

DECLARATION OF COVENANTS, CONDITIONS RESTRICTIONS, RESERVATIONS AND EASEMENTS

THE 1623 DIVIDE

STATE OF TEXAS

COUNTY OF BLANCO

1623 Divide, LLC, (the “Developer”) being the owner of the following described real property lying and being situated in the County of Blanco and the State of Texas, as more particularly described as follows, to-wit:

Being 342.6 acres of land, more or less,

(Referred to herein as the “Subdivision”, and individually as “Tract” and collectively as “Tracts”)

For the purpose of carrying out a uniform plan for the development of a quality residential subdivision does hereby declare, adopt, and impose upon the above described real property the following covenants, conditions, easements, restrictions, and limitations which shall apply to and become a part of all legal instruments whereby title or possessions to any Tract in said Subdivision is hereafter conveyed or transferred, such covenants, conditions, easements, restrictions, and limitations to run with the land and to be binding upon and inure to the benefits of all parties, now or hereafter, owning or using above described Property or any portion thereof, their heirs, executors, administrators, successors and assigns.

ARTICLE I: PROPERTY RIGHTS

SECTION I. Owner’s Easement and Right to Use of the Shared Access Driveway. The Shared Access Driveway (“the Driveway”), being a sixty (60’) foot wide easement, consisting of the Main Entrance off of Ranch Road 1623, and the two internal roads named “Skyline Drive” and “Lewdele Lane”, as shown on the Subdivision map attached hereto as Exhibit “B” and described in the metes and bounds description attached hereto as Exhibit “C”.

A. Every owner of a Tract shall have a right and easement to the Shared Access Driveway as shown on the Subdivision map attached hereto as Exhibit “B” and described in the metes and bounds description attached hereto as Exhibit “C”, including without limitation, the right of vehicular, pedestrian and equestrian ingress and egress, in and to the Driveway, which shall be appurtenant to and shall pass with the title to every Tract, with the exception of the owners of Tracts 20, 21, 22 and 23, which Tracts do not front the Driveway and which shall have separate entrances off of Ranch Road 1623 for purposes of ingress and egress, and which will

not have any right or easement to the Shared Access Driveway. The right and easement to the Shared Access Driveway shall also be deemed granted to the Association and each Tract owners' families, guests, invitees, employees, and tenants, excepting the Tract owners' families, guests, invitees, employees, and tenants of Tracts 20, 21, 22 and 23.

B. Developer reserves the right to fully utilize said Shared Access Driveway at all times for the benefit of the Developer's property described herein. The Developer further reserves the exclusive right to fully utilize said Shared Access Driveway for the potential, future development of no more than twelve additional Tracts, which tracts shall be limited to Single Family Residential use, shall be a minimum of 30 acres in size, and which shall be subject to, (at a minimum), all of the terms and provisions of this "DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS AND EASEMENTS". Should such future development occur, any additional Tracts will be located only within the approximately 550 acre parcel of land which adjoins and is immediately North of the subject 342.6 acres of land.

SECTION II. Association's Right of Entry. The Developer, the authorized representative of the Association or its Board of Directors shall be entitled to reasonable access to the individual Tracts described herein as may be required in connection with the preservation of property on any individual Tract or Tracts in the event of an emergency or in connection with the maintenance of, repairs or replacement of facilities within the common areas; provided, after such entry, the Developer or the Association shall restore the lot to its former condition.

ARTICLE II: PROPERTY OWNER'S ASSOCIATION

SECTION I. Membership. Developer and every owner of a Tract, which is subject to an assessment, shall be a member of the association known as THE DIVIDE Property Owners Association, Inc., a Texas nonprofit corporation (the "Association"). The Association shall be formed as a non-profit corporation at the discretion of the Developer and shall be governed under the laws of the State of Texas and the Bylaws or other regulations imposed by said corporation. Such owners and members shall abide by the Association's Bylaws, Articles of Incorporation, rules and regulations, shall pay the assessments provided for in this Declaration, when due, and shall comply with decisions of the Association's Board of Directors. Conveyance of a Tract automatically transfers membership in the Association without necessity of further documentation. Membership shall be appurtenant to and may not be separated from ownership of any Tract that is subject to assessment.

