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STATE OF TEXAS
COMAL COUNTY

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DECLARATION OF
COVENANTS, CONDITIONS
AND RESTRICTIONS

THIS DECLARATION governs all Lots within Lantana Ridge Unit 3 (the "Subdivision"), a subdivision in Comal County, Texas, according to the map or plat thereof recorded in Book _____ Volume 14, Pages 138-146 of the Plat Records of Comal County, Document # 2002060231. The Declarant, presently the owner and the developer of all Lots in the Subdivision, is Lantana Development, LLC. Declarant intends to convey, and will convey, all Lots in the Subdivision (the "Property") subject to these protective covenants, conditions, restrictions, easements, and charges. Future buyers and owners of Lots in the Subdivision are referred to below collectively as "Owners" and singularly as "Owner," and include their legal representatives, heirs, successors, and assigns.

Therefore, it is declared that all of the Property shall be held, sold, and conveyed subject to the following easements, covenants, conditions, charges, and restrictions, which are for the purpose of protecting the value and desirability of the Property, and which shall run with the land and be binding upon any and all persons having any right, title, or interest in or to the Property, or any part thereof.

I. DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases shall have the meanings hereinafter specified:

- 1.01 "Articles" means the Articles of Incorporation of the Association.
- 1.02 "Architectural Review Committee" means the committee created pursuant to this Declaration to review and approve plans for the construction of Improvements upon the Property.
- 1.03 "Assessment" means any assessment levied by the Association under the terms and provisions of this Declaration.
- 1.04 "Association" means the Lantana Ridge Unit 3 Property Owners Association Inc., a Texas nonprofit corporation.
- 1.05 "Board" means the Board of Directors of the Association.
- 1.06 "Bylaws" means the Bylaws of the Association, as adopted by the Board and as from time to time amended.
- 1.07 "Declarant" refers to Lantana Development, LLC, its assignees and other lawful successors in interest.

- 1.08 "Declaration" refers to this Declaration of Covenants, Conditions, and Restrictions, as it may be amended from time to time.
- 1.09 "Improvement" means the primary residence built thereon and every structure, all appurtenances thereto of every type and kind located on the Property, **including but not limited to** buildings, carports, outbuildings, storage sheds, patios, tennis courts, swimming pools, basketball goals, playscapes, garages, storage buildings, fences, trash enclosures, screening walls, retaining walls, stairs, decks, landscaping, poles, signs, exterior air conditioning units, water softener fixtures or equipment, and poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers or other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.
- 1.10 "Lot" means any parcel of land within the Property shown as a subdivided Lot on a recorded subdivision plat of part or all of the Property.
- 1.11 "Owner" means any person holding a fee simple interest in any portion of the Property. A mortgagee is not an Owner.
- 1.12 "Property" means all the land in Comal County, Texas, consisting of approximately 164.89 acres, which has been platted as Lantana Ridge Unit 3, Comal County Document # 200206023196.

II. ADDITIONS TO THE PROPERTY

- 2.01 Staged Subdivision. The Declarant, its successors and assigns, shall have the right and option at any time prior to December 31, 2030, to bring within the scheme of this Declaration additional real property, so long as such real property is within the area described upon Exhibit "A" 626.91 acres attached hereto [including without limitation, subsequent sections of the Lantana Ridge Subdivision (the Subdivision)], if such additional property is contiguous to the real property subject to this Declaration at the time of such addition, without the consent or approval of the owners of any Lots, or the Association, as long as such additions are consented to by the owners of such additional properties. Furthermore, other real property may be subject to the terms of this Declaration at any time with the consent of the Declarant, the owners of such additional real property and two-thirds (2/3) of each class of Members of the Association. Declarant shall record a Notice of Addition of Land describing the properties to be made subject to the terms of this Declaration, if and when additional properties are brought within the Declaration in accordance with the requirements set forth above. Upon recordation of such Notice of Addition of Land, then and thereafter the Owners of all Lots in the Subdivision shall have the rights, privileges and obligations with respect to all of the Property in the Subdivision (including such additional properties) in accordance with the provisions of, and to the extent set forth in this Declaration.

III. PURPOSE

- 3.01 The Property is hereby encumbered by the covenants, conditions, restrictions, easements, and charges set forth below, in order to:
- (a) Insure the best and highest use and the most appropriate development and improvement of each Lot within the Property for residential purposes;
 - (b) Protect the Owners of Lots against the improper use of surrounding Lots;
 - (c) Preserve, so far as practicable, the natural beauty of the Property;
 - (d) Guard against the erection of unsightly structures of improper or unsuitable materials;
 - (e) Encourage and secure the proper continued maintenance of the land and improvements on each Lot;
 - (f) Secure and maintain the proper use of easements within the Property;
 - (g) Preserve, as far as practicable, lines of sight from the Lots; and
 - (h) In general, provide for a residential subdivision of the highest quality to enhance the value of the investment made by Owners in purchasing Lots and constructing homes.

IV. GENERAL USE RESTRICTIONS

- 4.01 Nuisance and Hazardous Activities. No activities shall be conducted on the Property and no Improvements shall be constructed or allowed to remain on the Property which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, (a) no firearms shall be discharged upon any part of the Property, (b) no explosives shall be kept or used on any part of the Property (other than in the ordinary course of construction of Improvements thereon), (c) no open fires shall be lighted or permitted except under carefully monitored and controlled circumstances, and (d) no toxic substances shall be dumped or discharged onto or into any part of the Property. Nothing shall be done or kept on the Property which would materially increase the rates of insurance or cause the cancellation of insurance on any Lot or any of the Improvements located thereon.
- 4.02 Mining and Drilling. No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring/ exploring for, or removing oil, gas or other hydrocarbons, minerals of any kind, or for removing or mining rocks, or stones, sand, gravel, aggregate or earth, other than in the ordinary course of constructing Improvements thereon. No derrick, or other structure designed for use in boring for oil, natural gas, or other minerals shall be erected, maintained, or permitted upon any Lot.

- 4.03 Temporary Structures. No temporary or portable structure/building shall be placed upon the Property without the prior written approval of the Architectural Review Committee. Temporary structures necessary for storage of tools and equipment, and for office space for architects, builders and foremen during actual construction of residences may be maintained for a period of up to ten months.
- 4.04 Sanitary Sewers. No outside, open or pit type toilets will be permitted in the Subdivision. All dwellings constructed in this Subdivision must have a septic or sewage disposal system installed by the Owner, which complies with the requirements of all governing agencies with jurisdiction over such matters prior to occupancy. The foregoing restriction shall not be construed to prohibit portable outdoor toilets for construction workers from being placed on any Lot during actual construction of a residence on such Lot.

