

**AMENDED AND RESTATED  
BY-LAWS  
OF  
WATERSTONE ON THE GUADALUPE  
PROPERTY OWNERS ASSOCIATION**

**ARTICLE ONE**

**REGISTERED**

**OFFICE**

1. The principal place of business of the WATERSTONE ON THE GUADALUPE PROPERTY OWNERS ASSOCIATION (hereinafter called "Corporation") is located at 500 Rio Frio Court, Boerne, Texas (mailing address: 500 Rio Frio Court Boerne, TX, 78006). The name of the registered agent is Tom Newton, and the registered office for the Corporation is 6243 IH 10 West, Suite 700, San Antonio, TX 78201.

**ARTICLE TWO**

**DEFINITIONS**

2. As used in these By-Law the following definitions shall apply:
  - A. **WATERSTONE ON THE GUADALUPE SUBDIVISION:** Those portions of the property described on Exhibit "A" as are included in any section of the WATERSTONE ON THE GUADALUPE SUBDIVISION, as such sections are shown by plat presently on record or are hereinafter to be recorded among the Plat Records of KENDALL COUNTY, Texas, so long as such properties are bound by WATERSTONE ON THE GUADALUPE SUBDIVISION restrictions promulgated by BLUEGREEN SOUTHWEST ONE, L.P., by and through its General Partner, BLUEGREEN SOUTHWEST LAND INC. its successors or assigns, which restrictions provided for the payment of assessments to WATERSTONE ON THE GUADALUPE SUBDIVISION OWNERS ASSOCIATION.
  - B. **MEMBERS:**
    1. Ownership of a lot in WATERSTONE ON THE GUADALUPE SUBDIVISION shall entitle the owner thereof to one membership in the Corporation. Members of the Corporation shall include all those persons or entities who are voting members or non-voting members of the Corporation as provided below.
    2. For purposes of these provisions, those persons who have purchased any of the lots in WATERSTONE ON THE GUADALUPE SUBDIVISION

under the provisions of any Contracts of Sale and Purchaser with the Veterans Land Board of the State of Texas shall be considered "members" of the Corporation. The State of Texas shall not be considered as a member of the Corporation. In the case of any lots owned by one or more entities or two or more person, the owner or owners thereof may designate one person in writing as the person eligible for membership.

3. A person shall be considered as an owner of a lot in the WATERSTONE ON THE GUADALUPE SUBDIVISION only after such person has received legal title to such lot.

### ARTICLE THREE

#### Member Meetings and Voting

- 3.1 All meetings of the members shall be held at the principal place of business of the Corporation or at any other place within or outside this state as may be designated for that purpose from time to time by the Board of Directors.
- 3.2 Annual meeting of the members. The annual meetings of the members shall be held each year at 7:00 p.m. on the first Tuesday in February. If this day falls on a legal holiday, the annual meeting shall be held at the same time on the next following business day.
- 3.3 Notice of meetings. Notice of the meeting, stating the place, date, and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given in writing to each member at least ten (10) but not more than sixty (60) days before the date of the meeting either personally or by mail or other means of written communication addressed to the member at his address appearing on the books of the Corporation or given by him to the Corporation for the purpose of notice.
- 3.4 Special meetings. Special meetings of the members for any purpose or purposes whatsoever may be called at any time by the President, or by the Board of Directors, or by any two or more directors. Any special meeting must be called for specific purposes, which purposes shall be identified in the call of the meeting and notice of the meeting.
- 3.5 Quorum. Ten percent (10%) of the voting members constitute a quorum for the transacting of business. Once the presence of a quorum has been confirmed, business may continue despite any failure to maintain a quorum during the remainder of the meeting.
- 3.6 Presiding officer. All meetings of the membership shall be presided by the President of the corporation, and shall be conducted in accordance with Robert's Rules of Order.
- 3.7 Voting requirements. Only persons listed as members on the date of the meeting shall be entitled to vote at such meeting. Votes shall be apportioned by lots, i.e., each lot shall be entitled to one vote, and therefore, if any voting member owns two or more lots, he shall be entitled to the same number of votes as he shall own lots. There shall be no

fractional voting, but rather, if a lot is owned by two or more persons, that lot shall be entitled to only one vote and shall not be entitled to split that vote, and the owners of such lot must, in writing, designate one of their members to be the voting member of the Corporation. Any member may execute a written proxy granting to another member the right to cast such member's vote at any meeting.

3.8 Membership voting procedures, apart from member meetings. In specific cases POA Members will be asked to vote on matters when they are not at an annual or special meeting - usually because the CC&Rs or By-Laws require a minimum percentage of voter participation to determine a result and/or because it is difficult to schedule Member meetings when most can attend. This section addresses the conduct of those votes.

- A. In all cases the WaterStone Board of Directors will oversee the vote process. Members will be contacted by email or by written notice providing instructions on the voting method, subject and deadlines. The Board of Directors may choose to use email, hardcopy, Internet survey tools or other methods for the membership vote as long as:
1. The process ensures all members have access to a voting method, including members who do not have Internet access for email or electronic survey ballot tools.
  2. Votes for Board and ACC members are tallied by at least two volunteers who are not Board members.
  3. Ballots/results for CC&R changes are maintained for at least three years per CC&R Article IX, Section 9.02.
- B. Each voting process will have a predetermined start date and deadline for answering or returning ballots. These instructions will be communicated prior to each vote being issued. In all cases the Board of Directors shall have authority to extend such deadlines in order to insure all Members are given the opportunity to vote.
- C. The WaterStone CC&Rs and these By-Laws identify certain required Membership votes and in some cases the numbers of votes necessary to pass. These include:
1. Election of Directors and ACC members. Winners will be the candidates with the most membership votes by the end of the Annual Membership Meeting in February per the guidelines stated in Paragraph 3.8.A above.
  2. Removal of Directors. A majority of the voting members at any regular or special Meeting of the members.
  3. Dues/maintenance fee changes. A majority of all Members.
  4. CC&Rs changes and amendments. Two-thirds (2/3) of all Members.
  5. Changes governed in para 7.9 and 7.10 of these By-Laws. A majority of all members.

## ARTICLE FOUR

### BOARD OF DIRECTORS

- 4.1 The management of the Corporation shall be vested in a Board of Directors consisting of five directors, which board shall have full power and authority to carry out the purposes of the Corporation and to do any and all lawful acts necessary or profitable thereto. The director shall act only as the board, and an individual director shall have no power as such. The powers of the Corporation shall be exercisable by the Board of Directors or under its authority, and the action of the President of the Corporation shall be controlled by the Board of Directors, subject, however, to such limitations as are imposed by law, the Articles of Incorporation, or these By-Laws as to the actions to be authorized or approved by the members. The Board of Directors may, by contract or otherwise, give general or limited special power and authority to the officers and employees of the Corporation to transact the general business, or any special business of the corporation, and may give powers of attorney to agents of the Corporation to transact any special business required by such authorization.
- 4.2 The number of directors may be increased or decreased from time to time by amendment to these By-Laws, but no decrease shall have the effect of shortening the term of any incumbent director. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of the members called for that purpose. The total number of Board members must always be an odd number.
- 4.3 Vacancies of the Board of Directors, other than due to expiration of a director's term, may be filled by a majority of the remaining directors, or by the sole remaining director. The members may elect a director at any time to fill any vacancy not filled by the directors. The entire Board of Directors or any individual director may be removed from office with or without cause by a vote of the majority of the voting members at any regular or special meeting of the members.
- 4.4 All meetings of the Board of Directors shall be held at the principal office of the Corporation or at such place within Kendall County, Texas or any adjacent county as may be designated by resolution of the board or by written consent of all of the members of the board. Regular meetings of the Board of Directors shall be held immediately following each annual meeting of the membership of the Corporation, and at such other times as the directors may determine. Members shall be given written notice of the date, time and location of each meeting of the Board, including a general description of each subject of the meeting and a general description of each topic that may be brought up for deliberation in executive session.
- 4.5 Special meetings of the Board of Directors for any purpose shall be called at any time by the President, or if the President is absent or unable or refuses to act, by the Vice-President or by any two directors. Written notices of the special meetings, stating the time and in general terms the purpose or purposes thereof, shall be mailed ten (10) days prior to the meeting or personally delivered to each director not later than three (3) days before the day appointed for the meeting.
- 4.6 A majority of the authorized number of directors shall be necessary to constitute a

quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present shall be regarded as an act of the Board of Directors, unless a greater number is required by law or by the Articles of Incorporation.

- 4.7 Except as provided herein, any action required or permitted to be taken by the Board of Directors may be taken without a meeting, and with the same force and effect as the unanimous vote of the Directors, if all of the members of the board shall individually collectively consent in writing to the action. The board may not, unless done in an open meeting for which prior notice was given to owners, consider or vote on:
- (1) fines;
  - (2) damage assessments;
  - (3) initiation of foreclosure actions;
  - (4) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
  - (5) increases in assessments;
  - (6) levying of special assessments;
  - (7) appeals from a denial of architectural control approval;
  - (8) a suspension of a right of a particular owner before the owner has an opportunity to attend a board meeting to present the owner's position, including any defense, on the issue;
  - (9) lending or borrowing money;
  - (10) the adoption or amendment of a dedicatory instrument;
  - (11) the approval of an annual budget or the approval of an amendment of an annual budget that increases the budget by more than 10 percent;
  - (12) the sale or purchase of real property;
  - (13) the filling of a vacancy on the board;
  - (14) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; or
  - (15) the election of an officer.
- 4.8 A quorum of the directors may adjourn any directors' meeting to meet again at a stated hour on a stated day. Notice of the time and place where an adjourned meeting will be given to all directors and all members. In the absence of a quorum, a majority of the directors present at any directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the board.
- 4.9 The President, or in the President's absence, any director selected by the directors present, shall preside at meetings of the Board of Directors. The Secretary of the Corporation or, in the Secretary's absence, any person appointed by the presiding officer, shall act as Secretary of the Board of Directors.
- 4.10 Directors and members of the committee shall not receive compensation for their services as directors or committee members. They may receive reimbursement for actual expenses as directors or committee members or for services beyond those normally required of directors and committee members. Such reimbursement may be in the form of a reduction or elimination of POA dues with the approval of the Board of Directors.
- 4.11 The Board of Directors may authorize the Corporation to pay expenses incurred by, or to satisfy a judgment or fine rendered or levied against, present or former Directors,

officers, or employees of this Corporation as provided by the Miscellaneous Corporation Act of the State of Texas.

