 04:23:54 P.M.  
Filed & Recorded in  
Official Records  
of NUECES County, TX.  
ERNEST N. BRIONES  
COUNTY CLERK  
Rec. \$ 49.00

Any provision herein which restricts the Sale, Rental or use  
of the described REAL PROPERTY because of Race, Color,  
Religion, Sex, Marital Status or National Origin, is  
invalid and unenforceable under FEDERAL LAW, 3/12/89.

STATE OF TEXAS  
COUNTY OF NUECES  
I hereby certify that this Instrument was FILED in File Number  
Sequence on the date and at the time stamped herein by me, and  
was duly RECORDED, in the Official Public Records of  
Nueces County, Texas on

JUN 27 1995



*Ernest N. Briones*  
COUNTY CLERK  
NUECES COUNTY, TEXAS

EXHIBIT "A"

A tract of land out of the south one half of Section 31 and the north one half or Section 32, Laurales Farm Tracts, as shown on the Map thereof recorded in Volume 3, Page 15 of the Map Records of Nueces County, Texas, located south of FM 2444 (South Staples Street) and west of Oso Creek adjacent to the city limit of Corpus Christi, Nueces County, Texas, said tract being more particularly described by mates and bounds as follows:

COMMENCING at a 5/8 inch iron rod at the point of intersection of the mid—section line of Section 31, being the centerline of FM 2444 (South Staples Street), with the west section line of Section 31, being the centerline of County Road 41;

THENCE with the mid—section line of Section 31 and the centerline of FM 2444 S 8 degrees 58' 05" E 2887.19 feet to a point for the northwest corner end POINT OF BEGINNING of the tract herein described, from which point a 5/8 inch iron rod set on the south boundary of FM 2444 bears South 40.00 feet;

THENCE continuing with said mid-section line and centerline S 69 degrees 58' 05" E 1432.51 feet to a 5/8 inch iron rod set for the northeast corner of this tract;

THENCE S 00 degrees 00' 00". E, at 40.0 feet pass a 5/8 inch iron rod set on the south boundary of FM 2444, in all 1041.02 feet to a 5/8 inch iron rod found for an inside Corner of this tract;

THENCE S 89 degrees 58' 05" E 1000.00 feet to a 5/8 inch iron rod found for an inside corner of this tract;

THENCE N 00 degrees 01' 55" E 114.30 feet to a 5/8 inch iron rod found for a corner;

THENCE S 60 degrees 58' 05" E 548.34 feet to a 5/8 inch iron rod found at a point of tangency at the beginning of a circular curve to the right having a central angle of 61 degrees 00' 00" and a radius Of 520.23 feet;

THENCE with said curve in a southeast direction an arc distance of 553.86 feet to a 5/8 inch iron rod found at the point of tangency at the end of said curve;

THENCE S 00 degrees 01' 55" W 340.00 feet to a 5/8 inch iron rod found for an inside corner of this tract;

THENCE S 89 degrees 58' 05" E 200.00 feet to a 5/8 inch iron rod found for a Corner of this tract;

THENCE S 26 degrees 28' 07" E 560.00 feet to a 5/8 inch iron rod found for a corner;

THENCE S 38 degrees 28' 07" E 355.13 feet to a 5/8 inch iron rod found for a corner;

THENCE S 17 degrees 02' 08" W 575.40 feet to a 5/8 inch iron rod found for a corner;

THENCE South 727.11 feet to a 5/8 inch iron rod found for a corner;

THENCE S 77 degrees 00' 00" E 501.71 feet to a 5/8 inch iron rod found on the gradient boundary of Oso Creek General Land Office letter dated .January 31, 1984, for a corner of this tract;

THENCE with said gradient boundary S 07 degrees 15' 20" W 110.56 feet to a 5/8 inch iron rod found for a corner of this tract;

THENCE N 77 degrees 00' 00" W 487.38 feet to a 5/8 inch iron rod found for an inside corner of this tract;

THENCE South 230.00 feet to a 5/8 inch iron rod found for a corner;

THENCE West 400.00 feet to a 5/8 inch iron rod found for an inside corner of this tract;

THENCE South 890.00 feet to a 5/8 inch iron rod found on the south boundary of the north one half of Section 32 for a corner of this tract;

THENCE with said boundary West 3301.05 feet to a 5/8 inch iron rod set for the southwest corner of this tract;

THENCE North 5279.77 feet to the POINT OF BEGINNING, containing in all 37454 acres, more or less.



*Harold K. Shearer*  
Harold K. Shearer, RPLS

**RECORDERS MEMORANDUM**  
At the time of recording, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

Doc# 969330  
# Pages: 25  
Date : 07-12-1995  
Time : 03:07:21 P.M.  
Filed & Recorded in  
Official Records  
of NUECES County, TX.  
ERNEST M. BRIONES  
COUNTY CLERK  
Rec. \$ 55.00

GF#	<u>95-05-106NB</u>
AMOUNT:	_____
PAGES:	<u>25</u>
SAN JACINTO TITLE COMPANY	

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of Race, Color, Religion, Sex, Handicap, Familial Status or National Origin, is invalid and unenforceable under FEDERAL LAW, 3/12/86.