V. USE AND CONSTRUCTION RESTRICTIONS

- 5.01 Residential Subdivision. Except as expressly provided in this Declaration to the contrary, each Lot will be used exclusively for single-family residential purposes. No more than one primary residence may be constructed on each Lot. Guest houses are permitted if the owner obtains the written approval of the Architectural Review Committee. The provisions of this Section 5.01 shall not be construed as being inconsistent with classification of any Lot as "agricultural" for ad valorem taxation purposes.
- 5.02 Motif, Building Materials, Dwelling Size: Approval by Architectural Review Committee. All buildings upon the Lots shall be of traditional design/appearance and quality construction and shall be constructed of approved building materials. "Approved building materials" for exterior walls include brick, stone, stucco, wood, wood siding or wood facsimile. Reflective metal, cement block, cinder block or corrugated metal is not a permissible exterior wall covering. Each primary residential structure shall be at least 35 feet in width and shall contain 2,000 square feet of finished, heated and air conditioned living space, exclusive of porches (open or covered), decks and garages. Each primary residential structure shall have exterior walls of masonry construction on 100% of the street side of the structure and 100% on the first floor of the sides of the structure, exclusive of eave and overhangs. Cement siding, such as Hardeplank, shall not qualify as masonry construction under these restrictions. The exterior design, construction, and overall appearance of the primary residence and of any guesthouse must be single-family residential. Roofs may be constructed of either (a) minimum 25 year life or greater composition shingles or (b) concrete or clay tile; or (c) metal approved by the Architectural

Review Committee. If metal is used, the metal surface must have a dull finish upon installation. **No Improvements shall be constructed upon any of the Property without the prior written approval of the plans and specifications of the Improvement(s) by the Architectural Review Committee and payment of plan review fee.** Anything herein to the contrary notwithstanding, in the case of single-family residences constructed on any Lot, the Architectural Review Committee, in its sole discretion, may limit its review to a review of specific floor plans and elevations, and upon the Architectural Review Committee's approval of such specific floor plans and elevations, residences may be constructed consistent with the approved floor plans and elevations without the requirement of further review or approval by the Architectural Review Committee.

- 5.03 Garages and Carports. Attached or detached garages shall be required and constructed simultaneous with the construction of a single family residence. All garages shall comply with all restrictions, covenants, conditions, and limitations on use provided for other Improvements in the Subdivision. All garages shall be a minimum of 22 feet wide. All garages shall consist of enclosed structures and have a minimum 2-car capacity. No garage may be enclosed as a living area. Traditional carports are prohibited. Porticos may be constructed with prior written approval from the Architectural Review Committee.
- 5.04 Business Activities. In-house business activity is permissible, provided that such activity is in no manner evident from the exterior, included but not limited to signage. Without limitation, there will be no business usage which involves customer parking of more than three vehicles at any given time, or exterior storage of identifiable inventory, equipment, or business vehicles. This Declaration does not prohibit occasional meetings with business associates in residences on Lots.
- 5.05 Setback Requirements. Utility Easements and Dedicated Common Area. No structure shall be located or erected nearer than 50 feet to the front line adjoining the private road right of way and 15 feet from the side property lines and 20 feet from the rear property lines. An easement is expressly reserved in, on, over and through those portions of the Lots as shown on the plat, to the extent of ten (10) feet from all side and rear Lot lines, and 30 feet from the Private Road right of way for the purpose of constructing and installing conduits, telephones, and electric light poles, water lines and other equipment necessary to supply any public or private utility service. Additional common area is expressly reserved, on, over and through that portion of the Property shown on the plat, which shall be used for the Owners under the terms and conditions as set forth.
- 5.06 Maintenance. Each Owner shall keep all landscaping visible from abutting street(s) on his/her Lot, cultivated, mowed, trimmed, pruned and free of trash and other unsightly material. All Improvements upon any Lot shall at all times be kept in good condition and repair and adequately painted or otherwise maintained at the sole expense of the Owner of such Lot.

- 5.07 Litter, Rubbish and Debris. No litter, rubbish, debris, or trash (other than that to be picked up by a collection/ disposal or recycling service) shall be kept or stored on any Lot; and no odors shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, offensive or detrimental to any other nearby property or to its occupants. Refuse, garbage and trash shall be kept at all times in covered containers; and except at times of pickup, such containers shall be kept to the rear of each residence. Any compost pile must be (a) properly maintained, (b) not visible from any street, and (c) located no closer than 25 feet from any adjoining Lot. Trash is to be collected at least weekly and under no circumstance shall trash be disposed of through burning on any Lot, unless allowed by the Association.
- 5.08 Sports/Recreational Facilities. Basketball courts, tennis courts, swimming pools, play structures, and similar permanent or semi-permanent sports/recreational facilities must be located to the side or rear of the primary residence on a Lot.
- 5.09 Vehicles, Trailers & Boats. No bus, semi-trailer, tractor, machinery, equipment, truck larger than 1 (one)-ton pickup, boat, trailer, or recreational vehicle of any type shall be kept, parked, placed, maintained, constructed, or repaired on or in the street, or in the driveway and/or on any Lot, except for construction and repair vehicles during the period of construction on a Lot. No motor vehicle of any type shall be constructed or repaired on the street or on any Lot in a location that is visible from any street or neighboring property. No mobile homes shall be park or placed on any portion of the Property at any time, and no travel trailers, boats or recreational vehicles shall be parked outside an approved on or near any portion of the Property so as to be visible from adjoining Property or from public or private thoroughfares for more than twenty-four (24) hours.
- Motor homes, recreational house trailers, horse trailers, campers, boats, boat trailers, trailers of any type, and recreational vehicles of all types which are kept on a Lot, must be located near the rear of the Lot and screened or garaged so the same are not readily visible from the street(s) abutting the Lot on which the same are located and shall not be readily visible from neighboring property or from streets or access roads, and shall never be used as a temporary or permanent dwelling. Such vehicles may not be kept, placed or maintained on any unimproved Lot at any time. No motorized vehicles of any kind shall be operated in any manner which is dangerous, noisy, or creates a nuisance.
- 5.10 Mobile Homes/Manufactured Housing. No mobile homes or manufactured housing shall be parked or placed on any part of the Property or used as a residence, either temporary or permanent, at any time.

- 5.11 Storage Tanks, Antennas. Storage tanks (i.e., for water, propane, butane, etc.) are permitted provided they are screened and shall be located to the side or rear of the primary residence. Such screening shall require prior written approval of the Architectural Control Committee. Satellite dishes in excess of 39 inches in diameter must be screened. Such screening must be approved by the Architectural Review Committee in writing prior to installing such satellite dishes. Satellite dishes of 39 inches in diameter or less are not required to be screened. Antennas on masts higher than 12 feet are prohibited.
- 5.12 Window Air-Conditioners. No window, roof, or wall-type air-conditioner that is visible from any public street shall be used, placed, or maintained on or in any dwelling.
- 5.13 Peripherals, Screening. Outbuildings, firewood piles, other materials storage piles, storage facilities, mechanical equipment, clotheslines, and other peripherals must be located near the rear of the Lot and/or screened so the same are not readily visible from the street(s) abutting the Lot on which the same are located.
- 5.14 Noise. No extraordinarily loud exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes) shall be located, used or placed on any portion of the Property.
- 5.15 Horses, Pets, Livestock & Grazing. Permitted types of animals are limited to horses, dogs and cats. However, horses shall not be permitted on Lots under 3 acres in size, and no more than 1 horse for every 2 acres owned shall be allowed. Open grazing of horses personally owned by any Owner shall be allowed only in fenced areas and shall be limited to a frequency and duration that will allow continued growth of grasses and forage and will not cause or materially contribute to soil erosion and/ or damage to trees and shrubs. The owner of any animal shall be responsible for restricting the movement of animals to that Owner's Lot or Lots. Any stables, barns or run areas must be constructed of materials similar in quality to the main residence. Common plywood is expressly prohibited. Setbacks will be observed on stable and run areas. The construction and maintenance of the stable and run areas, as well as the raising and keeping of animals, shall at all times conform to the then current rules and regulations related to condition of premises and health and safety of animals and persons promulgated by the Texas Department of Health, or successor authority, for the licensing of riding stables, whether or not such licensing is actually required in any specific situation. Specifically, the stable barn and run areas must be kept sanitary and reasonably free of insects, refuse and waste at all times. A maximum of four dogs and/ or cats, combined, will be allowed on any Lot and shall not be allowed to roam or run about at large.
- 5.16 Farming. Farming, including row crops, will be permitted, provided that such operations are located at the back two-thirds of the Lot. Orchards or vineyards may be located anywhere on the Lot.