- 4.12 Board members are elected for two-year terms. Annual meetings held during even years will elect **three** (3) Board members and annual meetings held during odd years will elect **two** (2) Board members. As vacancies occur, replacements will be appointed by the Board at the time of the vacancy with a formal election at the next annual meeting for the remainder of the term for the vacated position. Departing Board members may choose to run for immediate reelection.

## ARTICLE FIVE

### OFFICERS

- 5.1 The officers of the corporation shall be a President, a Vice-President, a Secretary, a Treasurer, an Member-at-Large, and such assistants and other officers as the Board of Directors shall from time to time determine. Any two offices may be held by one person. All officers shall be elected by and hold office at the pleasure of the Board of Directors.
- 5.2 The officers of the corporation shall have the power and duties generally ascribed to the respective offices, and such additional authority or duty as may from time to time be established by the Board of Directors.

## ARTICLE SIX

### EXECUTION OF INSTRUMENTS

6. The Board of Directors may, in its discretion, authorize an officer or officers, or other person or persons, to execute any corporate instrument or document, or to sign the Corporation name without limitation, except where otherwise provided by law, and such execution or signature shall be binding on the Corporation.

## ARTICLE SEVEN

### MISCELLANEOUS

- 7.1 The Board of Directors, on behalf of the Corporation, shall have the authority to employ such agents or employees as the Board of Directors shall deem appropriate for carrying out the purposes of this Corporation.
- 7.2 There shall be no initiation fees for memberships in the Corporation. The Board of Directors shall have discretion over the disposition of any and all assessments paid as provided for in any of the subdivision covenants, restrictions, and requirements imposed on any lot in the WATERSTONE ON THE GUADALUPE SUBDIVISION. Subject to the approval of the majority of the voting members, the Board of Directors may increase or decrease the assessments described in the subdivision restrictions, restrictive covenants, and conditions affecting any lot of the WATERSTONE ON THE GUADALUPE SUBDIVISION as shown by recorded instruments filed for record in KENDALL COUNTY, Texas. All of the provisions relating to such increases and

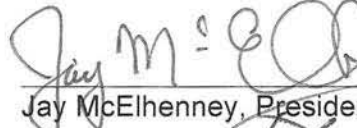
decreases, and to such assessments, which are shown by recorded instruments affecting any lot of WATER STONE ON THE GUADALUPE SUBDIVISION, or which may be hereinafter filed as to any subsequently created section of the WATERSTONE ON THE GUADALUPE SUBDIVISION are hereby incorporated herein by reference as if stated in full.

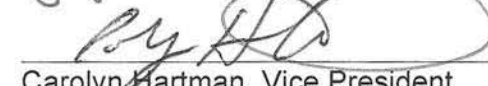
- 7.3 DELINQUENT MAINTENANCE DUES. Annual maintenance dues established by the covenants are payable no later than January 1st of each year. Any payment due and not received by January 1st of each year shall be termed delinquent and will be assessed a late fee of twenty-five (\$25) dollars. Delinquent accounts will also accrue interest (as per Covenants Section 6.02) on such amount not paid, at the maximum rate of interest allowable by applicable Federal or State law.
- A. The Board of Directors shall carry out the following procedure for collection of delinquent accounts:
1. Immediately, after the first delinquency, deliver or mail a written First Notice to the member requesting immediate payment of the maintenance dues and late fees.
  2. If the account is not paid in full, including the late fee, by the first day of February deliver or mail a Second Notice in writing requesting immediate payment and notifying the member that, if the account is not paid in full including late fees within ten (10) days, a Notice of Claim of Lien against the member's property will be recorded with the County Clerk.
- 7.4 The Board of Directors shall have the authority to appoint such committee to assist it in the managing of the Corporation as it shall deem appropriate, and to appoint to such committees either members or non-members of the Corporation. Such committees shall be of such number and serve such functions as the Board of Directors may determine; however, there shall always be created an Architectural Control Committee as is described in the subdivision restrictions, restrictive covenants, and conditions affecting any and all units of the WATERSTONE ON THE GUADALUPE SUBDIVISION as shown by recorded instruments in KENDALL COUNTY, Texas. All committees, whether elected or appointed are accountable to the Board of Directors.
- 7.5 ***The Architectural Control Committee shall be composed of five (5) members elected for two-year terms. Annual meetings held during odd years will elect three (3) ACC members and annual meetings held during even years will elect two (2) ACC members. As vacancies occur, replacements will be appointed by the Board at the time of the vacancy with a formal election at the next annual meeting for the remainder of the term for the vacated position. Departing ACC members may choose to run for immediate reelection. All candidates must be in compliance with all covenants and restrictions and have no liens or pending actions against them.***
- 7.6 Any and all funds of the Corporation shall be deposited in a bank account owned by the Corporation. All expenditures by the Corporation over \$2,000 shall be approved by at least two (2) Board Members.
- 7.7 All books and records provided for by statute shall be open to inspection and copying by

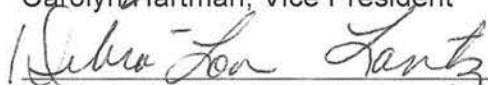
the members upon written request delivered by certified mail, in accordance with the Corporation's records production and copying policy.

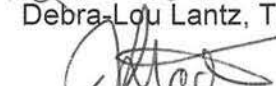
- 7.8 Property Owner Recommended Changes to the Covenants of the Association. A Property Owner may request a change to the Covenants of the Association by presenting a written request with the recommended amendment accompanied by the signatures of twenty-five (25) voting members of the Association. The request and signatures shall be provided to the Board of Directors at any time but no later than 90 days before the annual members meeting.
- 7.9 Any Board of Directors proposed POA infrastructure initiative or a significant change or improvement to existing POA infrastructure with a value in excess of \$5,000 shall be approved by a majority of the Membership. Exceptions to this clause are those projects for resurfacing or repairs to the roads, and fence painting. A change to the requirements of this paragraph 7.10 shall require approval by a majority of the membership.
- 7.10 The power to alter, amend or repeal these By-Laws is vested in the Board of Directors. A request to amend or repeal these By-Laws may be made by any member who submits the change or case for appeal to the Board of Directors accompanied by signatures of at least twenty-five (25) other voting members. The Board of Directors has the option to either approve the request or submit it to a vote of the members, requiring a majority of the membership to approve.

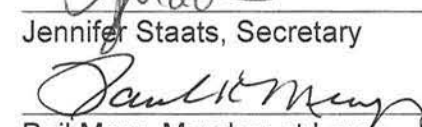
ADOPTED by the unanimous vote of WaterStone POA Board of Directors on this the 5<sup>th</sup> day of February 2019.

  
Jay McElhenney, President

  
Carolyn Hartman, Vice President

  
Debra-Lou Lantz, Treasurer

  
Jennifer Staats, Secretary

  
Pail Mery, Member at Large



IN WITNESS WHEREOF, the undersigned, have hereunto set their hands on this  
8<sup>TH</sup> day of FEBRUARY, 2019.

WATERSTONE ON THE GUADALUPE PROPERTY OWNERS ASSOCIATION,  
A Texas Non-Profit Corporation

By: Jay McElhenney Jay McElhenney, Its President

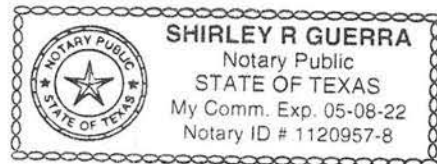
ATTEST:

By: Carolyn Hartman Carolyn Hartman, Its Vice President

STATE OF TEXAS       §  
                                  §  
                                  §  
COUNTY OF KENDALL   §

The foregoing was acknowledged before me, the undersigned Notary, by Jay McElhenney, President of WaterStone on the Guadalupe Property Owners Association, in the capacity and for the reasons stated therein.

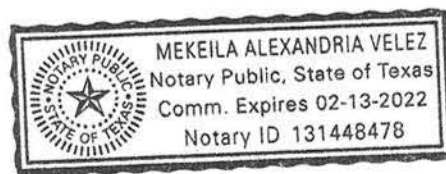
Shirley R Guerra  
Notary Public State of Texas



STATE OF TEXAS       §  
                                  §  
                                  §  
COUNTY OF KENDALL   §

The foregoing was acknowledged before me, the undersigned Notary, by Carolyn Hartman, Vice President of WaterStone on the Guadalupe Property Owners Association, in the capacity and for the reasons stated therein.

Mekeila Alexandria Velez  
Notary Public State of Texas



AFTER RECORDING RETURN TO:  
WaterStone on the Guadalupe Property Owners Association  
500 Rio Frio Court  
Boerne, TX 78006

Filed & Recorded in:

**KENDALL COUNTY  
DARLENE HERRIN  
COUNTY CLERK**

02/13/2019 03:09PM

Document Number : 00328247

Total Fees : \$62.00 *pd*

Receipt Number - 95247

By Deputy: Harriet P Seidensticker

This Document has been received by this Office for  
Recording into the Official Public Records.

We do hereby swear that we do not discriminate due to  
Race, Creed, Color, Sex or National Origin.

STATE OF TEXAS, COUNTY OF KENDALL

I hereby certify that this instrument was filed in File Number  
Sequence on the date and at the time stamped hereon and  
was duly recorded in the OFFICIAL RECORDS Records of  
Kendall County, Texas on

02/13/2019

DARLENE HERRIN, COUNTY CLERK

Kendall County, Texas

By:           *APS*           Deputy

RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR SUBDIVISION

STATE OF TEXAS                   §  
  §           KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF KENDALL           §

WHEREAS, BLUEGREEN SOUTHWEST ONE, L.P., developed the residential subdivision platted at Volume 3, Pages 328-36, Map Records of Kendall County Texas, known as "WaterStone" (hereinafter referred to as "WaterStone");

WHEREAS, WaterStone was made subject to the following restrictive covenants, all of which shall hereinafter be referred to collectively as "the Declarations":

1. First Amendment to the Declaration of Covenants, Conditions and Restrictions, WaterStone, dated April 5, 2001, recorded in Volume 672, Page 578, et seq., of the Official Public Records of Kendall County, Texas;
2. Second Amendment to the Declaration of Covenants, Conditions and Restrictions, WaterStone, dated February 18, 2002, recorded in Volume 718, Page 133, et seq., of the Official Public Records of Kendall County, Texas;
3. Third Amendment to the Declaration of Covenants, Conditions and Restrictions, WaterStone, dated April 17, 2003, recorded in Volume 788, Page 918, et seq., of the Official Public Records of Kendall County, Texas, as corrected by "Corrected Third Amendment to Declaration of Covenants, Conditions and Restrictions, WaterStone", dated April 17, 2003, recorded in Volume 799, Page 541, et seq., of the Official Public Records of Kendall County, Texas;
4. Fourth Amendment to the Declaration of Covenants, Conditions and Restrictions, WaterStone", dated June 21, 2004, recorded in Volume 870, Page 384, et seq., of the Official Public Records of Kendall County, Texas; and,
5. Fifth Amendment to the Declaration of Covenants, Conditions and Restrictions, WaterStone, dated January 12, 2007, recorded in Volume 1038, Page 738, et seq., of the Official Public Records of Kendall County, Texas.