STATE OF TEXAS  
COUNTY OF NUECES

I hereby certify that this instrument was FILED in File Number \_\_\_\_\_ Sequence on the date and at the time stamped herein by me, and was duly RECORDED, in the Official Public Records of Nueces County, Texas on

JUL 12 1995



*Ernest M. Briones*  
COUNTY CLERK  
NUECES COUNTY, TEXAS

**PRIVATE LAND USE REGULATIONS FOR  
KING ESTATES UNIT 2**

(Restrictive Covenants for a Residential Subdivision)

DATE: March 19, 1996

OWNER:

King Estates, Inc., a Texas corporation  
Post Office Box 9197  
Corpus Christi, Nueces County, Texas 78469

LIENHOLDER:

Pacific Southwest Bank, F.S.B.  
800 North Shoreline Boulevard  
Corpus Christi, Nueces County, Texas 78401

SUBDIVISION:

**King Estates Unit 2**, a Subdivision in Nueces County, Texas, as shown by map or plat thereof recorded in Volume 57, Pages 106, 107 and 108, Map Records, Nueces County, Texas, to which reference is here made for all pertinent purposes.

ARCHITECTURAL CONTROL COMMITTEE or COMMITTEE:

Name: **W. T. Young**  
Address: Post Office Box 9197  
Corpus Christi, Texas 78469

Name: **Glenn Young**  
Address: Post Office Box 9197  
Corpus Christi, Texas 78469

Name: **Henry L. Tucker, Sr.**  
Address: 3834 Apollo  
Corpus Christi, Texas 78413

**RECITALS:**

First. The Owner owns fee simple title to the land in the Subdivision and has subdivided the land into lots and blocks with streets and easements as desired by the Owner and/or required by the governmental entity with jurisdiction to regulate the Subdivision.

Second. Owner desires to carry out and have maintained a uniform plan for the use and improvement of the Subdivision, and Owner has therefore created the covenants, conditions and restrictions, whether mandatory, prohibitive, permissive, or administrative (collectively called the 'Regulations') to run with the land making up the Subdivision and to regulate the structural integrity, appearance and use of lots and the improvements placed on the lots.

Third. The Regulations are entitled to run with the land because: (i) the Regulations touch and concern the land by, among other things, benefitting and controlling the use of the land; (ii) privity of estate exists among all of the land in the Subdivision by reason of the Owner holding legal and equitable title to the land out of which all of the land shall be conveyed subject to the Regulations; (iii) notice is given of the Regulations contained herein when this instrument is filed in the Official Real Property Records in the County in which the Subdivision land is situated; and (iv) the Regulations are reasonable in light of their purpose being for the common

benefit of all of the land in the Subdivision, in order to reduce uncertainty in living conditions and to encourage investment in the Subdivision.

Fourth. The Regulations shall run with the land and shall be binding upon and inure to the benefit of the Owner, the Owner's successors and assigns; further, each person or entity, by acceptance of title, legal or equitable, to any portion of land out of the Subdivision, shall abide by and perform the Regulations and the other terms hereof. In the event of the failure of any contract and/or deed to any portion of land out of the Subdivision to refer to this instrument, the Regulations and other terms of this instrument shall nevertheless be considered a part thereof, and any conveyance of such land shall be construed to be subject to the Regulations and other terms hereof. It is understood and agreed that these Regulations relate to and affect only the Subdivision land described above and no other land, and that the only Regulations are those expressed in this instrument, and no restrictive covenants are to be implied.

## **I. DEFINED TERMS**

1. Corner Lot. A "corner lot" is a lot that abuts on more than one street.
2. Front of Lot. Each lot, except a corner lot, shall be deemed to "front" upon the street which it abuts. A corner lot shall be deemed to front upon the street designated by the Architectural Control Committee, but if no designation is made then the corner lot shall be deemed to front upon the street abutting the smaller dimension.
3. Lot. A "lot" is a single family residential building site in the Subdivision.
4. Lake Lot. A "lake lot" is a lot which abuts a private lake.
5. Street. A "street" includes any automobile passageway shown as a thoroughfare on the recorded map of the Subdivision.

## **II. ARCHITECTURAL CONTROL**

1. Creation of Committee. There is here created an Architectural Control Committee which shall be composed of the three (3) members identified above. Each member shall serve until a successor is named. A majority of the Committee may designate a representative to act for it. Unless later modified in writing, any of the original members named above shall be allowed to act on behalf of the Committee without joinder or approval of the others. In the event of the death or resignation of any member of the Committee, the remaining members shall have full authority to designate and appoint a successor. No member of the Committee, or his designated representative, shall be entitled to any compensation for services performed. The Committee and its members shall be free from liability for actions within the scope of the Committee's function, unless gross negligence is proven. All owners hereby expressly waive and relinquish any and all claims against the Committee or its members, except for claims of gross negligence.

2. Change of Membership and Amendment of Authority. The record owners of a majority of the lots in the Subdivision shall have the power, at any time with Owner's consent, or, after five (5) years from this date without Owner's consent, through a duly recorded written instrument, to change the membership of the Committee, to withdraw powers and duties from the Committee, or to restore the powers and duties of the Committee. Such action shall be effective upon recordation of a written instrument properly reflecting same.

3. Required Approval of Plans. No building or any other structure or improvement shall be erected, placed or altered on any lot until the plans and specifications showing all aspects of the structures and improvements have been approved by the Committee as to: (i) quality of workmanship and materials; (ii) harmony of external design with existing structures and improvements; (iii) location with respect to topography and finish grade elevation; and (iv) compliance with the Regulations.