Prior to the Developer relinquishing control to the Association, which shall occur once the Developer has sold eighteen (18) of the Subdivision Tracts (or at any previous time determined at Developer's sole discretion), the Developer shall have the unilateral right to establish and appoint the Directors of the Association and to appoint the Architectural Review Committee. At such time that the Developer transfers control to the Association, each member shall have one vote with respect to each Tract owned by such member and the Developer shall have two votes for each Lot owned by the Developer. A simple majority of the votes shall be used to determine the policy of said Homeowner's Association. The Association by a simple

majority shall elect at least three (3) Directors of the Association, Officers of the Association to include the President, Vice-President, Treasurer and Secretary and at least three (3) members of the Association to serve on the Architectural Review Committee. A duly elected member of the Association is eligible to concurrently serve as a Director, Officer and a member of the Architectural Review Committee.

SECTION II: Rights and Obligations of the Association. The Association shall maintain, operate and keep in good repair, unless such obligations are assumed by any municipal or governmental agency having jurisdiction thereof, the Shared Access Driveway as described herein and including the Shared Access Driveway entrance, (electric operated gates, rock columns and walls, landscaping and fencing). The Association shall not, however, mow the grass in the easement areas unless specifically requested to do so. All swales, ditches, culverts and other instruments of drainage shall be maintained and remain open and clear of debris at all times.

ARTICLE III: ASSESSMENTS

SECTION I. Assessments; Creation of the Lien. Each Lot owner, with the exception of Lots owned by the Developer, by acceptance of a deed for the Lot, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association (a) annual assessments or charges, and (b) special assessments for required maintenance, repairs or capital improvements, such assessments to be established and collected as provided in this Article. The annual and special assessments, together with interest, costs and reasonable attorney fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Such lien may be enforced by foreclosure in the manner that mortgages are foreclosed.

SECTION II. Purpose of Assessments. The assessments collected by the Association shall be used exclusively to promote the health, safety and welfare of the residents and in particular for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose, or for the use and the enjoyment of the Shared Access Driveway, including but not limited to, the cost of construction, repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the procurement and maintenance of insurance and in accordance with the Bylaws, the employment of attorneys, accountants and other professionals to represent the Association when necessary, the maintenance and upkeep of the entry gate and associated landscaping, and such other needs as may arise. The Developer, until such time as he deems necessary, may use the assessments or any part thereof, for developing, improving, operating and maintaining the Shared Access Driveway or the entry gates which the owners and/or occupants of Tracts may be privileged or shall have the right to use. It is agreed and understood that the judgment of the Developer, as custodian and administrator of said assessments, when used in good faith in the expenditure of said funds, or any part thereof, shall be binding, final and conclusive upon all parties in interest.

SECTION III. Initial Assessments. Assessments shall be set at Eight Hundred Dollars, (\$800.00), annually per Tract, and may pursuant to the procedures outlined in the association's Bylaws be raised or lowered, but in no case shall such annual dues or special assessments levied

against any individual Tract exceed a yearly sum of One Thousand Two Hundred (\$1,200.00) Dollars, without the consent of a majority of the Tract owners of the Subdivision.

SECTION IV. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement. Any such assessment shall have the assent of the members of the Association in accordance with the Bylaws.

SECTION V. Uniform Rate of Assessment. Both annual and special assessments shall be fixed at a uniform rate for all Tracts.

SECTION VI. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall begin as to any Tract subject to the assessment on the first day of the month following the date on which title to the Tract is conveyed to the owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year when title to the Tract is transferred. The assessments shall be due quarterly, pre-paid annually, or due as directed by the Developer or the Board of Directors of the Association.

SECTION VII. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within sixty (60) days after the due date shall bear interest from the due date at the rate of Ten (10%) percent. The payment of the assessment and interest payment hereby imposed shall be secured by an express lien in favor of the Developer (and Association, when formed) as custodian and administrator of the assessments, which lien is placed and imposed upon each Lot in the Subdivision subject to such charge. There is hereby granted unto the Developer (and Association, when formed) an express lien against each Tract of the Subdivision to secure all obligations of the owner or owners of said Tract imposed upon such owner, or Tract, under the provisions hereof. Such lien may be foreclosed in the same manner as a deed of trust lien (V.T.C.A. Property Code 51.002) or a vendor's lien, without prejudice, however, to any other rights, powers or causes of action which the holder of said lien may have against any party who is then or who has heretofore been the owner of the property affected thereby. Neither Developer nor the Association shall be liable or responsible to any party for failure or inability to collect the maintenance charge or any part thereof from any party.