WHEREAS, the Declarations are difficult to follow in that the reader has to go through multiple separate documents, comparing and piecing together different sections so as to determine what the covenants for WaterStone provide, as amended;

WHEREAS the Members (as defined below) desired to restate the Declarations in a single document for ease of reference; and,

WHEREAS, the Members have, by a vote of at least two-third of all votes of the Membership, approved restating the Declarations into a single, combined instrument that updates the restrictive covenants governing WaterStone as stated and amended by the Declarations;

NOW, THEREFORE, these premises being considered, the Association, acting through its Members hereby adopt the following Restated Declaration of Covenants, Conditions and Restrictions, which shall supersede the Declarations, to-wit:

## ARTICLE I DEFINITIONS

Section 1.01 "Association" shall mean and refer to the WATERSTONE ON THE GUADALUPE PROPERTY OWNERS ASSOCIATION, its successors and assigns.

Section 1.02 "WATERSTONE" shall mean and refer to WaterStone and any other Units of WaterStone hereafter made subject to the jurisdiction of the Association.

Section 1.03 "Board of Directors" shall mean and refer to the Board of Directors of the Association.

Section 1.04 "Builders" shall mean and refer to persons or entities that purchase tracts and build speculative or custom homes thereon for third party purchasers.

Section 1.05 "Common Area" shall mean all real property (including the improvements thereto) within the Subdivision owned by the Association for the common use and enjoyment of the Owners.

Section 1.06 "Contractor" shall mean and refer to the person or entity with whom an Owner contracts to construct a residential dwelling on such Owner's Tract.

Section 1.07 This section is intentionally left blank.

Section 1.08 "Tract" shall mean and refer to any plot of land identified as a tract or home site on the Plat of WaterStone. For purposes of this instrument, "Tract" shall not be deemed to include any portion of the "Common Areas" or "Unrestricted Reserves," (defined herein as any Common Areas and Unrestricted Reserves shown on the Plat) in WaterStone regardless of the use made of such area.

Section 1.09 "Member" shall mean and refer to every person or entity who holds a membership in the Association.

Section 1.10 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Tract which is a part of the Subdivision, including:

- 1.10.01 Contract sellers (a seller under a Contract for Deed), but excluding those having such interest merely a security for the performance of an obligation; and
- 1.10.02 Builders.

Section 1.11 "Subdivision" shall mean and refer to all real property, which is depicted on the Plat and subject to this Declaration.

Section 1.12 "Notice of lien" shall have the meaning set forth in Section 6.04.

Section 1.13 "Person" shall mean and refer to a natural person, a corporation, a partnership, a limited liability company, a fiduciary action on behalf of another Person, or any other legal entity.

Section 1.14 "Plat" shall mean and refer to the Final Plat of WaterStone recorded on December 11, 2000 in the Record of Deeds and Plats of Kendall County, Texas in book Volume 3, Pages 328-336 and all recorded revisions, amendments, modifications or supplements thereto.

Section 1.15 "Related User" shall mean and refer to the family members, guests and invitees of any Member hereunder.

Section 1.16 "Rules and Regulations" shall mean and refer to any rules and regulations adopted, amended, repealed or enforced by the Board of Directors of the Association pursuant to Article VIII Section 8.10 hereof.

Section 1.17 "Unit" shall mean and refer to one or more parcels of real property forming a part of WaterStone, which are identified as a Unit on a recorded plat.

## ARTICLE II RESERVATIONS, EXCEPTIONS AND DEDICATIONS

Section 2.01 Recorded Subdivision map of the Property. The plat ("Plat") of WaterStone dedicates for use as such, subject to the limitations as set forth therein, the roads, streets and easements shown thereon. The Plat further establishes certain restrictions applicable to WATERSTONE. All dedications, restrictions and reservations created herein or shown on the Plat, replats or amendments of the Plat of WaterStone recorded or hereafter recorded shall be construed as being included in each contract, deed, or conveyance executed by or on behalf of Developer, whether specifically referred to therein or not.

Section 2.02 Easements. Developer reserved for public use the utility easements shown on the Plat or that have been or hereafter may be created by separate instrument recorded in the Official Public Records of Kendall County, Texas, for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, storm surface drainage, cable television, or any other utility the Developer saw fit to install in, across and/or under the Property. All utility easements in the Subdivision may be used for the construction of drainage swales in order to provide for improved surface drainage of the Reserves, Common Area and/or Tracts. Any utility company serving the Subdivision shall have the right to enter upon any utility easement for the purpose of installation, repair and maintenance of their respective facilities. Neither Developer nor any utility company, political subdivision or other authorized entity using the easements herein referred to shall be liable for any damages done by them or their assigns, agents, employees, or servants, to fences, shrubbery, trees and lawns or any other property of the Owner on the property covered by said easements.

Section 2.03 Title Subject to Easements. It is expressly agreed and understood that the title conveyed by Developer to any of the Tracts by contract deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, electric lighting, electric power, telegraph or telephone purposes and other easements hereafter granted affecting the Tracts. The Owners of the respective Tracts shall not be deemed to own pipes, wires, conduits or other service lines running through their Tracts which are utilized for or service other Tracts, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of his Tract.

Section 2.04 Utility Easements.

- 2.04.01 Utility ground and aerial easements have been dedicated in accordance with the Plat and by separate recorded easement documents;
- 2.04.02 No building shall be located over, under, upon or across any portion of any utility easement. The Owner of each Tract shall have the right to construct, keep and maintain concrete drives, fences, and similar improvements across any utility easement, and shall be entitled to cross such easements at all times for purposes of gaining access to and from such Tracts, provided, however, any concrete drive, fence or similar improvement placed upon such Utility Easement by the Owner shall be constructed, maintained and used at Owner's risk and, as such, the Owner of each Tract subject to said Utility Easements shall be responsible for:
  - 2.04.02a Any and all repairs to the concrete drives, fences and similar improvements which cross or are located upon

such Utility Easements;

- 2.04.02b repairing any damage to said improvements caused by the Utility District or any public utility in the course of installing, operating, maintaining, repairing, or removing its facilities located within the Utility Easements.
- 2.04.03 The Owner of each Tract shall indemnify and hold harmless Developer and any public or private utility companies having facilities located over, across or under utility easements from any loss, expense, suit or demand, resulting from injuries to persons or damage to property in any way occurring, incident to, arising out of or in connection with said Owners installation, maintenance, repair or removal of any permitted Improvements located within the utility.

### ARTICLE III USE RESTRICTIONS

Section 3.01 Single Family Residential Construction. No building shall be erected, altered, placed or permitted to remain on any Tract other than one dwelling unit per each Tract to be used for residential purposes, except that one guest/servants house may be built on tracts that have at least a three (3) acres net building area above the 100 year flood plain, provided said guest/servants house must contain a minimum of 500 square feet and not exceed a 1500 square feet and be built after or while the main dwelling is being built and be approved by the Architectural Control Committee. Detached garages, workshops, and barns may not be constructed on the property prior to the main dwelling being built. All dwellings, detached garages, workshops, and barns must be approved in writing by the Architectural Control Committee prior to being erected, altered or placed on property. The term "dwelling" does not include single or doublewide manufactured homes, and said manufactured homes are not permitted within the subdivision. Main Dwellings, on tracts that have Guadalupe River Frontage, must have 2500 square feet of living area, excluding porches. Main dwellings on all other tracts must have at least 2300 square feet of living area, excluding porches. All dwellings must have at least a (2) two-car garage, which may be detached. Garage door openings must face side lot lines.

Two story homes must have a minimum of 1600 square feet of living area, excluding porches, on the ground floor. Dwellings and detached garage improvements must be built with new construction material, and be built on a concrete slab or on a pier foundation with exteriors being comprised of 85% masonry and 15% new wood products or other products approved by the Architectural Control Committee. (Hardiplank material does not qualify as masonry; stucco does qualify as masonry) (No aluminum, asbestos, plywood, concrete block, vinyl or metal siding). All accessory buildings [deleted: "today a"] must be built out of similar materials, (excluding masonry)



as the main house and be painted the same color scheme. A pier foundation must be constructed with concrete & rebar. A combination of a concrete slab and pier foundation may be utilized in the construction of a dwelling. All shingle roofs must have at least a 30-year life. Metal and tile roofs will be permitted. Any building, structure or improvement commenced on any tract shall be completed as to exterior finish and appearance within six (6) months from the commencement date.

During the construction of a dwelling, a camper or recreation vehicle may be kept on the property for up to six (6) months, so long as said camper or recreation vehicle is hooked up to an approved septic system. Occupied, self contained and non-self contained camper and tent camping will be permitted on the property for no longer than seven (7) consecutive days out of a thirty (30) day period. All non-self contained campers and tent campers must provide some type of chemical toilet for their campsite. All campers, recreational vehicles and campsites must be placed in an area in the property that is not visible from any road right-of-way and kept in a clean and tidy manner at all times. Prior to construction of a dwelling, unoccupied campers, recreation vehicles must be removed from the property when not in use.

After construction of a dwelling, campers, recreation vehicles, trailers and boats must be stored in an enclosed garage or structure. Tractor-trailer rigs and/or trailers and trucks with more than six (6) wheels may not be parked or kept on the property or in the subdivision. While dwellings are being constructed, the owner and/or contractor must provide temporary restroom facilities on the tract and provide for the containment of trash and scrap building materials. The existing dwellings located on Lot 230, are exempt from the square footage and masonry requirements of Section 3.01 and the building set back requirements of Sec. 3.03. One additional main dwelling may be constructed on Lot 230. If an additional main dwelling is built, then the two (2) existing structures on Lot 230 will be considered guest houses.