4. Procedure for Review. All final plans and specifications must be submitted in duplicate to the Committee for approval prior to start of any construction. Any structure or improvements affected by these Regulations shall be the subject of such a plan. At such time as the plans and specifications meet the approval of the Committee, one complete set of such plans and specifications will be retained by the Committee and the other complete set will be marked "approved", and returned to the lot owner. Any modification or change to the approved set of plans and specifications which affects an aspect which is the subject of these Regulations must be approved by the Committee. In the event such plans and specifications are not approved, or in the event construction is not in conformity with the approved plans and specifications, the owner and the contractor agree and covenant to conform such construction to the requirements of these Regulations and the Committee.

5. Approval Process. The Committee's approval or disapproval as required in these Regulations shall be in writing. In the event the plans and specifications are properly submitted to the Committee for its review, and the Committee, or its designated representative, fails to approve or disapprove such plans and specifications within thirty (30) days after being submitted to the Committee, and if no suit to enjoin the construction is commenced prior to the completion of such construction, then approval is presumed. Unless change by majority approval of the Committee, the current Committee agrees to be bound by the decision of any one of the members each of whom are hereby designated to act without approval of the other members.

6. Authority to Modify. The Committee shall have the right and authority to waive or modify any Regulation where, in the opinion of the Committee, such action is necessary for the advantage and best appearance of the Subdivision, only in the following circumstances:

- a. Where one lot and all or a portion of other contiguous lots are being used together for the purpose of building a single family residence.
- b. In the case of lots which are unusual in size, or which are of an unusual or irregular shape.
- c. In the case of change circumstances arising from either advances in technology or other unforeseen developments resulting in the need for such action in order to accomplish the original purposes of these Regulations.

7. Architectural Standards Bulletins. The Committee may from time to time promulgate and publish architectural standards bulletins ("Bulletins") which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of these Regulations. Although the Committee shall not have unbridled discretion with respect to taste, design and any absolute standards specified herein, the Committee shall be responsive to technological advances or general changes in architectural designs and related conditions in future years and use its best efforts to balance the equities between matters of taste and design anti use of private property. Such Bulletins shall supplement these Regulations and are incorporated herein by reference, and shall be furnished to each Owner upon request.

8. Assignment of Committee Enforcement Rights. When these Regulations provide for enforcement by the Committee it is understood that the Committee may assign to the Master Association for King Estates any rights to enforce these Regulations or assess penalties in connection therewith.

### **III. ESTATES AND EASEMENTS**

1. Estate. Each lot shall be conveyed as a separately designated and legally described freehold estate according to the Subdivision plat, subject to these Regulations, but without the necessity of specifically referring to same.

2. Easements. All lots are subject to certain easements over and across portions of each lot, as shown by the Subdivision plat. The easements are deemed appropriate or necessary for various purposes including drainage and/or the installation, use or maintenance of public utilities and/or equipment necessary for the performance of any public or quasi-public utility service or function. The easements include the right of access for the purpose of further

construction and maintenance. The right of access shall include the right, without liability on the part of the owners or operators of such utilities, to remove any obstructions on said easements as in its opinion may interfere with installation or operations. The easements are for the general benefit of the Subdivision and the property owners and are reserved and created in favor of all utility companies serving the Subdivision. Nothing set out above shall prohibit the use of the easements or rights-of-way by abutting owners for the construction of fences, walks or drives, provided no permanent structures are constructed in it and provided no damages shall accrue to the Owner, the City with jurisdiction over the Subdivision, if any, or any utility company because of the removal and non-replacement of all or any portion of such improvements for the purpose of operating utilities in such easements. Without limiting the foregoing, no improvements (including fencing) shall be constructed within abutting, or near any Drainage Easement areas if said improvements will, in the sole opinion of the Committee, unreasonably restrict drainage flow through the easement. All fencing in or abutting the Drainage Easement areas shall have a minimum of six-inch (6") spacing between any fence boards located in the easement and any fence shall be approved by the Committee before construction. Drainage Basement areas include the one hundred fifty foot (150') wide Drainage Right-of-Way.

#### **IV. USE REGULATIONS**

1. Activity. No commercial activity shall be carried on upon any lot, nor shall anything be done thereon which may create environmental contamination or which may be or become an annoyance, nuisance, or environmental hazard to other owners in the Subdivision.

2. Animals. No horses, cattle, cows, swine, sheep, goats, poultry or livestock of any kind, other than pets of reasonable kind and number ordinarily kept in residential subdivisions, may be kept on any part of the Subdivision. No pets may be kept or bred for commercial purposes nor shall they be allowed to run at large within the Subdivision. Should ordinary household pets become a nuisance in the sole opinion of the Committee, they must be removed from the Subdivision.

3. Construction Period. All exterior construction of the primary residential structure, garage, porches, and any other appurtenances or appendages of every kind on any lot, and all interior construction (including but not limited to all electrical outlets in place and functional, all plumbing fixtures installed and operational [including being connected to water and sewer lines], all cabinet work completed, all interior walls, ceilings, and doors completed and covered by paint, wallpaper, paneling or the like, and all floors covered by wood, carpet, tile or other similar floor covering) shall be completed not later than eighteen (18) months following the date on which foundation forms are set. If all or any portion of the improvements are damaged or destroyed by fire or other casualty, it shall be the duty of the owner thereof, with all due diligence, to reconstruct such improvements in a manner which will substantially restore it to its appearance and condition immediately prior to the casualty. Reconstruction shall be undertaken within six (6) months after the damage occurs. Due to the impossibility of being able to ascertain the exact amount of actual damages, an owner's failure to timely comply with this Article IV, Section 3 after fifteen (15) days prior written notice to the owner, shall result in liquidated damages being due to the Committee in the amount \$100.00 for each day of noncompliance.