- 5.17 Construction Activities. This Declaration shall not be construed so as to prevent or interfere unreasonably with normal construction activities during the construction of Improvements by an Owner (including Declarant) upon any Lot within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of normal noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. After the foundation has been commenced, work shall proceed on a schedule commensurate with industry

standards. In no event shall any structure be allowed to remain uncompleted for more than one year after construction has commenced. In addition, during construction of any structure, all adjoining roadways and thoroughfares shall be kept free from debris. In the event that construction upon any Lot does not conform to the requirements set forth above, or otherwise does not conform to usual good construction practices in the area, as determined by the Association, the Association shall have the authority to seek and obtain an injunction to stop such construction. In addition, if during the course of construction upon any Lot there is excessive accumulation of debris of any kind which becomes unsanitary, unsightly, offensive or detrimental to the Lot or to any other portion of the Property, then the Association may arrange for such debris to be removed and the Owner of the Lot shall be liable for all expenses incurred in connection therewith. In the event of default in the payment of such sums within 30 days after demand therefore has been made, the Owner of the Lot shall be obligated to pay interest at the highest lawful rate on all sums due thereunder, including reasonable attorney's fees. Repayment of all such amounts shall additionally be secured by the lien referred to in Section 10.05 hereof.

- 5.18 Camping. No overnight camping will be permitted.

- 5.19 Junked Motor Vehicles, Junk. No Lot shall be used as a depository for abandoned or junked motor vehicles. An abandoned or junked motor vehicle is one without a current, valid state inspection sticker and license plate. No junk of any kind or character, or dilapidated structure or building of any kind or character, shall be kept or allowed to remain on any Lot. No accessories, parts or objects used with cars, boats, buses, trucks, trailers, house trailer or the like, shall be kept on any Lot, other than in a garage or similar enclosed structure.

- 5.20 Signs. No sign of any kind shall be displayed to the public view without the written approval of the ACC, except for signs, which are part of DECLARANT's overall marketing plan for the Property. Builders may erect one sign, no larger than four (4) square feet in area, per lot, which has a model home or home under construction or for sale. Signs for model homes may be erected and shall be no larger than thirty-two (32) square feet. Such sign will be removed from the property immediately upon sale and closing of the home. Except as provided by this Section, the ACC shall have the right to approve signs of any type advertising a portion of the Property for sale or lease and it may set standards for the same. DECLARANT, or its assigns,

will have the right to enter any Lot and to remove any sign, advertisement, billboard, or advertising structure that does not comply with the above, and in so doing shall not be subject to any liability of trespass or other tort in commotion there with of arising out of such removal. Owners may erect small identification signs with their names and address subject to ACC approval.

- 5.21 Sight Distance at Intersections: No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two feet and six feet above the surface of any roadways in the subdivision shall be placed or permitted to remain on any corner Lot.
- 5.22 Septic System. Each Lot Owner will be responsible for installing a septic system and drain field, at each Lot Owner's expense, to serve each Lot and all Improvements thereon. All such systems must be approved and acceptable to governing authorities. All septic systems must be located 150 feet or more from a public water supply well, or 100 feet from a nonpublic water supply well on the Property, in accordance with the regulations of the Texas Natural Resource Conservation Commission, which is existing at the time of construction and installation of such septic system, unless a greater distance is required by the state, county or local authority in which case the greater distance shall be required. All septic systems must otherwise meet and comply with all requirements of state law and local ordinances and are subject to all approval, permitting and inspection requirements of any health department or other governmental entity with jurisdiction over the Property from time to time.
- 5.23 Maintenance and Assessment of Private Roadway Within Lantana Ridge Unit 3 The Association shall have the obligation to maintain, levy and collect assessments for the maintenance and landscaping of all internal private roadways (collectively, the "Private Roadways"), as those Private Roadways are depicted on the final subdivision plat, all landscaping of entrance ways and other common areas or landscape/hardscape easements, and any security gates or other devices controlling access (the "Assessments Security Facilities") to the Private Roadways. The Association shall levy assessments ("Private Roadway Maintenance") against each Lot for the cost of maintenance of the Private Roadways, landscaping and the Security Facilities as the Association determines appropriate. Such Assessments may be separate or a part of the Regular Assessments. Unless the Association and every Lot Owner otherwise elects, the Private Roadways shall not be dedicated to or maintained by the County. Further, an express easement is hereby granted across the Private Roadways and any adjoining common areas for the use of the surface for all governmental functions, vehicular and non-vehicular, including fire and police protection, electrical and water utilities and cooperatives, solid and other waste material pick up and any other purpose any governmental authority deems necessary.
- 5.24 Mortgage Protection. Notwithstanding any other provision of the Declaration, no lien created under this Declaration or any lien arising by reason of any breach of this Declaration, nor the enforcement of any provision of this Declaration, shall defeat or render invalid the rights of the beneficiary under any recorded Mortgage or Deed of

Trust of first and senior priority now or hereafter given upon any portion of the Property. However, after a foreclosure or a conveyance in lieu of foreclosure, such portion of the Property shall remain subject to this Declaration and shall thereafter be liable for all assessments levied after such completion of foreclosure or conveyance in lieu of foreclosure.