Section 3.02 Composite Building Site. Any Owner of one or more adjoining Tracts (or portions thereof) may, with the prior written approval of the Architectural Control Committee, consolidate such Tracts or portions into one building site, with the privilege of placing or constructing improvements on such resulting site, in which case the side setback lines shall be measured from the resulting side property lines rather than from the Tract lines as indicated on the Plat.

Section 3.03 Location of the Improvements upon the Tract. No building of any kind shall be located on any tract nearer than twenty-five (25) feet to the side property lines; and no nearer than one hundred (100) feet to any public road right-of-way and no nearer than fifty (50) foot to the rear property line. The maximum height shall be two stories, but not to exceed thirty-five (35) feet per dwelling. Height of any accessory building shall not exceed twenty-five (25) feet. Provided however, as to any tract, the Architectural Control Committee may waive or alter any such setback line or height restriction, if the Architectural Control Committee, at its sole discretion, such waiver, or alteration is necessary to permit effective utilization of a tract. Any such waiver or alteration must be in writing and recorded in the Deed of Records of Kendall County, Texas. All dwellings

placed on Subject Property must be equipped with septic tank or other sewage disposal system meeting all applicable laws, rules, standards and specifications, and all such dwellings must be served with water and electricity.

Section 3.04 Use of Temporary Structures. No structure of a temporary character, whether basement, shack, garage, barn or other outbuilding shall be maintained or used on any Tract at any time as a residence, either temporarily or permanently.

Section 3.05 Walls and Fences. Walls, fences and gates, if any, must be approved prior to construction by the Architectural Control Committee and shall not be closer to the front property line than the Tract boundary line, and no closer than the Tract boundary line to side street lines. Chain link fencing is not permitted. Fencing within 50 feet of rear and side property lines or forward of the front line of the main dwelling will be considered "Perimeter" fences and shall be consistent with the following:

- 3.05.01 Perimeter fencing on rear and side property line: Rear and side property line fencing may be built using "T" Line posts with 8 foot to 10 foot spacing, a pipe post every 6<sup>th</sup> post and pipe corner posts. The fencing material must be StayTite, Tightlock or Solidlock Mesh tensile steel class III galvanized wire or equal with one or two smooth wire strand(s) on top. Fencing will not exceed 5ft in height;
- 3.05.02 Perimeter fencing fronting Edge Falls Road or Highway 3351: Only pipe fencing will be permitted on any rear or side property line that fronts Edge Falls Road or Highway 3351. Fence posts for such pipe fencing shall consist of two and three-eighths (2 3/8) inch (outside diameter) pipe, with 8 foot to 10 foot spacing with a single top rail consisting of the same size pipe placed on top of line posts. The area between the posts shall be StayTite, Tightlock or Solidlock Mesh tensile steel class III galvanized wire or equal. All piping must be painted black with panels left in natural color. Fencing will not exceed 5 feet in height;
- 3.05.03 Perimeter fencing fronting interior roads: On property lines that front interior roads, solid stone fencing, fencing with stone or brick columns and ornamental picket fencing between columns or the pipe fencing consistent with Section 3.05(2) above shall be used. Fencing will not exceed 5 feet in height;
- 3.05.04 All gates that front a road must be of a decorative nature and be constructed of steel or wood. Standard aluminum ranch gates are not permitted;
- 3.05.05 Fencing more than 50 feet from rear and side property lines or behind the front line of the main dwelling will be considered "Interior" fences and shall be consistent with the following:

- 3.05.05.a Interior fencing on rear and side property line: Rear and side property line fencing may be built using cedar, vinyl, masonry, ornamental metal or the same materials mentioned above for perimeter fencing. Solid type privacy fencing is permissible for interior fences. Fencing will not exceed 6 feet in height;
- 3.05.05.b Interior fencing fronting interior roads: Fencing that fronts interior roads must have the decorative side of the fence facing the road (i.e., cedar pickets must be on the side of the fence facing the road with rails towards the interior of the property). Fencing will not exceed 6 feet in height; and
- 3.05.05.c Fencing around gardens may be allowed up to 7 feet in height with approval of the ACC.

Section 3.06 Prohibition of Offensive Activities. No activity, whether for profit or not, shall be conducted on any Tract which is not related to single family residential purposes, unless said activity meets the following criteria:

- 3.06.01 No additional exterior sign of activity is present;
- 3.06.02 It is the type of action that usually happens in a home;
- 3.06.03 No additional traffic, that would not be there normally, is created; and,
- 3.06.04 No hazardous or dangerous materials may be stored in bulk on the Tract. Except as needed in conjunction with and under the guidelines of Section 8.13, the discharge or use of firearms is expressly prohibited in the Subdivision. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance.

Section 3.07. Garbage and Propane Storage.

- 3.07.01 Garbage and trash or other refuse accumulated in this Subdivision shall not be permitted to be dumped at any place upon adjoining land where a nuisance to any residence of this Subdivision is or may be created. No tract shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be allowed to accumulate, shall be kept in sanitary containers and shall be disposed of regularly. All equipment for the storage or

disposal of such material shall be kept in a clean and sanitary condition and out of sight from public roadways, except on pickup days;

- 3.07.02 Propane tanks must be buried in the ground, screened from view, enclosed by a solid type privacy fence at least 5 feet in height or placed on the property so that they are not visible from the road or adjacent properties. Screening must be at least 5 feet in height. Screening shall be a minimum of 70% opaque as determined by a 12" x 12" test square evaluated at any place on the area screened. ACC must approve screening or enclosure plans prior to construction. No Owner shall construct, erect, or maintain a well pressure tank on his Tract without the prior written authorization of the Architectural Control Committee as set forth in Article IV hereof. Well pressure tanks, if any, located on a Tract must be enclosed within a "Well House" built out of similar materials (excluding masonry) as the main Dwelling or other material as required by the Committee and be painted using the same color scheme as the main Dwelling or other color(s) as required by the Committee.

Section 3.08 Junked Motor Vehicles Prohibited. No Tract shall be used as a depository for abandoned or junked motor vehicles. No junk of any kind or character or dilapidated structure or building of any kind or character shall be kept on any Tract. All motor vehicles must be parked on driveways, parking pads or in Garages.

Section 3.09. Signs. No permanent or temporary sign(s) shall be constructed or placed upon any Lot covered by these Restrictions without prior written approval of the Architectural Control Committee. The Architectural Control Committee will prescribe a standard, 20 inch by 20 inch, "For Sale" sign for use by property owners. Only one sign may be used per lot. The sign will be placed near the roadway easement at the approximate midpoint of any roadway adjoining the property. In the event a permitted sign is not properly maintained, the Architectural Control Committee may give the sign Owner written notice thereof. Required repairs must be made within five (5) business days of notification. The Architectural Control Committee shall have the right, but not the obligation, to have repairs made and charged to the sign Owner. Notwithstanding, however, nothing herein shall prevent the Association from establishing rule for permitting celebration or recognition of Religious or National Holidays. A builder's sign must be removed from the Lot within fourteen (14) days after the house is occupied. Notwithstanding the foregoing, the appearance and location of all builder signs must be acceptable to the Architectural Control Committee. No other real estate signs shall be allowed in the Subdivision including, but not limited to For Sale signs, Sold signs, a For Lease signs, Rented signs and/or For Rent signs. Notwithstanding, however, nothing herein shall prevent the Association from establishing rule for permitting celebration or recognition of Religious or National Holidays.

Section 3.10 Animal Husbandry. No livestock or poultry of any kind may be kept on any tract except as follows:

- 3.10.01 Animals, excluding pigs or hogs, being raised for 4H or FFA school sponsored programs may be raised, bred or kept on any tract;
- 3.10.02 One horse for every two acres may be kept so long as such horse(s) does not become a nuisance or threat. Notwithstanding, no more than one horse or 4H/FFA animal per every two acres shall be allowed on any Lot; and
- 3.10.03 Dogs must be kept in a kennel, dog run, or fenced in area that confines said dog(s) to that area. Dogs will not be permitted to run loose and must be vaccinated for rabies according to State law once a year and registered with Kendall County once a year.

Section 3.11 Mineral Development. No commercial oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Tract. No derrick or other structures designed for the use of boring for oil or natural gas shall be erected, maintained or permitted upon any Tract.

Section 3.12 Drainage. Natural established drainage patterns of streets, tracts or roadway ditches will not be impaired by any person or persons. No creeks or natural drainage areas may be dammed, or water therefore improved, diverted or used for any purpose without the prior written consent of the Architectural Control Committee. Driveway culverts must be installed and will be of sufficient size to afford proper drainage of ditches without backing water up into ditch or diverting flow. Drainage culvert installation must meet County requirements.

Section 3.13 Antennas and Security Lights. Antennas of any kind shall not exceed ten feet above the roof of the Dwelling, Garage or Accessory Building. Vapor security lights, if any, must be installed with shields.

Section 3.14 Resubdivision. No tract shall be resubdivided or split unless otherwise permitted in the restrictions.

Section 3.15. Driveways. All driveways (road to garage) must be surfaced with either concrete, concrete pavers, asphalt, two (2) course chip and seal, or a combination thereof and be a minimum of ten feet (10) in width. Driveways must be surfaced upon completion of the main Dwelling.

Section 3.16 Park Pedestrian Easement. The thirty-foot (30) pedestrian access easement to the park on Tract 42 is restricted to pedestrian, equestrian and bicycle traffic only. No motorized bikes or vehicles of any kind are permitted on the access

easement. [Moved to section 3.18: "In the event of the failure of Owner to comply with the above requirements after ten (10) days written notice thereof, the Association or their designated agents may, without liability to the Owner, Contractor or any occupants of the Tract in trespass or otherwise, enter upon (and/or authorize one or more others to enter upon) said Tract, cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with this Declaration. Payment for the charges shall be payable on the first day of the next calendar month."]

Section 3.17 Landscape. All requirements for specific types of turf were included in the restrictions to encourage water conservation practices. All new landscaping turf installed or planted must be Buffalo, Blue Grama, Zoysia or Bermuda grass. Other low water requirement turf products will be considered and may be approved by the Architectural Control Committee. Said approval must be in writing.

Section 3.18. Duty of Maintenance. Owners and occupants (including lessees) of any Tract shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep that Tract so owned or occupied including improvements and grounds in connection therewith, in a well-maintained, safe, clean and attractive condition at all times. Such maintenance includes, but is not limited to, the following.