4. Detached Buildings and Temporary Structures. No garage or outbuilding apartments for rental purposes are permitted on any lot. All living quarters on any lot, other than in the main building, must be for the bona fide use of the owner's or occupant's immediate family or household helpers hired to maintain the household. No structure of a temporary nature, nor any trailer, basement, tent, shack, garage, barn or other outbuilding, or any part thereof, shall be used as a residence or dwelling, either temporarily or permanently, except as specifically authorized by these Regulations.

5. Further Subdivision. No lot shall be further subdivided and separated into smaller lots, and no portion less than all of any such lot, nor any easement or other interest therein, shall

be conveyed or transferred; provided that this provision shall not prohibit deeds of correction or deeds to resolve boundary line disputes and similar corrective instruments.

6. Garbage Disposal and Dumping. Garbage shall not be kept except in sanitary containers and such containers shall be kept in a clean and sanitary condition. Underground garbage can holders or other devices (designed to prevent unsightly cans being seen from the street) must be approved by the Committee; or in the alternative, back-door, off-the-street garbage and trash pick-up service must be provided for each lot in the Subdivision by its owner or occupant. Other than on the day of trash pick-up, no trash cans or garbage cans shall at any time or times be permitted to remain on the street or in front of the lots forward of the building line so that same may be seen by a person using the street in the Subdivision. No lot shall be used or maintained as a dumping ground for trash, and no dumpsters shall be placed anywhere in the Subdivision, including the public streets (except on lots where a residence is being constructed and only during the construction period).

7. Mineral Activity. No mineral exploration, development, production, storage, treatment, or operations of any kind shall be permitted upon any lot.

8. Parking and Storage. House trailers, campers, trailers, boats, buses, trucks or similar vehicles shall be parked only as and where approved by the Committee. Automobile parking on driveways or streets for a time period greater than ten (10) days for automobiles owned by persons other than the lot owner, his immediate family or resident house guests shall be prohibited. No storage of any personal property shall be permitted forward of the Front Setback Area (as later defined herein).

9. Signs. No sign of any kind shall be displayed to the public view except: (i) on lots with a residence, one professional sign of not more than five (5) square feet advertising the property for sale, or signs together with one professional sign used by the homebuilder to advertise the property during the construction and initial sales period; (ii) for model homes the builder shall be allowed to have two (2) such signs in front of said model home; and (iii) for vacant lots, one professional sign of not more than five (5) square feet advertising the property for sale, provided, if the same owner (other than King Estates, Inc., or its successors or assigns) owns more than one (1) vacant lot in the Subdivision, said owner shall be allowed only one such sign for every four (4) Lots owned.

10. Upkeep. The owner of each lot shall be responsible for the proper maintenance and upkeep of the lot and improvements at all times. The owner shall not permit the accumulation of trash, rubbish, deteriorating improvements or other unsightly articles on said lot or the abutting easements or streets. On lots with no natural vegetation, weeds greater than eighteen inches (18") tall shall be deemed to be in violation of the terms of this provision. If any lot owner does not comply with these terms, then the Committee is authorized (after fifteen (15) days prior written notice to the owner) to have such lot cleaned and maintained in order to comply with these regulations for the account of the owner of said lot, and the paying party shall be entitled to reimbursement of the amount of any reasonable expenses so incurred from the lot owner for whose account and benefit such maintenance and upkeep was performed. "Reasonable expenses" shall include any reasonable attorney's fees, court costs, or related expenses incurred in the collection of any such amounts.

## **V. REGULATION OF IMPROVEMENTS**

1. Aerials. No radio, telephone, television or other aerial communication antennae or wires shall be maintained on any portion of any lot forward of the front wall of the main dwelling constructed on such lot. The use of ham radios or similar communication equipment which interfere with other transmission signals normally associated with residential subdivisions is prohibited. Transmission towers which in the opinion of the Committee are a danger to nearby structures are prohibited.

2. Building Lines. No building, fence or wall shall be constructed on any lot nearer the front lot line than the setback line shown on the Subdivision plat ("Front Setback Area"), nor farther away from the front lot line than the Committee determines to be in harmony with existing buildings in the immediate vicinity. No portion of any main building shall be constructed nearer than ten feet (10') ("Side Setback Area") to any interior lot line. The Side Setback Area lines for all corner lots shall be as indicated on the Subdivision plat. No building shall be constructed on any lot within the Side Setback Area, except that, in the case of an unusual or irregularly shaped lot, buildings and other improvements may be constructed therein as approved by the Committee. No portion of any main building shall be constructed nearer than eighty feet (80') ("Rear Setback Area") to any rear lot line on all lake lots.

3. Lake Water Level. All owners of lake lots are advised that the lake water level will vary depending on the weather and water flow. In addition, the nominal lake water level will most likely be inside the rear lot line such that a part of each lake lot will be beyond the lake water level.

4. Clotheslines. No clotheslines may be visible from the street. Such clotheslines must be enclosed by a hedge or other type of screening enclosure as may be approved by the Committee as a part of the plans for the improvements to be located on the lot.

5. Detached Building Locations. Any garage, household assistant's quarters or any outbuilding of any kind detached from the main building shall be located behind the main residence building, shall comply with the same exterior wall requirements of the main building and shall not exceed two (2) stories in height, unless prior written approval of a variance is given by the Committee.