SECTION VIII. Subordination of the Lien to Mortgages or Deeds of Trust. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Tract shall not affect the assessment lien. However, the sale or transfer of any Tract pursuant to a mortgage or deed of trust foreclosure or any proceeding or deed in lieu thereof, shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Tract from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE IV: USE RESTRICTIONS AND BUILDING REQUIREMENTS

SECTION I. Single Family Residential Use:

All Tracts in the subdivision are restricted to use for single-family residential, agricultural or wildlife habitat purpose consistent with obtaining and maintaining an agricultural or wildlife tax exemption. No commercial use shall be allowed except that a business operated from the residence / home will be allowed, provided, that such business is not conspicuous, does not require any signs, does not result in excessive use of the roads, does not have more than two (2) employees other than the owners of the Tract, and does not result in unsightly or excessive storage. Auto repair business, day care provider, fix it shop, gun dealers or other similar businesses do not qualify as home-based businesses. Short Term Vacation Rentals / Bed and Breakfast operations are strictly forbidden within THE DIVIDE development, with the exception of Tract 21 which fronts Ranch Road 1623, which will not utilize the Shared Access Driveway, and which will be retained by the developer for the express purpose of operating a Short Term Vacation Rental / Bed and Breakfast operation which will be bound by the provisions of ARTICLE IV, SECTION IV, Subparagraph G of this document, prohibiting any objectionable activities which would constitute an annoyance or nuisance to any resident Owner within THE 1623 DIVIDE. Only one single-family, permanent residence, or main dwelling unit, is allowed per Lot, which dwelling unit may include an attached or detached garage. In addition, each Lot may include up to two (2) other detached dwelling units, (guest house, cottage, casita, barndominium, etc.). Each and every dwelling unit hereafter constructed on any Lot within The Divide development shall be subject to the Architectural Guidelines and Controls as adopted by the Developer or the Association. The primary residential dwelling shall contain a minimum of 2,400 square feet of heated and air-conditioned living area, exclusive of porches, garages and breezeways. Any additional dwelling unit/s shall be a minimum of 600 square feet of conditioned living area and no larger than 50% of the living area of the main dwelling. An additional dwelling unit may be built before the main dwelling unit, however in such case, the additional dwelling unit must be completed within twelve (12) months of commencement of its construction, and the main dwelling unit must be completed within thirty (30) months of the commencement of construction of the additional dwelling unit.

SECTION II. Building Materials and Architectural Review Committee Approval. It is the intent of the Developer that all dwellings and other structures have a neat and attractive appearance and that they are designed and constructed in a manner which will be a credit to the entire development.. It is contemplated by the Developer that in order to preserve the views within the development and more particularly to protect the views from each Tract, that all structures be designed and built with that goal in mind. Although single story dwellings and

other structures are preferred and will be most conducive to preserving views and privacy, two story structures will be permissible, as long as they do not unreasonably impinge on the views or privacy of other Tracts while also meeting the criteria and standards established by the developer and the Architectural Review Committee to protect the values of the entire Subdivision. In that regard, exterior colors shall be limited to natural colors that blend into the surrounding area. No bold or high gloss colors that stand out will be permitted. All buildings erected on site shall be of new construction, and shall be constructed of approved building materials. "Approved Building Materials" for exterior walls include brick, stone, stucco, wood, Hardiplank, wood siding or wood facsimile. Reflective metal, cinder block or any kind of metal is not a permissible exterior wall covering for any building. Each primary residential structure shall have exterior walls of at least fifty (50%) percent masonry. Cement siding such as Hardiplank shall not qualify as masonry construction under these restrictions. No chain-link fencing shall be permitted unless such fencing is not visible from any other tract. Roofs may be constructed of either (a) dimensional composition shingles (no standard 3 tab shingles) (b) concrete or clay tile (c) metal subject to the review and approval of the Architectural Review Committee. No improvements shall be constructed upon any of the Property without the prior written approval of the Architectural Review Committee, which approval shall not be unreasonably withheld.

SECTION III. Completion of Construction. Construction activity related to structures of any type or for any purpose on any Subdivision Tract shall be completed within twelve (12) months from the commencement of construction, unless prior written consent is obtained from the Architectural Review Committee, provided however, the Architectural Review Committee shall only be permitted to provide one (1) extension not to exceed six months. All construction equipment, materials and trash shall be managed, contained, stored and cleared on an ongoing basis. It is the sole responsibility of each Tract owner to make certain that their builder/s and trade contractors maintain a neat, clean and orderly job site during construction so as to make certain that such construction activities to not become a nuisance to, an eyesore to, or otherwise objectionable to other Tract owners within the Subdivision.

SECTION IV. Use Limitations.