- 3.18.01 Prompt removal of all litter, trash, refuse and wastes;
- 3.18.02 Keeping lawn and garden areas alive, free of weeds and attractive;
- 3.18.03 Keeping driveways in good repair;
- 3.18.04 Complying with all government health and policy requirements; and
- 3.18.05 Repair of exterior damage to improvements.

In the event of the failure of Owner to comply with the above requirements after ten (10) days written notice thereof, the Association or their designated agents may, without liability to the Owner, Contractor or any occupants of the Tract in trespass or otherwise, enter upon (and/or authorize one or more others to enter upon) said Tract, cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with this Declaration. Payment for the charges shall be payable on the first day of the next calendar month.

Section 3.19. Enforcement. If in the opinion of the Board of Directors or the Committee, any such Owner or occupant (including lessees) has failed to comply with any of the foregoing restrictions or has failed in any of the foregoing duties or responsibilities, then the Committee or the Board of Directors shall deliver to such Owner or occupant (including lessees) written notice of such failure in accordance with the notice and hearing procedures set forth in the Bylaws, and such Owner or occupant (including lessees) must within the time period set forth in the notice, comply with the restrictions and/or perform the care and maintenance required. Should any such Owner or

occupant (including lessees) fail to fulfill this duty and responsibility within such period, then the Committee, or the Board of Directors, or their designated agents are hereby authorized to enter onto the premises and correct such violations and perform such care and maintenance as necessary, at the expense of the Owner, without any liability for damages or for wrongful entry, trespass or otherwise, to the Owner, Contractor, Builder, occupant or any other Person found on the Tract. The Owners and occupants (including lessees) of any Tract on which such work is performed shall promptly reimburse the Association for such cost. If such Owner or occupant (including lessees) shall fail to reimburse the Association within 30 days from and after delivery by the Association of an invoice setting forth the costs incurred by the Association for such work, then said indebtedness shall be a debt of the Owner and occupant (including lessees) jointly and severally and may be secured by the Association by placing a lien on the offending Owner's or occupant's Tract.

Section 3.20 Color. All exterior colors of any structures must be natural or earth tones and must compliment the surrounding landscape. The Committee may, in its sole discretion, approve other color schemes so long as such colors compliment the subdivision.

Section 3.21 Homeowner Contractor Responsibilities. Each homeowner is responsible for managing their contractor activities. This includes, but is not limited to, signs, temporary roads, mud on streets, security, safety and Covenant compliance.

Section 3.22 Portable On Demand Storage Units (PODS)  
Portable on demand storage units, cargo containers and all similar objects or structures (hereinafter collectively called "PODS") are allowed to be used within the subdivision. Any resident using a POD shall notify a member of the WaterStone Architectural Control Committee PRIOR to having the POD delivered to the property. The PODS must be removed within sixty days (60) of arrival on the property. PODS can be used in case of emergencies as approved by the WaterStone Architectural Control Committee, however the PODS shall not be allowed to remain on the property for more than ninety days (90) without the prior approval of the WaterStone Architectural Control Committee.

#### ARTICLE IV ARCHITECTURAL CONTROL COMMITTEE

Section 4.01 Basic Control.

- 4.01.01 No building or other improvements of any character shall be erected or placed, or the erection or placing thereof commenced or changes made in the design or exterior appearance thereof, or any addition or exterior alteration made thereto after original construction, or demolition or destruction by voluntary action made thereto after original construction, on any Tract in the Subdivision until the obtaining of the necessary approval (as

hereinafter provided) from the Committee of the construction plans and specification for the construction or alteration of such improvements or demolition or destruction of existing improvements by voluntary action. Approval shall be granted or withheld based on matters or compliance with the provisions of this instrument;

- 4.01.02 Each application made to the Committee, shall be accompanied by two sets of plans and specifications for all proposed construction (initial or alteration) to be done on such Tract, including plot plans showing location on the tract.

Section 4.02 Architectural Control Committee. The term "committee," as used in this Declaration, shall mean or refer to the WATERSTONE ARCHITECTURAL CONTROL COMMITTEE. At the annual meetings the Architectural Control Committee shall be nominated and elected from the members of the association. Each member of the Committee must be an Owner of Property in some Unit of WATERSTONE Subdivision.

Section 4.03 Effect of Inaction. Approval or disapproval as to architectural control matters as set forth in the preceding provisions of this Declaration shall be in writing. In the event that the Committee fails to approve or disapprove in writing any plans and specifications and plot plans received by it in compliance with the preceding provisions within thirty (30) days following such submissions, such plans and specifications and plot plan shall be deemed approved and the construction of any such building and other improvements may be commenced and proceeded with in compliance with all such plans and specifications and plot plan and all of the other terms and provisions hereof.

Section 4.04 Effect of Approval. The granting of the aforesaid approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the Committee that the terms and provisions hereof shall be complied with if the building and/or other improvements are erected in accordance with said plans and specifications and plot plan; and such approval shall not constitute any nature of waiver or estoppel either as to the persons expressing such approval or any other person in the event that such building and/or improvements are not constructed in accordance with such plans and specifications and plot plan, but, nevertheless, fail to comply with the provisions hereof. Further, no person exercising any prerogative of approval or disapproval shall incur any liability by reasons of the good faith exercise thereof. The criteria and requirement established by the Committee for approval of architects, Builders and Contractors are solely for the Committee's protection and benefit and are not intended to provide the Owner with any form of guarantee with respect to any approved architect, Builder or Contractor. Owner's selection of an architect, Builder or Contractor shall be conclusive evidence that the Owner is independently satisfied with any and all concerns Owner may have about the qualifications of such architect, Builder or Contractor. Furthermore, Owner waives any and all claims and rights that Owner has or may have now or in the future, against the Committee. The standards and procedures established



pursuant to this Article IV are intended to provide a mechanism for maintaining and enhancing the overall aesthetics of WaterStone only, and shall not create any duty to any Person. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and the Committee shall bear no responsibility for ensuring the structural integrity or soundness of approved construction or modifications. The adequacy of soils or drainage, nor for ensuring compliance with building codes and other governmental requirements, nor for ensuring that all Dwellings are of comparable quality, value or size, of similar design, or aesthetically pleasing or otherwise acceptable to neighboring property owners. Neither the Association, the Board of Directors, the Committee or any committee, or member of any of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction or modifications to any Tract. In all matters, the committees and their members shall be defended and indemnified by the Association.

Section 4.05 Variance. The Committee, may, on a case-by-case basis, authorize variances from compliance with any of the provisions of either

4.05.01 This Declaration; or

4.05.02 The minimum acceptable construction standards or regulations and requirements as promulgated from time to time by the Committee.

The Architectural Control Committee shall have the right to grant a variance from the Building setback line restrictions. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Committee. If any such variances are granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall the granting of any variance effect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned and the Plat.

Section 4.06. Disclaimer. Members of the ACC and their representatives shall not be liable to any person subject to or possessing or claiming the benefits of these restrictive covenants for any damage or injury to property or for damage or loss arising out of their acts hereunder. The ACC's evaluation of Required Plans is solely to determine compliance with the terms of this Declaration and the aesthetics or the proposed improvements and the ACC disclaims any responsibility to determine compliance with any applicable building codes or other standard for construction. The ACC shall not be responsible for reviewing any plans or specifications from the standpoint of structural safety, engineering soundness, or conformance with building or other codes, nor shall the ACC's approval be deemed a verification of the structural safety, engineering soundness, or conformance of the improvements to which said plans pertain to Building or other codes.

ARTICLE V  
WATERSTONE PROPERTY OWNERS ASSOCIATION

Section 5.01 Membership. Every person or entity who is a record owner of any Tract, which is subject to the Maintenance charge (or could be following the withdrawal of an exemption there from) and other assessments provided herein, shall be a "Member" of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation or those having only an interest in the mineral estate. No Owner shall have more than one membership for each Tract owned by such Member. Memberships shall be appurtenant to and may not be separated from the ownership of the Tracts. Regardless of the number of persons who may own a Tract (such as husband and wife, or joint tenants, etc.) there shall be but one membership for each Tract. Additionally, the Directors of the Association must be Members of the Association (as more particularly described in the Bylaws). Ownership of the Tracts shall be the sole qualification for membership. The voting rights of the Members are set forth in the Bylaws of the Association. However, the restrictive covenants will not be construed as to assess the Veterans Land Board or the State of Texas. Any assessments are the personal obligation of the Veteran purchaser, his successors, heirs and assigns. Any lien imposed by the restrictive covenants does not affect the Veterans Land Board's interest in the property.

Section 5.02 Non-Profit Corporation. WATERSTONE ON THE GUADALUPE PROPERTY OWNERS ASSOCIATION, a nonprofit corporation, has been organized and it shall be governed by the Articles of Incorporation and Bylaws of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

Section 5.03 Bylaws. The Association has adopted or may adopt whatever Bylaws it may choose to govern the organization or operation of the Subdivision and the use and enjoyment of the Tracts and Common Areas, provided that the same are not in conflict with the terms and provisions hereof.

Section 5.04 Owner's Right of Enjoyment. Every Owner shall have a beneficial interest of use and enjoyment in and to the Common Areas and such right shall be appurtenant to and shall pass with the title to every assessed Tract, subject to the following provisions:

- 5.04.01 The right of the Association, with respect to the Common Areas, to limit the number of guests of Owners.
- 5.04.02 The right of the Association, in accordance with its Articles and Bylaws to:

- 5.04.02.a Borrow money for the purpose of improving and maintaining the Common Areas and facilities; and
- 5.04.02.b Mortgage said property, however, the rights of such mortgagee of said property shall be subordinate to the rights of the Owners hereunder.
- 5.04.03 The right of the Association to suspend the Member's voting rights and the Member's and "Related Users" (as hereinafter defined) right to use any recreational facilities within the Common Areas during any period in which the Maintenance Charge or any assessment against his Tract remains unpaid.
- 5.04.04 The right of the Association to suspend the Member's voting rights and the Member's and Related Users' right to use any recreational facilities within the Common Area, after notice and hearing by the Board of Directors, for the infraction or violation by such Member or Related Users of this Declaration or the Rules and Regulations, as hereinafter defined, which suspension shall continue for the duration of such infraction or violation, plus a period not to exceed sixty (60) days following the cessation or curing of such infraction or violation.