6. Exterior Walls. Unless prior written approval of a variance is given by the Committee, the exterior walls of each dwelling, garage and any outbuilding (except greenhouses) shall each be not less than seventy-five percent (75%) masonry including, but not limited to, natural stone, brick, stucco or a veneer of any of them. In computing this percentage, all door and window openings and gables shall be excluded from the required area. On the remaining portions of the exterior walls, surface areas of the main structure, the garage, and on any outbuildings or appendages thereto, except greenhouses, the materials used must be in keeping with the general architectural design of the buildings, as determined by the Committee. Metal buildings and metal siding are prohibited.

7. Facing. The main building on each lot shall be constructed to face the street upon which such lot fronts, except that, the Committee may authorize the construction of improvements on corner lots facing either diagonally across such lot or facing the street abutting the longer dimension of such lot.

8. Fences or Perimeter Walls. No fence, perimeter wall or hedge shall be erected, placed, altered or maintained on any lot within the Front Setback Area, or in any event, forward of the front wall line of the main dwelling. Barbed wire, chain link or similar type fences are not permitted. No fence shall be constructed higher than six feet (6') (unless otherwise approved by the Committee) and shall be subject to written approval by the Committee and all decisions of approval or disapproval by the Committee shall be final and binding upon the owner. ALL OWNERS OF LOTS ARE ADVISED THAT THE LOT GRADING FOLLOWS THE NATURAL AND FINISHED CONTOURS OF THE LAND AND THE USE OF BRICK OR OTHER SOLID FENCING MAY RESULT IN IMPOUNDMENT OF WATER ON THEIR LOT AND ANY ADJOINING LOTS. IF, IN THE SOLE OPINION OF THE COMMITTEE, IMPOUNDMENT OF WATER IS PROBABLE, THE COMMITTEE SHALL HAVE THE EXCLUSIVE RIGHT, BUT NOT THE OBLIGATION, TO DISAPPROVE THE PROPOSED FENCING. HOWEVER, IN NO EVENT SHALL THE COMMITTEE BE HELD LIABLE FOR FAILURE TO DISAPPROVE ANY PROPOSED FENCING AND ALL PARTIES BOUND BY THESE REGULATIONS WAIVE AND RELEASE THE COMMITTEE FROM ANY SUCH LIABILITY.

On all lots abutting a lake ('Amenity'), in addition to the above restrictions, the following restrictions shall be applicable to such lots:

Except as hereafter provided, all fencing must be of masonry and/or ornamental iron construction. The masonry must be identical to that used on the subject lot's home and such masonry shall not exceed two feet (2') in height, except in the case of masonry pillars or columns which can be no more than two feet (2') wide and must be spaced a minimum of ten feet (10') apart. Wood fencing (which must be double faced, and not painted or stained) will be allowed only running perpendicular to the lot line parallel to the Amenity and not closer than thirty feet (30') from the lot line parallel to the Amenity, and such fencing must be recessed a minimum of ten feet (10') from the front of such dwelling. The only exception to the requirement that all wood fencing run perpendicular to the lot line abutting the Amenity shall be wood fencing that acts to screen from public view a pool, hot tub, sunbathing area or similar appurtenance provided said fence is no closer than sixty feet (60') from the lot line abutting the Amenity. In any event, no fence, wall or hedge shall be erected, placed or altered on any lot without the prior written approval of the Committee. Upon submission of a written request for same, the Committee may, from time to time, at its sole discretion, permit owners to construct fences or walls which are in variance with the provisions of the paragraph where in the opinion of the Committee, the fence or wall is an integral part of the architectural style or design of the home.

9. Bulkheading. Each owner is fully responsible for any desired bulkheading of that portion of their lot which abuts a lake. No bulkheading is required by these Regulations. However, natural grass covering the portion of the lot from the point at which it begins to slope toward the water to the water line of the lake shall be required. If an owner desires to construct an artificial bulkhead, the same shall be of brick, stone (crushed or block), cement or treated wood and such owner must obtain written approval by the Committee prior to construction and all decisions of approval or disapproval by the Committee shall be final and binding upon the owner. The "water line" of the lake, for the purposes of these Regulations, shall mean the vegetation line.

10. Decks/Piers. On all Lake Lots, any deck or pier constructed beyond the water line and into the water shall as it runs not extend as it runs past the rear property line of the Lot and shall not exceed twenty feet (20') in length as it runs parallel to the rear property line. All piers or decks shall be constructed of treated wood or such other material approved by the Committee of better quality (e.g. concrete). No awnings or other shading material is allowed nor shall any overhead lighting on any decks or piers be permitted. Any owner shall obtain the prior written approval of the Committee prior to construction and all decisions of approval or disapproval by the Committee shall be final and binding upon the owner.

11. Foundations. On all main buildings and on all outbuildings, either attached or detached, all foundations must be slab-on-grade (all concrete) or slab on pier and beam (all concrete) and must be fully enclosed at the perimeter. Such foundations must be designed by a professional engineer expert in foundation design.

12. Garages. No carports shall be allowed. Each lot must have an automobile garage, which garage shall be capable of storing a minimum of two (2) conventional size automobiles.

13. Driveways. Sidewalks. All Driveways and sidewalks shall be constructed of concrete. Asphalt for such purpose is prohibited. Owner is not responsible for the construction of any sidewalks in the Subdivision.

14. Height and Floor Area Limitations. No building shall be permitted on any lot unless it complies with the following:

- a. No dwelling, garage or appurtenant building shall exceed two (2) stories in height. The second story area of any building shall be architecturally consistent in size and shape as compared to the ground floor area.
- b. The enclosed area of the main dwelling of any residence, exclusive of porches, garages (whether attached or detached), patio, breezeways or other appendages, shall contain a minimum of 2,350 square feet for all Lots in the Subdivision except Lots 1 through 8, inclusive, Block 6, and Lots 1 through 11, inclusive, Block 8, which shall contain a minimum of 2,600 square feet.