A. No single or doublewide manufactured homes or trailers, kit homes or modular homes shall be placed or built on any Tract within the Subdivision. As used herein, the term "single-family" shall be construed to prohibit use of any Tract for duplex houses, condominiums, townhouses or apartment houses. The term "single-family residential use" shall be construed to prohibit multiple families from utilizing any individual Tract as a permanent residence and shall prohibit any individual who is not a member of the Tract owner's immediate family from permanently residing on any Tract. No above ground swimming pools are allowed on the Property. (QUESTION for Joe and David??? – What about a full time employee such as a caretaker, care giver, nurse, butler, chauffeur, gardener, or grown children?)

B. Garages, work shops, barns, pool cabana, and other outbuildings, ("outbuildings") may be built prior to or while the primary residential dwelling is being built, so long as they are of good construction, kept in good repair and as long as the primary dwelling is completed within 30 months of commencement of construction of said outbuilding/s. In addition, a Tract

Owner may have a building to house a permitted animal, so long as such structure is constructed during or after the primary residence and has been approved by the Architectural Control Committee, aesthetically conforms to the dwelling located on the Tract and blends in to the area. Under no circumstances shall an Owner be allowed to construct any temporary housing for any animals or maintain animals on a Lot prior to the construction of the primary residential dwelling. Propane and/or butane tanks will be buried or not be visible from any other Tract.

C. No bus, semi-trailer, tractor, machinery, equipment, truck larger than one (1) ton pickup, of any type shall be kept, parked, placed, maintained, constructed or repaired on or in the street, or driveway in front of the house on any Tract such that it is visible from the Shared Access Driveway or visible from any other Tract. Motor homes, recreational house trailers, horse trailers, campers, boats, boat trailers of any type which are kept on any Tract, shall not be visible from any other Tract or from the Shared Access Driveway, and shall never be used as a temporary or permanent dwelling.

D. No commercial breeding, housing or production of animals, birds, swine or reptiles will be permitted on any Tract. Horses, donkeys, llamas, alpacas, sheep, goats, cattle, chickens and honeybees will be permitted on a Tract, provided however, on average no more mature animals than one (1) unit per five (5) acres or the minimum number of animal units required by the Blanco County Appraisal District necessary to maintain an agricultural open-space exemption on said Tract. The purpose of this restriction is to prevent an overgrazing situation to a point that it is unsightly or in any respect detrimental to the development. It is the responsibility of each Tract owner to utilize appropriate means, including approved fencing, to confine all livestock and pets, such as dogs, to their Tract. If owners have a pet cat or multiple cats, they are not required to take measures to confine them to their Tract/s.

E. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any Tract and no odors shall be permitted to arise therefrom so as to render the Tract or any portion of it unsanitary, unsightly, offensive, or detrimental to any other Tract or to its occupants. Refuse, garbage, and trash shall be kept at all times in covered containers and such containers shall be kept within enclosed structures or appropriately screened from view. No Tract nor any part thereof shall be used or maintained as a dumping ground for rubbish. No junk, repair, inoperable vehicles or wrecking yard shall be located on any Tract. Material of any kind stored on any Tract shall be arranged in an orderly manner and shall be properly covered or otherwise out of sight from the Shared Access Driveway or from any other Tract. **LITTERING IS EXPRESSLY FORBIDDEN** at any location inside the development including on or along the Shared Access Driveway inside THE DIVIDE development.

F. Any structure, (with the exception of approved fences), erected or placed on any Tract within the Subdivision must be set back a minimum of one hundred fifty feet (125') from any adjoining property line and a minimum of one hundred feet (75') from the Shared Access Driveway unless otherwise approved in writing by the Developer or the Architectural Control Committee. All fences must be setback at least twenty feet (20') from the sixty foot (60') Shared Access Driveway ROW as described herein.

G. No Tract shall be used in a manner that adversely affects any other Tract owner/s or creates an annoyance or nuisance to other Tract owner/s. This shall include noise pollution such as barking dogs, loud music, ATVs or any activity or use which causes a nuisance. Additionally, no vapor lights or any sort of light that causes night time sky pollution shall be permitted. All exterior lighting must be approved by the developer and/or the Architectural Control Committee. This includes radio tower transmitters, antennas and neon lights. Satellite dishes shall be permitted however their size, location and mounting supports shall be subject to the approval of the Architectural Control Committee..

H. No septic tank or other means of sewage disposal may be installed unless the construction and location complies with all existing state, county, or other governmental regulations and is approved by the proper governmental authorities having jurisdiction with respect thereto.

I. No signs shall be placed on any lot, provided, however, a professionally made "For Sale" sign not exceeding four (4') square feet in size shall be allowed to advertise a particular Tract for sale.