- 5.25 Subordination. The Lien for assessments provided for herein shall be subordinated the lien of any first Mortgage if the Mortgage was recorded before the delinquent assessment became due. The sale or transfer of any portion of the Property subject to unpaid assessments shall not affect the assessment lien. However, the sale or transfer of any portion of the Property subject to assessment pursuant to Mortgage foreclosure, or any proceeding in lieu thereof, shall extinguish the lien as to payments, which became due prior to such sale or transfer. No sale or transfer shall relieve such Property subject to assessment from liability for any assessments thereafter becoming due or from the lien thereof.
- 5.26 Land Clearing. In an effort to preserve the natural beauty and integrity of Lantana Ridge Unit 3, no Lot or tract shall be clear cut of all native foliage and/ or vegetation. Xeriscaping is strongly recommended.
- 5.27 Water Runoff. Nothing shall be erected, placed, maintained, done or permitted to remain on any Lot which interferes with surface runoff in such a manner as to cause such water runoff to be diverted to any material degree across any other Lot or which causes flooding or erosion to any other Lot or to any street or ditch.
- 5.28 Driveways; Access. Each residential Lot shall have a hard surface driveway consisting of masonry, concrete, concrete pavers or asphalt from the private roadway to the garage. The driveway shall be completed and maintained from the improved or paved portions of the Private Roadways. Notwithstanding anything herein to the contrary, flag lots shall have hard surface for a minimum of 30 feet from the paved portion of the private roadway. If any driveway crosses an existing bar ditch in the roadway easement, the Lot Owner must install an appropriate culvert or drainage pipe so as not to impede or divert water flow. Access to all Lots shall be by way of the Private Roadways. Each Owner hereby covenants and agrees that he shall not grant or convey road access or other vehicular access over or through his Lot, except for such grants or conveyances to Declarant as approved by the Association.

- 5.29 Lot Fencing. Fences may be built to the side and rear property lines. Fencing is permissible across the front of the property to the extent that the fencing shall be no closer to the street than the front line of the front of the primary residence constructed on the Lot. All fences or walls (other than building walls) shall be constructed of the following materials: wood, wire, masonry, metal, or vinyl construction. However, any wire fencing or vinyl materials used must be of good quality construction and appearance and must be approved by the Architectural Review Committee prior to installation. Wooden privacy or chicken wire fences are strictly prohibited. All wooden fences must be approved by the Architectural Review Committee prior to construction and shall be constructed of cedar, redwood, or treated or painted lumber. All fences shall be maintained in a fully repaired and presentable manner. Side yard fences shall be a minimum of 42 inches in height. Chain link fences are acceptable provided they are vinyl coated in an earthen, green, or black color. Maximum fence height is 6' on any type fencing. Hot fencing is acceptable for interior Lot fencing in conjunction with a permanent net wire and T post perimeter fence or other construction approved by the Architectural Review Committee. No private fencing or walls shall be allowed on lots where Association fencing has been erected in landscape/hardscape easements, without Architectural Review Committee approval.
- 5.30 Variances. The Architectural Review Committee may grant variances from compliance with any of the provisions of this Declaration when in the opinion of the Architectural Review Committee, in its sole and absolute discretion, such variance will not be adverse to the overall quality and character of the development of the community. Such variances must be evidenced in writing and must be signed by at least a majority of the voting members of the Architectural Review Committee. If a variance is granted, no violation of the covenants, conditions or restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration or of any supplement hereto for any purpose except as to the particular Lot and in the particular instance covered by the variance.
- 5.31 Dams. Any construction of a dam must comply with TNRCC and all other Governmental Agencies, regulations, restrictions, and approvals, if applicable. Any dam constructed will not restrict normal water flow of all creeks and waterways within Lantana Ridge Unit 3.
- 5.32 Central Water System. A State approved central water system will be installed in the Subdivision and the Owner(s) of Lot(s) will be obligated to connect to the system, be subject to any standby fee, and all other fees, and may not drill or operate a water well for any use other than irrigation.
- 5.33 Common Areas. The Board of Directors shall adopt rules that will govern the use of the common areas.

VI. THE ASSOCIATION

- 6.01 Organization. The Association shall be a Texas non-profit corporation created for the purposes, charged with the duties, and vested with the powers prescribed by law or set forth in its articles and bylaws and/or this Declaration. Neither the articles nor bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.
- 6.02 Membership. Upon becoming an Owner of a Lot, a person shall automatically become a member of the Association. Membership in the Association is mandatory, appurtenant to, and shall run with the ownership of the Lot which entitles the Owner thereof for membership. Membership in the Association may not be severed from the ownership of a Lot or in any way transferred, pledged, mortgaged, or alienated except together with the fee simple title to said Lot.
- 6.03 Voting Rights. The Association shall have two (2) classes of voting memberships:
- (a) Class A. Class A Members shall be all Owners, with the exception of Lantana Development, LLC, the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine as provided by the Bylaws, but in no event shall more than one (1) vote be cast with respect to any Lot.
 - (b) Class B. The Class B Member(s) shall be Lantana Development, LLC, the Declarant, and its successors and assigns, and shall be entitled to five (5) votes for each Lot owned by it, provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:
 - (1) when 75% of total lots have been deeded to owners other than Declarant; or
 - (2) twenty (20) years from the filing date hereof in the Official Records of Comal County, Texas.
- 6.04 Powers and Duties of the Association. The Association shall have the powers of a Texas nonprofit corporation, subject only to such limitations upon the exercise of such powers as are expressly set forth in this Declaration. The Association shall further have the power to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the powers expressly granted to it by the laws of Texas or by this Declaration. Except where expressly provided to the contrary by this Declaration or by other application law, all management and decision making of the Association shall be by the Board. Without in any way limiting the generality of the three preceding sentences, the Association (acting through the Board) shall have the following powers and responsibilities:

- (a) Assessments and Collection. The Association shall levy and collect Assessments. In furtherance of its duty and authority to collect Assessments and other sums due the Association, the Board may establish payment policies, set due dates, impose and enforce penalties and take all other lawful action necessary or appropriate for collection of Assessments and other sums owed to the Association. The annual assessments, together with such interest thereon and costs of collection thereof, shall be a charge on the land affected thereby and shall be secured by a continuing lien which is hereby reserved in favor of the Association upon each tracts against which each such assessment is made, to the same extent as if retained by Developer and expressly assigned to the Association. Each such annual assessment shall also be the personal obligation of the person who was the owner of the tract at the time when each such assessment became due and payable.
- (b) Rules and Bylaws. The Association shall promulgate, amend, repeal and/or reenact the Bylaws and such Rules not in conflict with this Declaration, as it deems proper, covering any and all aspects of its functions, including the use, occupancy, and preservation of Association Property. The Board may adopt Rules for the purpose of administering the Association and obtaining compliance by Owners and their family, guests, and tenants with the Declaration, the Bylaws, and the provisions of any other law or applicable rule.
- (c) Records. The Association shall keep books and records of the Association's affairs and make such books and records, together with current copies of the Restrictions, available for inspection by the Owners, upon reasonable request during normal business hours.
- (d) Professional Services. The Association may retain and pay for legal, accounting, management, engineering, and other professional services necessary or proper in the operation of the Association.
- (e) Contracts: Property Ownership. The Association may enter into contracts and may acquire, own, lease, and dispose of all manner of real and personal property on such terms as the Board shall, in the exercise of good business judgment, deem advisable.
- (f) Enforcement. The Association shall have the power and authority, in its own name and on behalf of itself and the Owners, or in the name of and on behalf of any Owner who consents thereto, to commence, maintain, or defend legal actions to enforce or construe the Declaration or Bylaws or to restrain and enjoin any breach or threatened breach of the Declaration or Bylaws. The Association shall have the right to file and defend a suit for injunctive relief, damages, and/ or other relief on behalf of the Association and/or the Owners. Relief recoverable includes, without limitation, removal or modification of any Improvement constructed or modified in violation of the Declaration.