15. Landscaping. Prior to the occupancy of any dwelling, except as otherwise approved by the Committee, the Owner thereof will plant and maintain a minimum of two (2) three inch (3") diameter trees and eight (8) shrubs in the area of the lot between the street in front of such dwelling. Weather permitting, each lot shall be fully landscaped within ninety (90) days from the date the dwelling is occupied. In the event of noncompliance, another owner or the Committee may provide and plant the required landscaping for the account of the owner of said lot, and the performing party shall be entitled to reimbursement of the amount of any reasonable expenses so incurred (including a reasonable charge for labor) from the lot owner for whose account and benefit such work was performed. The digging or removal of any dirt from any lot or from any portion of the Subdivision is prohibited, except in conjunction with landscaping or construction of improvements thereon. In particular, the removal of dirt to change the configuration of any lake lot is prohibited.

16. Materials. All materials must be new materials or substantially the same or better than that which can be produced on the date construction of the improvements commences and no second-hand or used materials shall be utilized in the construction of improvements on any lot.

17. New Construction. All improvements of any nature placed on any lot shall be newly erected on said lot and no second-hand or used buildings, or other improvements, shall be moved onto any of said lots.

18. Roof. The pitch of the roof of each main building and all outbuildings, either attached or detached, is subject to the approval of the Committee, and flat roofs and tar or gravel roofs are prohibited. Roofs may be of wood, tile, fiberglass or composition materials, but if composition materials are used, same may not be less than three hundred (300) pound weight. Unless prior approval of a variance is given by the Committee, metal roofs are prohibited.

19. Screening. All service and sanitation facilities must be enclosed within fences, walls, and/or landscaping such that they are not visible from the primary street on which the lot fronts. The Committee may, in its reasonable discretion, permit lot Owners to place additional lattice-work screening or other decorative screening on the subject lots for the purpose of screening public view of hot-tubs, sun bathing areas, servicing equipment, etc.

20. Sight Distances at Intersections. No fence, wall, or landscaping which obstructs sight line at elevation between two (2) and six (6) feet above the streets shall be placed or permitted to remain on any corner lot area within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines or in the case of a rounded corner, from the intersection of the street property line extended to intersect. The same sight line limitations shall apply on any lot within ten (10) feet from the intersection of a street property line with the edge of a driveway pavement. No trees shall be permitted to remain within the above sight line of each intersection unless the foliage line is maintained at sufficient height to prevent the obstruction of the sight line.

21. Single Family Residential Homes. The main building on each lot shall be constructed as a single family residential dwelling.

22. Swimming Pool Equipment. All pool or pool service equipment shall be located either, (a) in a side yard between the front and rear boundaries of the main dwelling, or (b) in the rear yard directly abutting and adjacent to the main dwelling. In addition, this equipment must be visually screened by a solid masonry wall or wood fence of approved type and construction. All screening walls shall be fully landscaped with landscaping of a type, quality and quantity approved by the Committee.

23. Tennis Courts. No tennis court lighting shall be constructed or placed upon any lot, unless otherwise approved by the Committee.

24. Toilets. No outdoor toilets shall be placed on any lot (which shall not prohibit toilets in swimming pool houses and similar facilities).

25. Window or Wall Units. No window or wall type air conditioners shall be permitted to be used, placed or maintained on or in any building or in any part of the Subdivision, without the prior written consent of the Committee.

26. Septic System. The owner of each lot shall be responsible for the installation and maintenance of a septic tank system which complies with all State and local laws and ordinances. Specifically and without limiting the foregoing requirement, a permit to construct such a private sewage disposal facility must be obtained from the city of Corpus Christi and the Nueces County Health Department prior to construction of such a facility and it must be designed in accordance with the current Texas Natural Resource Conservation Commission (TNRCC) construction standards for on-site sewage disposal facilities and installed by an installer holding a current TNRCC registration as a certified on-site sewerage system installer. No septic tank system shall be located within seventy-five feet (75') of any lake. At the time of the filing of these Regulations, there is no sanitary sewer system provided by the City of Corpus Christi for the benefit of the Subdivision.

27. "Good Cents" Homes. All dwellings in the Subdivision shall be constructed so as to comply with all Good Cents Program Requirements as established and published by Central Power & Light Company for the year 1995.

## **VI. DURATION AND AMENDMENT**

1. Duration. The Regulations set forth herein shall continue and be binding upon Owner, Owner's successors and assigns for a period of thirty-five (35) years ("Primary Term") from this date, unless terminated or amended. At the expiration of the Primary Term, Regulations shall automatically be extended for an additional ten (10) year period ("Extension Term") and for successive periods of the Extension Term thereafter, unless terminated or amended. After the expiration of the Primary Term, the owners of a majority of the lots may execute and acknowledge an agreement in writing terminating or revising the terms of this instrument and file the same in the Real Property Records of each County in which the Subdivision property is located, or in such office as conveyance of real estate then may be required to be filed, and then and thereafter the Regulations set forth in this instrument shall be null, void and of no further force and effect, or shall be modified as such recorded instrument may direct.

2. Amendment. These Regulations may be amended, but not terminated, at any time by consent of not less than seventy-five percent (75 %) of the record owners of fee simple title of all lots in the Subdivision, and these Regulations may be amended or terminated at any time after 5 years from this date by consent of not less than 90% of the record owners of fee simple title of all lots in the Subdivision as such record ownership is reflected by the Real Property Records of the County or Counties in which the Subdivision property is located.