## ARTICLE VI MAINTENANCE FUND

Section 6.01 Maintenance Fund Obligation. Each Owner of a Tract by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agrees to pay to the Association a monthly maintenance charge (the "Maintenance Charge"), and any other assessments or charges hereby levied. The Maintenance Charge and any other assessments, fines, or charges hereby levied, together with such interest thereon and costs of collection thereof including reasonable attorney's fees as allowed by the Act, as hereinafter provided, shall be a charge on the Tract and shall be a personal obligation of the Owner of the Tract and a continuing lien upon the property against which each such Maintenance Charge and other charges, fines, and assessments are made.

Section 6.02 Basis of the Maintenance Charge.

- 6.02.01 The Maintenance Charge referred to shall be used to create a fund to be known as the "Maintenance Fund", which shall be used as herein provided; and each such Maintenance Charge (except as otherwise hereinafter provided) shall be paid by the Owner of each Tract (or residential building site) to the

Association. The Maintenance Charge for the year of purchase shall be prorated at closing and then shall be paid annually, in advance, on or before the first day of the first month of each calendar year. Provided, however if such owner owns more than one tract in the subdivision, such Owner shall pay only twice the assessment of one (1) tract no matter how many tracts are owned or in the event as Owner obtains consent from the Committee for a Composite Building site pursuant to Section 3.02 hereof, such Composite Building Site shall be considered for the Maintenance Charge of one Tract beginning upon the completion of the improvements thereon;

6.02.02 Any Maintenance Charge not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of:

6.02.02.a The rate of eighteen percent (18%) per annum; or

6.02.02.b The maximum rate permitted by law.

The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the hereinafter described lien against the Owner's Tract. No Owner may waive or otherwise escape liability for the Maintenance Charge by nonuse of any Common Areas or recreational facilities available for use by Owners of the Subdivision or by the abandonment of his Tract;

6.02.03 The exact amount of the Maintenance Charge applicable to each Tract will be determined by the Board of Directors of the Association, subject to the provision hereof; and

6.02.04 The Association, from and after the Control Transfer Date, shall have the further right at any time, with a majority vote of all association members, to adjust or alter said Maintenance Charge from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Association in order for the Association to carry out its duties hereunder.

Section 6.03 Creation of Lien and Personal Obligation. In order to secure the payment of the Maintenance Charge, and other charges, fines and assessments hereby levied, each Owner of a Tract in the Subdivision, by such party's acceptance of a deed thereto, hereby grants to the Association a contractual lien on such Tract which may be foreclosed on by judicial or non judicial foreclosure and in like manner as a mortgage on real estate under power of sale pursuant to the provisions of Title 3, Chapter 51 of the Texas Property Code (and any successor statute); and each such owner hereby expressly grants the Association a power of sale in connection therewith. Notwithstanding anything to the contrary contained herein and as set forth in the Act,

neither the Developer nor the Association shall be permitted to bring an action for foreclosure under this Section solely for fines assessed by the Association or for attorneys' fees incurred by the Association solely associated with fines assessed by the Association. In any foreclosure action brought under the power of sale provisions, the Association shall be deemed to be the holder and owner of the obligation secured by this Declaration. The registered agent of the Association shall be the trustee for all purposes of the foreclosure proceeding, and the Association shall have the power to appoint a substitute trustee if for any reason the Association desires to replace the trustee, and the substitute trustee shall succeed to all rights, powers and duties thereof. The Association shall request of the trustee to sell the Tract subject to the lien at public auction for cash, after having first given such notice and advertising the time and place of such sale in such manner as may then be provided by law for mortgages, and upon such sale and upon compliance with the law then relating to foreclosure proceedings under power of sale to convey to the purchaser in as full and ample manner as authorized by Title 5, Chapter 51 of the Texas Property Code. The trustee shall be authorized to retain an attorney to represent such trustee in such proceedings. The proceeds of the sale shall, after the trustee retains its commission, together with any additional attorneys' fees incurred by the trustee, be applied to the costs of the sale, including but not limited to costs of collection, taxes, assessments, costs of recording, service fees, and incidental expenditures, the amount due on any note secured by the Tract, and any advancements made by the Association. In the protection of the security. Following any such foreclosure, each occupant of any such Tract foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder. The Association may bid for the Tract at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Tract. While a Tract is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no Maintenance Charge or other charge, fine, or assessment shall be levied on it; and (c) each other Tract shall be charged, in addition to its usual Maintenance Charge, its pro rata share of the Maintenance Charge that would have been charged such Tract had it not been acquired by the Association. In the event of nonpayment by any Owner of any Maintenance Charge or other charge, fine, or assessment levied hereunder, the Association may, in addition to foreclosing the lien hereby retained and exercising the remedies provided herein, upon ten (10) days prior written notice thereof to such nonpaying Owner, exercise all other rights and remedies available at law or in equity. The Association may sue for unpaid Maintenance Charge or other charges, fines, or assessments authorized hereunder without foreclosing or waiving the lien securing the same. It is the intent of the provisions of this Section 6.03 to comply with the provisions of Title 5, Chapter 51 of the Texas Property Code relating to judicial or non judicial foreclosure and, in the event of the amendment of said Title 5, Chapter 51 of the Texas Property Code hereafter, the Board of Directors of the Association, acting without Joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration filed in the office of the County Clerk of Kendall County, Texas, amend the provisions hereof so as to comply with said amendments to Title 5, Chapter 51 of the Texas Property Code.

Section 6.04 Notice of Lien. In addition to the right of the Association to enforce the Maintenance Charge or other charge, fine, or assessment levied hereunder, the Association may file a claim or lien against the Tract of the delinquent Owner by recording a notice ("Notice of Lien) setting forth:

- 6.04.01 The amount of the claim of delinquency;
- 6.04.02 The interest and costs of amount of the claim of delinquency;
- 6.04.03 The interest and costs of collection which have accrued thereon;
- 6.04.04 The legal description and street address of the Tract against which the lien is claimed; and
- 6.04.05 The name of the Owner thereof.

Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien shall continue until the amounts secured thereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been fully paid or satisfied, the Association acting through its duly authorized officer or agent shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.

Section 6.05 Liens Subordinate to Mortgages. The lien described in this Article VI shall be deemed subordinate to a first lien or other liens of any bank; insurance company, savings and loan association, university, pension and profit sharing trusts or plans, or any other third party lender, which may have heretofore or may hereafter lend money in good faith for the purchase or improvement of any Tract and any renewal, extension, rearrangement or refinancing thereof. The sale or transfer of any Tract shall not affect the lien or relieve such Tract from the lien for any subsequent Maintenance Charge or other charge, fine, or assessment. However, the sale or transfer of any Tract pursuant to foreclosure of the first mortgage shall extinguish the lien as to any installments of such Maintenance Charge or other charge, fine, or assessment due prior to such sale or transfer. A mortgagee or other purchaser of a Tract who obtains title pursuant to foreclosure of the mortgage shall not be personally liable for Maintenance Charges or other charges, fines or assessments on such Tract due prior to such acquisition of title. Such unpaid Maintenance Charges or other charges, fines, or assessments shall be deemed to be common expenses of the Association collectible from Owners of all Tracts subject to assessment under Article VI, including such acquirer, its successors and assigns. Any other sale or transfer of a Tract shall not affect the Association's lien for Maintenance Charges or other charges, fines or assessments. The Association shall make a good faith effort to give each such mortgagee sixty (60) days advance written

notice of the Association's proposed foreclosure of the lien described in Section 6.01 hereof which notice shall be sent to the nearest office of such mortgagee by prepaid United States registered or Certified mail, return receipt requested, and shall contain a statement of delinquent Maintenance Charges or other charges, fines, or assessments upon which the proposed action is based provided, however, the Association's failure to give such notice shall not impair or invalidate any foreclosure conducted by the Association pursuant to the provisions of this Article VI.

Section 6.06 Purpose of the Maintenance Charges. The Maintenance Charge levied by the Association may be used by the Association for the general benefit of the Owners, which may include, but is not necessarily limited to promoting the recreation, health, safety, and welfare of the Owners of the Subdivision. In particular, the Maintenance Charge shall be used for any improvement or services in furtherance of these purposes and the performance of the Association's duties described in Article VIII, including the maintenance of any Common Areas, any Drainage Easements and the establishment and maintenance of a reserve fund for maintenance of any Common Areas. The Maintenance Fund may be expended by the Association for any purposes which, in the judgment of the Association, will tend to maintain the property values in the Subdivision, including, but not limited to, providing funds for the actual cost to the Association of all taxes, insurance, repairs, energy charges, replacement and maintenance of the Common Area as may from time to time be authorized by the Association. Except for the Association's use of the Maintenance Charge to perform its duties described in this Declaration and in the Bylaws, the use of the Maintenance Charge for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Association as to the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

Section 6.07 Handling of Maintenance Charges. The collection and management of the Maintenance Charge or other charge or assessment levied hereunder, shall be performed by the Developer until the Control Transfer Date, at which time the Developer shall deliver to the Association all funds on hand together with all books and records of receipt and disbursements. The Developer and, upon transfer, the Association, shall maintain separate special accounts for these funds, and Owners shall be provided at least annually information on the Maintenance Fund.

## ARTICLE VII

[All Sections of this Article were deleted].

## ARTICLE VIII

### DUTIES AND POWERS OF THE PROPERTY OWNERS ASSOCIATION

Section 8.01 General Duties and Powers of the Association. The Association has

been formed to further the common interest of the Members. The Association, acting through the Board of Directors or through persons to whom the Board of Directors has delegated such powers (and subject to the provisions of the Bylaws) shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interest of the members, to maintain, improve and enhance the Common Areas and to improve and enhance the attractiveness, desirability and safety of the Subdivision. The Association shall have the authority to act as the agent to enter into any and all contracts on behalf of the Members in order to carry out the duties, powers and obligations of the Association as set forth in this Declaration.

Section 8.02 Duty to Accept the Property and Facilities Transferred by Developer.

Section 8.03 Duty to Manage and Care for the Common Area. The Association shall manage, operate, care for, maintain and repair all Common Areas and keep the same in an attractive and desirable condition for the use and enjoyment of the Members. The duty to operate, manage and maintain the Common Areas may include, but not be limited to the following: establishment, management, maintenance, repair and upkeep of the Subdivision entrance(s) and other Common Areas.

Section 8.04 Other Insurance Bonds. The Association shall obtain such insurance as may be required by law, including workmen's compensation insurance, and shall have the power to obtain such other insurance and such fidelity, indemnity or other bonds as the Association shall deem necessary or desirable.