The Association is also authorized to settle claims, enforce liens, and take all other action that it deems necessary or reasonable and expedient to enforce the Declaration or Bylaws and/ or to carry out the duties of the Association set forth in the Declaration, Articles, or Bylaws.

- (g) Discretionary Enforcement. If an Owner or other person with standing complains of a violation of the Declaration or Bylaws and the Association determines that the alleged violation is of such doubtful character and/ or of such limited scope or impact as not to warrant the expenditure of Association resources, the Association may decline to undertake action to enforce such violation and leave enforcement to the complaining party.
- (h) Frivolous Complaints. The Association shall not be required to expend time or other resources on patently frivolous, unmeritorious, or harassing complaints/requests made by Owners or others; and the Association may recover all of its costs, including reasonable attorney's fees, for responding to or defending against such complaints/requests.

6.05 Rights and Remedies. The Association may enforce all duties and obligations now and/or hereafter imposed by the Declaration or the Bylaws by all lawful means, including without limitation the following:

- (a) Collection Charges. The Association may (1) impose late charges for late payment by an Owner of monies owed to the Association, and (2) assess a returned check charge against an Owner for each returned check until acceptable payment is received. These charges may be set by the Association from time to time but shall not exceed any maximum charge permitted under applicable law.
- (b) Suspension of Voting Rights. The voting rights of any Owner who is more than 45 days delinquent on any sum owed to the Association shall be automatically suspended without notice. Such suspension of voting rights shall extend to general or special membership meetings, mail ballots, committee meetings, board meetings, and all other meetings.
- (c) Notices to Multiple Owners, Tenants, Mortgagees. Subject to the provisions of Section 6.03 above, notice to and from one of multiple Owners or tenants of a Lot shall be deemed as notice to and from all Owners or tenants of that Lot.
- (d) Attorney's Fees. If a delinquent account or other violation is turned over to the Association's attorney, the delinquent Owner shall be liable for all attorney's fees incurred by the Association in collecting the account, filing liens, foreclosing liens, releasing liens, prosecuting law suits and/or otherwise enforcing the Declaration and Bylaws. Subject to the provisions of Section 5.24 hereof, all such sums shall be a continuing lien and charge upon the delinquent Owners Lot(s), as well as the personal obligation of said Owner;

and this obligation may be enforced in the same manner and to the same extent as provided herein for Assessments.

- 6.06 Rules and Policies. The Board of Directors shall have wide latitude in adoption and implementing rules governing the appearance and use of Lots and in establishing policies for enforcement of the Declaration and Bylaws.

VII. ASSESSMENTS

- 7.01 Covenant to Pay Assessments. Each Owner of a Lot, excluding Declarant, hereby covenants to pay to the Association (Developer is not hereby obligated to pay such assessments, but may elect to do so) (a) Regular Assessments (as defined in Section 7.03 hereof); (b) Special Assessments (as defined in Section 7.04 hereof); (c) Private Roadway Maintenance Assessments (as defined in Section 7.06 hereof); and (d) late charges (as specified in Section 7.07 hereof) for each Lot that he/she owns. All such Assessments and charges shall be established and collected from time to time as herein provided. Each Owner further covenants to pay to the Association reasonable attorney's fees, costs, and expenses incurred in connection with collection of Assessments.

- 7.02 Purpose of Assessments. The Association shall set and levy Assessments, as needed, for the purposes of (a) promoting the comfort, health, safety, and welfare of the Owners; (b) enforcing and defending the Declaration and Bylaws; (c) maintaining the Association Property, including, without limitation, the Private Roadways, and (d) promoting the purposes of the Association as stated herein or as otherwise provided in the Articles or Bylaws. Prior to the beginning of each fiscal year, the Board shall adopt an annual budget to cover the proposed operating expenses of the Association necessary to accomplish the purposes set forth in this Section.

- 7.03 Regular Assessments. Regular Assessments ("Regular Assessments") shall be assessed as follows:

Assessment Due. The Regular Assessment shall be \$225.00 and will be adjusted by the Board as required to meet Association needs.

Due Date of Regular Assessments. Unless otherwise provided by the Board, Regular Assessments shall be due and payable to the Association in advance on or before the first day of January of each calendar year. For purposes of the assessment of late charges, a regular Assessment will be considered delinquent if not paid within 30 days from its due date. For all other purposes, including, without limitation, the purposes of Section 6.05 (b) hereof, a Regular Assessment will be considered delinquent if not paid on the due date. The Owner of a Lot is obligated to pay Regular Assessments regardless of whether the Owner actually receives a bill, or other notice of any such Regular Assessment.

- 7.04 Special Assessments. In addition to the Regular Assessments authorized herein, the Association may levy Special Assessments ("Special Assessments") in order to carry

out any of the purposes of the Association or otherwise to benefit the Association. The due date(s) and delinquent date(s) of any Special Assessment under this section shall be fixed by the resolution authorizing such Special Assessment.

7.05 Vote Required for Special Assessment. The Special Assessments authorized by Section 7.04 hereof must be approved by two-thirds of the votes duly cast in person or by proxy at a meeting duly called for such purpose, written notice of which shall have been given to all Members at least 30 days in advance setting forth the purpose of the meeting and the proposed assessment.

7.06 Private Roadway Maintenance Assessments. Private Roadway Maintenance Assessments shall be as follows:

(a) The private roadway assessments shall be \$ 50.00 . Thereafter, then adjusted by the Board as required to meet Associations needs.

(b) Due Date of Private Roadway Maintenance Assessments. Unless otherwise provided by the Board, Private Roadway Maintenance Assessments shall be due and payable to the Association in advance on or before the first day of January of each calendar year. For purposes of the assessment of late charges, a Private Roadway Maintenance Assessment will be considered delinquent if not paid within 30 days from its due date. For all other purposes, including, without limitation, the purposes of Section 6.05 (b) hereof, a Private Roadway Maintenance Assessment will be considered delinquent if not paid on the due date. The Owner of the Lot is obligated to pay Private Roadway Maintenance Assessments regardless of whether Owner actually receives a bill, invoice or other notice of any such assessment.

7.07 Late Charges and Collection Costs. If any Assessment, whether Private Roadway, Regular or Special, if not paid before becoming delinquent, the Owner responsible therefore may be required to pay a late charge at such rate as the Board may designate from time to time. Each Owner shall also be liable for payment of all costs and expenses, including returned check charges, reasonable attorney's fees, and recording fees incurred in collection of Assessments and/ or other sums owed by the

Owner to the Association. Said charges and fees shall be the personal obligation of the Lot Owner. An Owners non-receipt of a statement or other notice that Assessments are due shall not be a defense to the imposition of late charges and other costs of collection.