## **VIII. ENFORCEMENT**

1. Parties Bound. These Regulations shall be binding upon Owner, Owner's successors and assigns and all parties claiming by, through or under Owner and all subsequent owners of property in the Subdivision, each of whom shall be obligated and bound to observe

the terms of this instrument; provided, however, that no such persons shall be liable except with respect to breaches committed during ownership of said property.

2. Limitation of Impact on Mortgages. The violation of any term or provision of this instrument shall not operate to invalidate any mortgage, deed of trust or other lien acquired and held in good faith against any lot, or any part thereof, but such liens may be enforced as against any and all lots so encumbered.

3. Standing and Remedies. Owner or the owners of any lot or lots in the Subdivision shall have the right to enforce observance or performance of the provisions of this instrument, If any person violates or attempts to violate any term or provision of this instrument, it shall be lawful for any person owning any lot in the Subdivision, or the Committee, to prosecute proceedings at law or in equity against the person violating or attempting to violate any term or provision of this instrument, in order to accomplish any one or more of the following: to prevent the owner, or their tenants, invitees or representatives from so doing; to correct such violation; to recover damages; or, to obtain such other relief for such violation as then may be legally available.

4. Result of Conflicting Regulations. These Regulations shall not permit any action or thing prohibited by the applicable zoning laws, rules or regulations of any governmental authority, or by specific restrictive covenants of record. In the event of any conflict, the most restrictive provisions of such Laws, rules, regulations, restrictive covenants of record, or these Regulations shall govern and control.

5. Alternative Dispute Resolution Procedure. The parties agree to mediate in good faith to resolve any dispute under this instrument before filing a suit for damages. Following mediation, all unresolved issues shall be resolved by binding arbitration. Absent an agreement to use other rules, the arbitration will be controlled by the American Arbitration Association's Commercial Arbitration Rules.

## **VIII. MISCELLANEOUS**

1. Attorney's Fees. Any party subject to this instrument who is the prevailing party in any proceeding, whether it is in negotiation, mediation, arbitration or litigation, against any other party brought under or in connection with this instrument or the subject matter hereof, shall be additionally entitled to recover all costs and reasonable attorney fees, and all other related expenses, including deposition costs, arbitrator and mediator fees, travel and expert witness fees from the non-prevailing party.

2. Binding Effect. This instrument shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, representatives, successors and assigns where permitted by this instrument.

3. Choice of Law. This instrument shall be subject to and governed by the laws of the State of Texas, excluding any conflicts-of-law rule or principle that might refer the construction or interpretation of this instrument to the laws of another state. Each party hereby submits to the jurisdiction of the state and federal courts in the State of Texas and to venue in the County in which the Subdivision plat is recorded.

4. Effect of Waiver or Consent. No waiver or consent, express or implied, by any owner to or of any breach or default by any owner in the performance by such owner of the obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such owner of the same or any other obligations of such owner hereunder. Failure on the part of an owner to complain of any act of any owner or to declare any owner in default, irrespective of how long such failure continues, shall not constitute a waiver by such owner of the rights hereunder until the applicable statute of limitation period has run.

5. Legal Construction. In case any one or more of the provisions contained in this instrument shall for any reason be invalid, illegal or unenforceable in any respect, to the extent

such invalidity or unenforceability does not destroy the basis of the bargain among the parties, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this instrument shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. Whenever required by the context, as used in this instrument, the singular number shall include the plural and the neuter shall include the masculine or feminine gender, and vice versa. The Article and Section headings appearing in this instrument are for convenience of reference only and are not intended, to any extent or for any purpose, to limit or define the text of any Article or Section. This instrument shall not be construed more or less favorably between the parties by reason of authorship or origin of language.

6. Lienholder. The owner and holder (whether one or more) of the only lien(s) covering the subject Subdivision property has executed this instrument to evidence its joinder in, consent to, and ratification of the imposition of the foregoing Regulations. No violation of any of these Regulations shall defeat or render invalid the lien of any mortgage made in good faith and for value upon any portion of the subject property; providing however, that any mortgagee in actual possession, or any purchaser at any mortgagee's foreclosure sale, as well as all other owners, shall be bound by and subject to these Regulations as fully as any other owners of any portion of the subject property.

7. Notices. Any notice or communication required or permitted hereunder shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage fully prepaid, registered or certified mail, and addressed to the intended recipient at the address shown herein, and if not so shown, then at the last known address according to the records of the party delivering the notice. Notice given in any other manner shall be effective only if and when received by the addressee. Any address for notice may be changed by written notice delivered as provided herein.

8. Recitals. Any recitals in this instrument are represented by the parties hereto to be accurate, and constitute a part of the substantive agreement.

9. Time. Time is of the essence. Unless otherwise specified, all references to "days" shall mean and refer to calendar days. Business days shall exclude all Saturdays, Sundays, and Texas legal banking holidays. In the event the date for performance of any obligation hereunder shall fall on a Saturday, Sunday or Texas legal banking holiday, then that obligation shall be performable on the next following regular business day.