Section 8.05 Duty to Prepare Budgets. The Association shall prepare budgets for the Association, which budgets shall include a reserve fund for the maintenance of all Common Areas.

Section 8.06 Duty to Levy and Collect the Maintenance Charge. The Association shall levy, collect and enforce the Maintenance Charge and other charges and assessments as elsewhere provided in this Declaration.

Section 8.07 Duty to Provide Annual Review.

Section 8.08 Duties with Respect to Architectural Approvals. The Association shall perform functions to assist the Committee as elsewhere provided in Article IV of this Declaration.

Section 8.09 Power to Acquire Property and Construct Improvements. The Association may acquire property or an interest in property (including leases) for the common benefit of Owners including improvements and personal property. The Association may construct improvements on the Property and may demolish existing improvements.

Section 8.10 Power to Adopt Rules and Regulations. The Association may adopt,



amend, repeal and enforce rules and regulations ("Rules and Regulations"), fines, levies and enforcement provisions as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration, the operation of the Association, the use and enjoyment of the Common Areas, and the use of any other property, facilities or improvements owned or operated by the Association.

Section 8.11 Power to Enforce Restrictions and Rules and Regulations. The Association and any Owner, with respect only to the remedies described in 8.11.02 or 8.11.03 below, shall have the power to enforce the provisions of this Declaration and the Rules and Regulations and shall take such action as the Board of Directors deems necessary or desirable to cause such compliance by each Member and each Related User. Without limiting the generality of the foregoing the Association shall have the power to enforce the provisions of this Declaration and of Rules and Regulations of the Association by any one or more of the following means:

- 8.11.01 By entry upon any property within the Subdivision after notice and hearing (unless a bona fide emergency exists in which event this right of entry may be exercised without notice (written or oral) to the Owner in such manner as to avoid any unreasonable or unnecessary interference with the lawful possession, use or enjoyment of the improvements situated thereon by the Owner or any other person), without liability by the Association to the Owner thereof for the purpose of enforcement of this Declaration or the Rules and Regulations;
- 8.11.02 By commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration or the Rules and Regulations;
- 8.11.03 By exclusion, after notice and hearing, of any Member or Related User from use of any recreational facilities within the Common Areas during and for up to sixty (60) days following any breach of this Declaration or such Rules and Regulations by such Member or any Related User, unless the breach is a continuing breach in which case exclusion shall continue for so long as such breach continues;
- 8.11.04 By suspension, after notice and hearing, of the voting rights of a Member during and for up to sixty (60) days following any breach by such Member or a Related User of a provision of this Declaration or such Rules and Regulations, unless the breach is a continuing breach in which case such suspension shall continue for so long as such breach continues;
- 8.11.05 By levying and collecting, after notice and hearing, a fine or assessment against any Member for breach of this Declaration or

such Rules and Regulations by such Member or a Related User which assessment reimbursed the Association for the costs incurred by the Association in connection with such breach;

- 8.11.06 By levying and collecting, after notice and hearing, reasonable and uniformly applied fines and penalties, established in advance in the Rules and Regulations of the Association, from any Member or Related User for breach of this Declaration or such Rules and Regulations by such Member or a Related User; and
- 8.11.07 By taking action itself to cure or abate such violation and to charge the expenses thereof if any, to such violating Members, plus attorneys' fees, as allowed by the Act, incurred by the Association with respect to exercising such remedy.

Before the Board may invoke the remedies provided above, it shall give registered notice of such alleged violation to Owner, and shall afford the Owner a hearing using the procedures set forth in the Bylaws. If after the hearing, a violation is found to exist, the Board's right to proceed with the listed remedies shall become absolute. Each day a violation continues shall be deemed a separate violation. Failure of the Association, or of any Owner to take any action upon any breach or default with respect to any of the foregoing violations shall not be deemed a waiver of their right to take enforcement action thereafter or upon a subsequent breach or default.

Section 8.12 Power to Grant Easements. In addition to any blanket easements described in this Declaration, the Association shall have the power to grant access, utility, drainage, water facility and other such easements in, on, over or under the Common Area.

Section 8.13 Power to Manage Wildlife. The Association shall have the sole power to adopt plans duly recommended by the Texas Department of Parks & Wildlife to manage and/or care for wildlife in the WaterStone Subdivision. If such a plan includes the harvesting of wildlife, such harvesting shall be administered by the Association under the direction of the Texas Department of Parks & Wildlife.

## ARTICLE IX GENERAL PROVISIONS

Section 9.01 Term. The provisions hereof shall run with all property in WATERSTONE and shall be binding upon all Owners and all persons claiming under them for a period of forty (40) years from the date this Declaration is recorded, after which time said Declaration shall be automatically extended for successive periods of ten (10) years each, unless an instrument, signed by not less than two-thirds (2/3rds) of the Owners of the Tracts has been recorded agreeing to amend or change, in whole or in part, this Declaration.

Section 9.02 Amendments. This Declaration may be amended or changed, in whole or in part, at any time by the written agreement or by signed ballots voting for such amendment, of not less than two-thirds (2/3rds) of all of the Owners of the Subdivision. There shall be one vote per Tract. Anyone owning more than one Tract shall have one vote for each Tract owned. If the Declaration is amended by a written instrument signed by those Owners entitled to cast not less than two-thirds (2/3rds) of all of the votes of the Owners of the Association, such amendment must be approved by said Owners within three hundred sixty-five (365) days of the date the first Owner executes such amendment. The date an Owner's signature is acknowledged shall constitute prima facie evidence of the date of execution of said amendment by such Owner. Those Members (Owners, entitled to cast not less than two-thirds (2/3rds) of all of the votes of the Members of the Association may also vote to amend this Declaration, in person, or by proxy, at a meeting of the Members duly called for such purpose, written notice of which shall be given to all Owners at least ten (10) days and not more than sixty (60) days in advance and shall set forth the purpose of such meeting. Any such amendment shall become effective when an instrument is filed for record in the Official Public Records of Kendall County, Texas, accompanied by a certificate, signed by a majority of the Board of Trustees, stating that the required number of Members executed the instrument amending this Declaration or cast a written vote, in person or by proxy, in favor of said amendment at the meeting called for such purpose. Copies of the written ballots pertaining to such amendment shall be retained by the Association for a period of not less than three (3) years after the date of filing of the amendment or termination. In accordance with Section 6.02(4), the Owners shall not amend this Declaration in such a manner as to increase the Maintenance Charge or any other charge or assessment payable by an owner or increase the priority of the Association's lien for the Maintenance Charge or any other charge or assessment as against any lien holder, without the majority vote to do so of all Association Members directly affected thereby. Furthermore, no amendment to this Declaration which adversely affects the rights or security interests of any holder of a lien to which the lien described in Section 6.01 hereof has been subordinated pursuant to Section 6.05 hereof shall become effective unless and until approved, in writing, by such lienholder

Section 9.03 This section is left blank.

Section 9.04 Severability. Each of the provisions of this Declaration shall be deemed independent and severable and the invalidity of unenforceability or partial invalidity or partial unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

Section 9.05 Liberal Interpretation. The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.

Section 9.06 Successors and Assigns. The provisions hereof shall be binding upon and inure to the benefit of the Owners, the Association, and their respective heirs, legal representatives, executors, administrators, successors and assigns.

Section 9.07 Effect of Violations on Mortgages. No violation of the provisions herein contained, or any portion thereof, shall affect the lien of any mortgage or deed of trust presently or hereafter placed of record or otherwise affect the rights of the mortgagee under any such mortgage, the holder of any such lien or beneficiary of any such deed of trust; and any such mortgage, lien or deed of trust may, nevertheless, be enforced in accordance with its terms, subject, nevertheless, to the provisions herein contained.

Section 9.08 Terminology. All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. Title of Articles and Sections are for convenience only and neither limit nor amplify the provisions of this Declaration itself. The terms "herein", "hereof" and similar terms, as used in this instrument, refer to the entire agreement and are not limited to referring only to the specific paragraph, section or article in which such terms appear.

Section 9.09 Texas Residential Property Owners Protection Act. Notwithstanding anything to the contrary contained herein, the Association shall comply with the provisions of the Act and, to the extent there is a conflict between the provisions contained herein or in the Bylaws, the provisions of the Act shall govern.

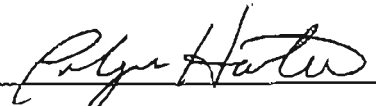
Thus approved by owners entitled to cast at least sixty-seven percent (67%) of the votes of the Association, as certified by the signatures of the President and Secretary of the Association below.

IN WITNESS WHEREOF, the undersigned, have hereunto set their hands on this 27 day of April, 2018.

WATERSTONE ON THE GUADALUPE PROPERTY OWNERS ASSOCIATION,  
A Texas Non-Profit Corporation

By:  Jay McElhenney, Its President

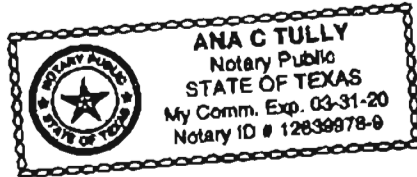
ATTEST:

By:  Carolyn Hartman, Its Vice President

STATE OF TEXAS       §  
                                  §  
COUNTY OF KENDALL   §

The foregoing was acknowledged before me, the undersigned Notary, by Jay McElhenney, President of WaterStone on the Guadalupe Property Owners Association, in the capacity and for the reasons stated therein.

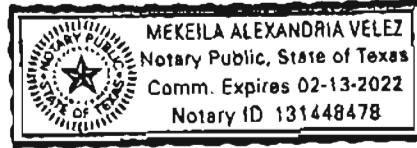
  
\_\_\_\_\_  
Notary Public State of Texas



STATE OF TEXAS       §  
                                  §  
COUNTY OF KENDALL   §

The foregoing was acknowledged before me, the undersigned Notary, by Carolyn Hartman, Vice President of WaterStone on the Guadalupe Property Owners Association, in the capacity and for the reasons stated therein.

  
\_\_\_\_\_  
Notary Public State of Texas



AFTER RECORDING RETURN TO:  
WaterStone on the Guadalupe Property Owners Association  
500 Rio Frio Court  
Boerne, TX 78006

Filed & Recorded in:

**KENDALL COUNTY  
DARLENE HERRIN  
COUNTY CLERK**

04/30/2018 08:44AM

Document Number : 00320940  
Total Fees : \$126.00 *pd*

Receipt Number - 87239  
By Deputy: Beth A Steinruck

This Document has been received by this Office for  
Recording into the Official Public Records.