VIII. LIABILITY AND INDEMNITY

8.01 Liability of Association Representatives. Association directors, officers, employees, and committee members (collectively the " Association Representatives") shall not be liable to any Owner or other person claiming by or through any Owner for any act or omission of such Association Representative in the performance of his/her

Association duties unless such act or omission (a) is an act or omission not in good faith or that involves intentional misconduct or a knowing violation of law; (b) involves a transaction from which an Association Representative receives an improper personal benefit, whether or not the benefit resulted from an action taken within the scope of the Association Representative's office/position; or, (c) is conduct for which the liability of the Association Representative is expressly imposed by a statute.

- 8.02 Indemnification. The Association shall indemnify every past and present Association Representative from all claims, demands, actions and proceedings and all expenses associated therewith unless such indemnity would contravene the provisions of Section 8.01 of this Declaration. Such indemnification payments shall be a common expense. This indemnity shall extend to all expenses (including attorney's fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by such person in connection with such proceeding if it is found and determined by the Board or a court that such person: (a) acted in good faith and in a manner which such person reasonably believed to be consistent with the best interests of the Association; or (b) with respect to any criminal action or proceeding, had no reasonable basis to believe such conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person breached the immediately preceding requirements. The Board may purchase and maintain insurance on behalf of any person who is or was an Association Representative against any claim asserted against or incurred by such person in any such capacity or status, whether or not the Association would have the power to indemnify such person against such liability. The premium for such insurance shall be treated as a common expense, and the Board of Directors is authorized and directed to modify the Association's corporate charter and Bylaws to the extent necessary to facilitate the purchase of such insurance.
- 8.03 Amendment of Liability and Indemnity Provisions. Notwithstanding any other provisions of this Declaration, the Board may amend this Article 8, without the concurrence of the members or Mortgagees, in order to conform to changes in applicable law.

IX. ARCHITECTURAL REVIEW COMMITTEE

- 9.01 Approval of Plans and Specifications. No Improvements OF ANY KIND shall be commenced, erected, constructed, placed or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications therefore shall have been submitted to in accordance herewith and approved in writing by the Architectural Review Committee.
- 9.02 Membership of Architectural Review Committee. The Architectural Review Committee shall consist of not less than three (3) nor more than five (5) voting

members ("Voting Members") and such additional nonvoting members serving in an advisory capacity ("Advisory Members") as Declarant or its successors or assigns deem appropriate. The initial voting members of the Architectural Review Committee shall be appointed by Declarant.

- 9.03 Actions of the Architectural Review Committee. The Architectural Review Committee may, by resolution, unanimously adopt in writing, designate one or two of its members or an agent acting on its behalf to take any action or perform any duties for and on behalf of the Architectural Review Committee. In the absence of such designation, the vote of a majority of all of the members of the Architectural Review Committee taken without a meeting, shall constitute an act of the Architectural Review Committee.
- 9.04 Advisory Members. The Voting Members may from time to time designate Advisory Members.
- 9.05 Term. Each member of the Architectural Review Committee shall hold office until such time as he or she has resigned or has been removed or his or her successor has been appointed, as provided herein.
- 9.06 Declarant's Rights of Appointment. Declarant, its successors or assigns shall have the right to appoint and remove all members of the Architectural Review Committee during the period of Declarant control as defined in Section 6.03. Declarant may delegate this right to the Board by written instrument. Thereafter, the Board shall have the right to appoint and remove all members of the Architectural Review Committee. When no Class B memberships exist, the Board shall have this right to appoint and remove all members of the Architectural Review Committee, even if such right has not been delegated to it by Declarant.

- 9.07 Adoption of Rules. The Architectural Review Committee may adopt such procedural and substantive rules, not in conflict with this Declaration, as it may deem necessary or proper for the performance of its duties, including, but not limited to, a building code, a fire code, a housing code, and other similar codes as it may deem necessary and desirable.
- 9.08 Reviews of Proposed Construction. Whenever in this Declaration, or in any Supplemental Declaration, the approval of the Architectural Review Committee is required, it shall consider all of the plans and specification for the Improvement or proposal in question, this Declaration, and all other facts and information which, in its sole discretion, it considers relevant, and may require an Owner to provide such other information as it deems relevant. Except as otherwise specifically provided herein, prior to the commencement of any construction of any Improvement on the Property or any portion thereof, the plans and specifications therefore shall be submitted to the Architectural Review Committee, and construction thereof may not commence unless and until the Architectural Review Committee has approved such plans and specifications in writing. The Architectural Review Committee may postpone review of the plans and specifications until such time as the Architectural Review Committee has received all information requested. The Architectural Review Committee shall consider and act upon any and all plans and specifications submitted or its approval pursuant to this Declaration and perform such other duties assigned to it by the Declaration or as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with plans and specifications approved by the Architectural Review Committee. The Architectural Review Committee shall not be responsible for reviewing any proposed Improvement nor shall its approval of any plans or specifications be deemed approval thereof from the standpoint of structural safety, engineering soundness, or conformance with building or other codes.
- 9.09 Plan Review. Upon receipt by the Architectural Review Committee of all of the information required by this Article IX, it shall have twenty-one (21) days in which to review said plans. The proposed Improvements will be approved if, in the sole opinion of the Architectural Review Committee, (i) the Improvements will be of an architectural style and material that are compatible with the other structures in the Property; (ii) the Improvements will not violate any restrictive covenant or encroach upon any easement or cross platted building set back lines; (iii) the Improvements will not result in the reduction in property value, use or enjoyment of any of the Property; (iv) the individual or company intended to perform the work is acceptable to the Architectural Review Committee; and (v) the Improvements will be substantially completed, including all cleanup, within three (3) months of the date of commencement (6 months for the construction of a complete house). In the event that the Architectural Review Committee fails to issue its written response within thirty (30) days of its receipt of the last of the materials or documents required to complete the Owner's submission, the Architectural Review Committee's approval shall be deemed to have been granted without further action. If the United States Postal Service requires or permits each Lot in the Subdivision to have a separate

mailbox serving such Lot, then the location and construction of the mailbox shall be subject to the then current applicable standards, rules and regulations promulgated by the United States Postal Service, and subject to approval by the Architectural Review Committee. An applicant shall include plans and specifications for a mailbox, and the location thereof, with plans and specifications submitted for the construction of all other proposed improvements on the underlying for the construction of all other proposed improvements on the underlying Lot. The mailbox shall be encased in one hundred percent (100%) masonry which (i) may consist of brick, natural stone, or stucco; and (ii) shall consist of the same material proposed to be used for the exterior color scheme and materials for other structures on the Lot.