OWNER:

**KING ESTATES, INC.,**  
a Texas corporation

By: W.T. Young  
Its Pres.  
W.T. Young

RATIFICATION BY LIENHOLDER:

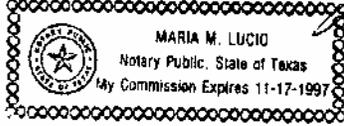
**PACIFIC SOUTHWEST BANK, F.S.B.**

BY: Tony Floyd

Its V.P.  
Tony Floyd

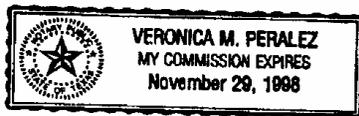
THE STATE OF TEXAS \*  
COUNTY OF NUECES \*

This instrument was acknowledged before me on the 19 day of March, 1996, by  
W.T.YOUNG, PRESIDENT, of  
KING ESTATES, INC., a Texas corporation, on behalf of said corporation.

 Maria M. Lucio  
Notary Public, State of Texas

THE STATE OF TEXAS \*  
COUNTY OF NUECES \*

This instrument was acknowledged before me on the 19<sup>th</sup> day of March, 1996, by  
Tony Floyd, Vice President of  
PACIFIC SOUTHWESTBANK, F.S.B., a banking institution, on behalf of said bank.

 Veronica M. Peralez  
Notary Public, State of Texas

Doc# 1996010880  
# Pages: 12  
Date : 03-19-1996  
Time : 04:30:50 P.M.  
Filed & Recorded in  
Official Records  
of NUECES County, TX.  
ERNEST H. BRIONES  
COUNTY CLERK  
Rec. \$ 31.00

AFTER RECORDING RETURN TO:  
Mark B. Gilbreath  
NICOLAS, MORRIS & GILBREATH  
5926 South Staples, Suite A-2  
Corpus Christi, Texas 78413

25/6

**PRIVATE LAND USE REGULATIONS FOR  
KING ESTATES UNIT 2**

TO  
THE PUBLIC

Any provision herein which restricts the Sale, Rental or use  
of the described REAL PROPERTY because of Race, Color,  
Religion, Sex, Handicap, Familial Status or National Origin, is  
invalid and unenforceable under FEDERAL LAW, 3/12/88.

STATE OF TEXAS  
COUNTY OF NUECES  
I hereby certify that this instrument was FILED in File Number  
Sequence on the date and at the time stamped herein by me, and  
was duly RECORDED, in the Official Public Records of  
Nueces County, Texas on

MAR 19 1996

 Ernest H. Briones  
COUNTY CLERK  
NUECES COUNTY, TEXAS



**SUBDIVISION INFORMATION, INCLUDING  
 RESALE CERTIFICATE FOR PROPERTY SUBJECT TO  
 MANDATORY MEMBERSHIP IN A PROPERTY OWNERS' ASSOCIATION**  
 (Chapter 207, Texas Property Code)

Resale Certificate concerning the Property (including any common areas assigned to the Property) located at 5934 King Trail (Lot 5 Block 8 King Estates Unit 2) (Street Address), City of Corpus Christi, County of Nueces, Texas, prepared by the property owners' association (Association).

A. The Property  is  is not subject to a right of first refusal (other than a right of first refusal prohibited by statute) or other restraint contained in the restrictions or restrictive covenants that restricts the owner's right to transfer the owner's property.

B. The current regular assessment for the Property is \$ 420.00 per Year.

C. A special assessment for the Property due after this resale certificate is delivered is \$ 0.00 payable as follows \_\_\_\_\_ for the following purpose: \_\_\_\_\_.

D. The total of all amounts due and unpaid to the Association that are attributable to the Property is \$ 0.00.

E. The capital expenditures approved by the Association for its current fiscal year are \$ 25,000.00.

F. The amount of reserves for capital expenditures is \$ 3,000.00.

G. Unsatisfied judgments against the Association total \$ 0.00.

H. Other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association, there  are  are not any suits pending in which the Association is a party. The style and cause number of each pending suit is: \_\_\_\_\_.

I. The Association's board  has actual knowledge  has no actual knowledge of conditions on the Property in violation of the restrictions applying to the subdivision or the bylaws or rules of the Association. Known violations are: \_\_\_\_\_.

J. The Association  has  has not received notice from any governmental authority regarding health or building code violations with respect to the Property or any common areas or common facilities owned or leased by the Association. A summary or copy of each notice is attached.

K. The amount of any administrative transfer fee charged by the Association for a change of ownership of property in the subdivision is \$ 0.00. Describe all fees associated with the transfer of ownership (include a description of each fee, to whom each fee is payable and the amount of each fee). \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

L. The Association's managing agent is King Estates Master Association, Inc.  
(Name of Agent)

4833 Saratoga Blvd #190, Corpus Christi, TX 78413

(Mailing Address)

361.853.9180

(Telephone Number)

N/A

(Fax Number)

King\_Estates@hotmail.com

(E-mail Address)

M. The restrictions  do  do not allow foreclosure of the Association's lien on the Property for failure to pay assessments.

REQUIRED ATTACHMENTS:

1. Restrictions
2. Rules
3. Bylaws
4. Current Balance Sheet
5. Current Operating Budget
6. Certificate of Insurance concerning Property and Liability Insurance for Common Areas and Facilities
7. Any Governmental Notices of Health or Housing Code Violations

**NOTICE: This Subdivision Information may change at any time.**

King Estates Master Association, Inc.

Name of Association

By: 

Print Name: Robert Marvin

Title: Treasurer

Date: 8/25/2016

Mailing Address: 4833 Saratoga Blvd #190, Corpus Christi, TX 78413

E-mail: King\_Estates@hotmail.com



This form has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated contract forms. No representation is made as to the legal validity or adequacy of any provision in any specific transaction. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>) TREC No. 37-5. This form replaces TREC No. 37-4.