We do hereby swear that we do not discriminate due to  
Race, Creed, Color, Sex or National Origin.

STATE OF TEXAS, COUNTY OF KENDALL  
I hereby certify that this instrument was filed in File Number  
Sequence on the date and at the time stamped hereon and  
was duly recorded in the OFFICIAL RECORDS Records of  
Kendall County, Texas on

04/30/2018  
DARLENE HERRIN, COUNTY CLERK  
Kendall County, Texas

By: *bas* Deputy

## RULES AND REGULATIONS OF WATERSTONE ON THE GUADALUPE PROPERTY OWNERS ASSOCIATION

1. Construction fine schedule:

1.1 The property owner must have a portable latrine on site as soon as construction begins on the property in any form. This does not include lot clearing. Failure to do so will result in a \$50 fine, subject to the right of the owner to notice, hearing and opportunity to cure. The property owner will be notified by certified mail. If the latrine is not placed within 72 hours of notification, the fine will be levied every 72 hours until the latrine is installed. Reference CC&R section 3.01.

1.2 Property owner must install a construction road as soon as the foundation forms are being set and the contractor / subcontractors / laborers / suppliers must use it. Failure to do so will result in a \$50 fine, subject to the right of the owner to notice, hearing and opportunity to cure. The property owner will be notified by certified mail. If the construction road is not placed within 72 hours of notification, the fine will be levied every 72 hours until the construction road is installed. Reference CC&R section 8.10.

1.3 Contractors/subcontractors/laborers/suppliers cannot park on the roads or offload equipment on the roads within WaterStone. This must be done on the property being improved. Failure to comply will result in a \$50 fine for each violation, subject to the right of the owner to notice, hearing and opportunity to cure. Reference CC&R section 8.10.

1.4 A trash container/dumpster must be on site when framing begins and the site must be kept clean of trash and debris. Failure to maintain a clean construction site will result in a \$50 fine, subject to the right of the owner to notice, hearing and opportunity to cure. The property owner will be notified by certified mail when the construction site is not acceptable. If not cleaned within 72 hours of notification, the fine will be levied every 72 hours until the lot is cleaned. Reference CC&R section 3.01.

1.5 Any contractor/subcontractor/laborer/supplier caught speeding, tailgating to enter the development, or entering through the exit gate will result in a \$50 fine for each violation, subject to the right of the owner to notice, hearing and opportunity to cure. The property owner is responsible to ensure that the contractor and subcontractors use the appropriate gate codes. Reference CC&R section 8.10.

1.6 The builder's sign, if used on the property, must be approved by the ACC and cannot be installed prior to the initiation of construction. Failure to comply will result in a \$50 dollar fine, subject to the right of the owner to notice, hearing and

opportunity to cure, and removal of the sign. Reference CC&R section 3.09.

1.7 Work cannot commence on a construction site prior to 7 a.m. and must conclude by 7 p.m., Monday through Saturday. Work is not permitted on Sundays. Failure to comply will result in a \$50 fine for each violation, subject to the right of the owner to notice, hearing and opportunity to cure. Concrete pours outside of these hours must be approved by the ACC. Reference CC&R section 8.10.

1.8 Additional Fine Schedule:

1.8.1 For improvements made to properties without ACC approval or in significant variance to an ACC approved design, the fine is \$50.00 per month, subject to the right of the owner to notice, hearing and opportunity to cure, until such time the infraction is deemed acceptable by the ACC. Reference CC&R section 4.01.

1.8.2 For violations of CC&R restricted trailer, RV, vehicle parking or presence, or Portable On Demand Storage Units (PODS), the fine schedule shall be, subject to the right of the owner to notice, hearing and opportunity to cure: Reference CC&R sections 3.01, 3.08 & 3.22..

1.8.2.1 \$50 per month, if within 30 days of notice the violation has not been cured.

1.8.2.2 \$100 per month, if within 60 days of notice the violation continues.

1.8.2.3 \$150 per month, if within 90 days of notice the violation continues.

1.8.2.4 \$150 for each 30 day period following.

1.8.2.5 For RVs/trailers housed off site a grace period of 4 days before and after use is allowed for cleaning and preparation.

1.8.3 Fines are payable immediately to the Treasurer once assessed.

2. WaterStone Park Rules: Reference CC&R section 8.10.

2.1 WaterStone parks are for the sole use of Owners, residents, and their guests. An Owner or resident must be present at all times when outside guests are using park facilities.

2.2 There are no established open/closing times for our parks but Quiet times are from 10:00 p.m. until 8:00 a.m. During these times no loud music is permitted.

2.3 Fires are limited to prepared fire pits and grills. All fires must be extinguished before leaving.



2.4 Owners/Residents are encouraged not to confront unlawful park users but call for Sheriff's assistance.

2.5 Pick up your trash when leaving.

2.6 Report any problems regarding facility cleanliness or operations to any board member or member of the Maintenance Committee. You may also email [waterstonebod@gmail.com](mailto:waterstonebod@gmail.com).

2.7 Camping is not permitted in Andrew's Park. Camping for no more than three consecutive nights is authorized in Bergman Park. Campers must obey all park rules.

2.8 Large Parties/Activities. From time to time if an owner or resident hosts an activity in one of the parks where the large majority of attendees are not from WaterStone, these activities are welcome as long as:

2.8.1 Visitors are given a party code for the entrance gate, not the owner's personal code.

2.8.2 All other park rules apply to the activity.

2.8.3 WaterStone POA is not responsible for any injury, accident, or damage to personal property.

2.8.4 The host POA member must remain present as long as any outside guests are there.

2.8.5 If an activity has 50 or more expected guests from outside of WaterStone and alcohol will be served, the host must arrange for an off-duty Sheriff Deputy to be present during the activity and the cost for security will be covered by the host.

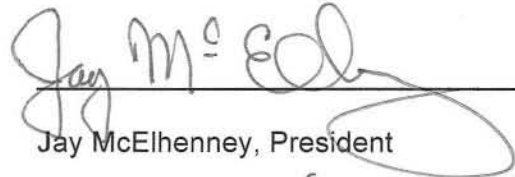
2.9 Reservations for Park use. Reservations for park use may be made by emailing [waterstonebod@gmail.com](mailto:waterstonebod@gmail.com). Reservations do not entitle the party to sole use of the park and owners should understand that at any time members are welcome to use POA facilities. But reservations for certain sections of picnic tables, pavilion, field or volleyball court will be granted. In these cases we suggest the reservation party tape off or sign off their intended use area the morning of the activity. Groups are welcome to use the playground but the playground cannot be reserved for exclusive use.


2.9.1 Reservations for activities by outside organizations, businesses, associations, or other enterprises must have an owner/resident sponsor who must be present at all times. An exception to their presence may be granted on a case-by-case basis. We encourage such groups to make a donation of their choice to the WaterStone POA.



2.9.2 Reservations for very unique events, such as a wedding, may be made if the event is for a direct family member of a POA member. In

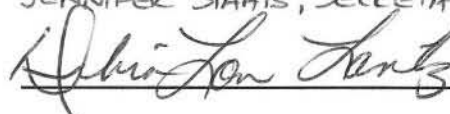

these cases, special attention will be made to date, time, and facility/area to be used. We also request a donation to the POA from the reservation party.

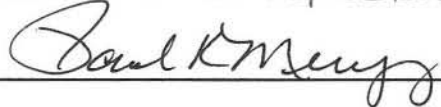
ADOPTED by the unanimous vote of WaterStone POA Board of Directors on this the 5th day of February 2019.

  
Jay McElhenney, President

  
Carolyn Hartman, Vice President

  
Debra-Lou Lantz, Treasurer  
JENNIFER STAATS, SECRETARY  6 FEB 2019

  
Jennifer Staats, Secretary  
DEBRA-LOU LANTZ, TREASURER  6 FEB 2019

  
Paul Mery, Member at Large

IN WITNESS WHEREOF, the undersigned, have hereunto set their hands on this  
8<sup>TH</sup> day of FEBRUARY, 2019.

WATERSTONE ON THE GUADALUPE PROPERTY OWNERS ASSOCIATION,  
A Texas Non-Profit Corporation

By: Jay McElhenney Jay McElhenney, Its President

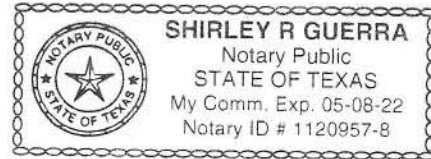
ATTEST:

By: Carolyn Hartman Carolyn Hartman, Its Vice President

STATE OF TEXAS       §  
                                  §  
                                  §  
COUNTY OF KENDALL   §

The foregoing was acknowledged before me, the undersigned Notary, by Jay McElhenney, President of WaterStone on the Guadalupe Property Owners Association, in the capacity and for the reasons stated therein.

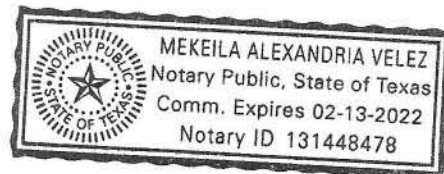
Shirley R Guerra  
Notary Public State of Texas



STATE OF TEXAS       §  
                                  §  
                                  §  
COUNTY OF KENDALL   §

The foregoing was acknowledged before me, the undersigned Notary, by Carolyn Hartman, Vice President of WaterStone on the Guadalupe Property Owners Association, in the capacity and for the reasons stated therein.

Mekeila Alexandria Velez  
Notary Public State of Texas



AFTER RECORDING RETURN TO:  
WaterStone on the Guadalupe Property Owners Association  
500 Rio Frio Court  
Boerne, TX 78006

Filed & Recorded in:

**KENDALL COUNTY  
DARLENE HERRIN  
COUNTY CLERK**

02/13/2019 03:09PM

Document Number : 00328248

Total Fees : \$46.00 pd

Receipt Number - 95247

By Deputy: Harriet P Seidensticker

This Document has been received by this Office for  
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We do hereby swear that we do not discriminate due to  
Race, Creed, Color, Sex or National Origin.

STATE OF TEXAS, COUNTY OF KENDALL

I hereby certify that this instrument was filed in File Number  
Sequence on the date and at the time stamped hereon and  
was duly recorded in the OFFICIAL RECORDS Records of  
Kendall County, Texas on

02/13/2019

DARLENE HERRIN, COUNTY CLERK  
Kendall County, Texas

By:       HPS       Deputy