- 9.10 Variance. The Architectural Review Committee may grant variances from compliance with any of the provisions of this Declaration, when, in the opinion of the Architectural Review Committee, in its sole and absolute discretion, such variance will not impair or detract from the high quality development of the Property, and such variance is justified due to unusual or aesthetic considerations or unusual circumstances. All variances must be evidenced by a written instrument, in recordable form, and must be signed by at least two (2) of the Voting Members. The granting of such variance shall not operate to waive or amend any of the terms and provisions of these covenants and restrictions applicable to the Lots or any purpose except as to the particular property and in the particular instance covered by the variance, and such variance shall not be considered to establish a precedent or future waiver, modification or amendment of the terms and provisions hereof.
- 9.11 No Waiver of Future Approvals. The approval or consent of the Architectural Review Committee to any plans or specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Architectural Review Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications, or other matter whatever, subsequently or additionally submitted for approval or consent by the same or different person or entity.
- 9.12 Work In Progress. The Architectural Review Committee, at its option, may inspect all work in progress to ensure compliance with approved plans and specifications.
- 9.13 Address. Plans and Specifications shall be submitted to the Architectural Review Committee at such address as may be designated by Declarant, its successors and assigns, from time to time.
- 9.14 Fees. The Architectural Review Committee may assess a non-refundable review fee (the "Review Fee") for each set of plans and specifications submitted for its review. The Architectural Review Committee shall, in its sole and absolute discretion, determine the amount of the Review Fee, which may be changed from time to time. Payment of the Review Fee shall uniformly be required of all applicants submitting plans and specifications in accordance with the Declaration and this Amendment.

The Review Fee shall be paid when the Owner or the applicant submits plans and specifications to the Architectural Review Committee. If the Architectural Review Committee at its sole and exclusive option so elects, it may direct the Owner or applicant to pay the Review Fee directly to the Architectural Review Committee's designated architect.

- 9.15 Certificate of Compliance. Upon completion of any Improvement approved by the Architectural Review Committee and upon written request by the Owner of the Lot, the Architectural Review Committee shall issue a Certificate of Compliance in a form suitable for recordation. The Certificate shall identify the Lot and the Improvements, the use or uses to be conducted thereon, and the plans and specifications on file with the Architectural Review Committee to which the Improvements were made and shall specify that the Improvements comply with the approved plans and specifications. The Certificate shall not be construed to certify the acceptability, sufficiency or approval by the Architectural Review Committee of the actual construction of the Improvements or of the workmanship or materials thereof. The Owner is hereby notified that the Certificate in no way warrants, except as set forth above, the sufficiency, acceptability or approval by the Architectural Review Committee of the construction, workmanship, materials or equipment of the Improvements. Preparation and recordation of such a Certificate shall be at the expense of the Owner of the improved Lot.

X. MISCELLANEOUS

- 10.01 Construction. This Declaration shall be liberally construed to promote its express and implicit purposes. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion hereof shall not affect the validity or enforceability of any other provision or portion. Unless the context requires a contrary construction, use of the singular, plural and/ or a designated gender shall be of no consequence in construing this Declaration. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any of the sections hereof.
- 10.02 No Warranty of Enforceability . While Declarant has no reason to believe that any of the terms and provisions of this Declaration are in any respect invalid or unenforceable, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such terms or provisions. Any Owner acquiring a Lot shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant, and her respective successors and assigns, harmless therefrom.
- 10.03 Compliance with Declaration. Each Owner shall comply strictly with the provisions of this Declaration. Failure to comply with any part of this Declaration shall give rise to a cause of action for damages, attorney's fees, and/ or injunctive relief.

- 10.04 Enforcement and Non-waiver. Except as otherwise provided herein, the Association, any Owner (at his /her own expense), and/ or Declarant shall have the right to enforce any or all of the provisions of this Declaration. In order to enforce the Declaration, the Association, Owner, and/or Declarant, shall deliver written notice to the alleged violator who shall have thirty (30) days in which to remedy the violation (unless such time frame will cause serious harm to the complaining party and/ or other Owners, in which case the notice period will be reduced to the maximum time which will not cause harm to others); and if the alleged violator fails to do so, then the complaining party shall have the right to enforce the provisions of this Declaration. The failure of any party to enforce the provisions of this Declaration at any time shall not constitute a waiver or the right thereafter to enforce this Declaration or to recover his/her attorney's fees and costs of suits from the other party.
- 10.05 Lien for Enforcement. All sums due under this Declaration shall be secured by a continuing lien and charge upon the subject Lot as well as the personal obligation of the Owner his/her successors in interest. Subject to the provision of Section 5.24 above, the aforesaid lien shall be superior to all other liens and charges against said Lot, except only for ad valorem tax liens. To evidence the aforesaid lien, or the Association, (but not any other Owner), may prepare a written notice of lien, setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien, and a legal description of the Lot. Such notice shall be signed by the Association and may be recorded in the office of the County Clerk of Comal County, Texas. Such lien shall attach with the priority set forth above from the date that such payment becomes delinquent, and the Association, may thereafter institute suit against the subject Owner personally and/ or enforce the lien through non-judicial foreclosure.
- 10.06 Amendment. This Declaration may be amended by written agreement of the Owners of at least 51% of the Lots. No amendment shall be effective until it has been recorded in the Official Records of Comal County, Texas. A simple majority of the Owners may amend this Declaration for the sole and strictly limited purpose of making this Declaration comply with financing eligibility requirements or the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration, Federal Housing Administration, or comparable federal agencies. The Declarant and the Association shall have the unilateral right at any time to amend this Declaration for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein. Any amendment passed by a less than 51% majority shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and shall not materially impair or affect the vested property rights of any Owner or his/her mortgagee.
- 10.07 Assignment and Transfer of Declarant's Rights. Upon expiration of Declarant's control period, as defined in Section 6.03, Declarant's rights hereunder shall be transferred to the Association.

10.08 Exclusive Use Easements. The following exclusive or specific use easements are reserved at the following respective lots:

1. Lot 20 – An exclusive 20' wide ingress of and egress easement and facility easement is hereby dedicated to Guadalupe Valley Telephone Company for the installation of a switching station to serve this subdivision. The facility easement shall be 65' x 50' wide at the southwest corner of said lot.
2. Lots 20, 21 & 22 – A 60' wide ingress and egress easement is reserved by the Declarant along the common line of Lots 20, 21 & 22. The purpose shall be for a future extension of Springwood Drive to Lantana Cerro. Said 60 foot easement shall encroach 20 feet into Lots 21 & 22 and about 40 feet into Lot 20.
3. Lots 7, 8, 15, 16, 17, 46, 47, 48, 49, 50, 51 & 52 – The Declarant reserves a 10 foot wide waterline easement adjacent and parallel to the existing Pedernales Electric Cooperative easement recorded in Volume 788, Page 354 of the Deed Records, Comal County, Texas.
4. Landscape and Hardscape Easement. Lots 1, 2, 37, and 59 shall be subjected to certain common area landscape and hardscape easements which purpose is to install, maintain, repair and replace, and replace landscape features including but not limited to certain earthen, landscapes flora, sprinkler system stone wall entrance and automatic gate entrance. The width and location of the easements shall be as follows:

Lot 1: Along and adjacent to the east property line (Lantana Valley) for approximately 80 feet in width, and 50 feet wide along Lantana Ridge for about 130 feet from Lantana Valley.

Lot 2: Along and adjacent to the north property line (Lantana Ridge) 50 feet wide for about 130 feet from Lantana Valley.

Lot 37: Along and adjacent to west property line (Lantana Valley) for approximately 80 feet in width.

Lot 59: Along and adjacent to the east property line (Lantana Valley) beginning at the north line and extending south 210 feet at 50 feet wide..

10.09 Subdivision of Platted Lots. No lot owner may subdivide any lot within Lantana Subdivision Unit 3 as recorded in Volume 14, Page 138-146 of the Deed Records of Comal County, Texas.

IN WITNESS WHEREOF, Declarant, Lantana Development, LLC has executed this Declaration on this 15th day of July, 2002.

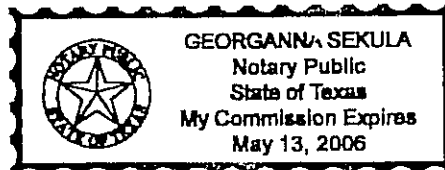
LANTANA DEVELOPMENT, LLC
By: TAYLOR INVESTMENT CORPORATION

BY: [Signature]
Gene T. Foy, Vice President

STATE OF TEXAS

COUNTY OF Ways

§
§
§



On this 15th day of July, 2002, before me a notary public, personally appeared Gene T. Foy to me being personally known, who being by me duly sworn, did say that he is a Vice President of Lantana Development, LLC, Vice President of Lantana Development, LLC, a corporation under the laws of the State of Texas, and the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and said he acknowledged said instrument to be the free act and deed of said corporation.

[SEAL]

[Signature]
Notary Public

GEORGINNA SEKULA
Printed Name
My Commission Expires: 2006

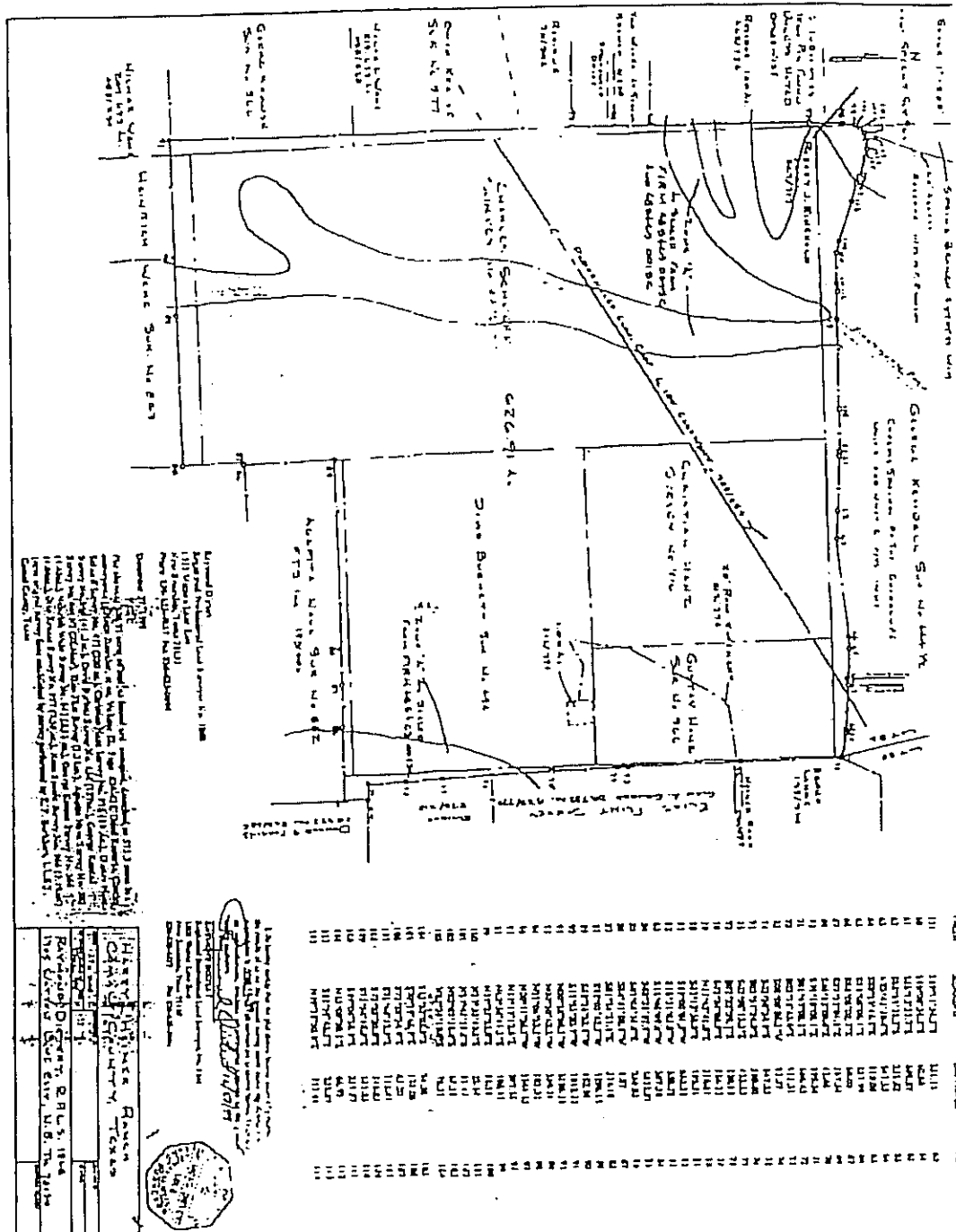


EXHIBIT "A"

Doc# 200206023107

Lantana Ridge Subdivision
Covenants, Conditions & RestrictionsCONSENT OF LIENHOLDER

Beneficiary of Deed of Trust does hereby consent to the foregoing Covenants, Conditions and Restrictions. Beneficiary of Deed of Trust shall not, by its consent, be responsible for the enforcement of any of the provisions and shall be held harmless by any owner seeking to enforce any of the Covenants, Conditions and Restrictions.

STATE OF TEXAS
COUNTY OF COMAL

This is to certify that this document was
FILED and RECORDED in the Official
Public Records of Comal County, Texas
on the date and time stamped thereon.

Joy Streater
COUNTY CLERK

DIVERSIFIED BUSINESS CREDIT

BY: Robert L. Johnson
[Signature]

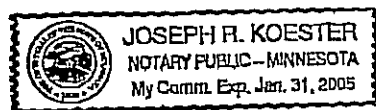
ACKNOWLEDGEMENT

STATE OF MINNESOTA

COUNTY OF Hennepin§
§
§

On this 11th day of July, 2002, before me a notary public, personally appeared Robert L. Johnson, to me being personally known, who being by me duly sworn, did say that he is the Vice President of Diversified Business Credit, and acknowledged to me that he executed the same for the purposes in consideration therein expressed and as the act of Diversified Business Credit.

Given under my hand and seal of office this 11th day of July, 2002.



Joseph R Koester
Notary Public, State of ~~Texas~~ Minnesota

[SEAL]

Joseph R Koester
Printed Name
My Commission Expires: 1/31/05

AFTER RECORDING RETURN TO:
LANTANA DEVELOPMENT, LLC
9381 FM 150
DRIFTWOOD, TEXAS 78619

Doc# 200206023107
Pages 20, 21, 10
07/12/2002 04:31:04 PM
Filed & Recorded in
Official Records of
COMAL COUNTY
JOY STREATER
COUNTY CLERK
Fees \$63.00