J. Storage tanks for water are permitted so long as they are not visible from any other Tract in the Subdivision or are screened in a manner approved by the developer or by the Architectural Control Committee. Antennas or masts higher than twelve (12) feet are prohibited without the express written approval of the developer or the Architectural Control Committee.

K. The Developer or the Association shall have the right to monitor the Tracts for the presence of vegetative diseases, such as Oak Wilt, and if a vegetative disease is found the owner of such Tract is responsible to take appropriate curative and preventative measures, (at the Tract owner's expense), as may be reasonably necessary to prevent the spread of the disease as outlined or determined by a specialist in the field. Every individual Tract owner is responsible for their own expenses in preventing, controlling and eliminating vegetative diseases which pose a threat to the entire Subdivision. If Oak Wilt is discovered on any Tract, and the owner of such Tract refuses or fails to take timely corrective measures, the Developer and/or the Association shall have the right to enter the Tract to see that appropriate corrective measures are taken, and the Tract owner/s shall be responsible to reimburse the Association or Developer for the costs incurred. The failure of the Lot owner to make such reimbursement shall be treated the same as nonpayment of Annual Assessments or Special Assessments and subject to a lien and enforcement of such lien as provided in Article III above.

L. Fences or walls shall be limited to a height of eight foot and seven inches (8' 7"). The location of the fence must be approved by the Architectural Control Committee. No chain link, lattice, or plastic fences shall be permitted. Plans for the construction of a fence or wall must be approved by the Developer or Architectural Control Committee prior to construction. The Tract owner shall be responsible for the location of and/or repairs to, if any, underground utilities damaged due to the construction of any fence or wall. All fences must be maintained in a manner to keep a new look. All fence or wall construction must be completed within sixty (60)

days of commencement of said construction, unless approval of a longer duration is received in writing from the Architectural Control Committee or the Developer. All existing fencing and structures which existed on any Tract prior to these restrictions shall be grandfathered and permitted to remain whether or not such fencing or structures are in conformity with these restrictions. Each Tract owner shall be solely and immediately responsible for maintenance and repairs to the existing subdivision perimeter fencing that is immediately contiguous to each owner's Lot.

M. Each Tract shall have only one (1) Tract Access Driveway from the Shared Access Driveway, for access, ingress and egress into and out of each Tract. All Tract Access Driveways must be designed and constructed so as to comply with all Blanco County specifications for such driveways and in a manner not detrimental to the Shared Access Driveway. In addition, the plans for each Tract Access Driveway must be approved by the Developer or the Architectural Control Committee prior to commencement of construction.

N. The Developer or the Association, in conjunction with a licensed Wildlife Biologist or other representative of the Texas Parks and Wildlife, shall perform annual surveys of the deer population within the development and shall determine whether any harvesting of deer will be recommended and appropriate in order to avoid over population. Said surveys will determine whether harvesting in any given year is appropriate and will also determine the maximum quantity of deer which may be harvested in any given year. When it is determined and established by the Developer or the Association that the harvesting of deer is recommended, said harvesting shall be permitted only on Tracts larger than 20 acres, or on any combination of adjacent Tracts owned by the same Owner the combined acreage of which exceeds 20 acres. The Developer or the Association, in concert with those Owners desiring to participate in such harvesting of deer, will coordinate all harvesting activities to assure that the maximum harvest limit is not exceeded.

SECTION VI. Duty to Maintain and Rebuild.

A. No Tract shall be used or maintained as a dumping ground for trash, rubbish or yard waste. Trash, garbage or other waste shall not be kept except in sanitary containers located out of view from the street and must be pet and varmint proof. Violators will be charged a clean-up and disposal fee. Incinerators are prohibited. Containers and equipment used for the storage and/or disposal of said materials shall be kept in a clean and sanitary condition.

B. If all or a portion of a residence is damaged or destroyed by fire, or other casualty, then the owner shall, with all due diligence, clean up and promptly rebuild, or repair to the apparent condition immediately prior to the casualty.

SECTION VII. Construction Requirements.

A. In the event that mud, debris, or any other construction materials are deposited onto the street by any means, it shall be the responsibility of the contractor or Lot owner to remove the mud from the street within a reasonable amount of time not to exceed thirty-six (36)

hours. If not removed within such period, the Property Owners Association or Developer will clean the street and bill the Lot owner for the cost. The Association shall have a lien on that Lot to cover the cost of removing the mud, debris or other materials from the street in accordance with Article III, Section VII, to secure the repayment of such cost. Such lien may be enforced by foreclosure.

B. No lattice or T-11 will be allowed for underpinning, fencing, or any other use within the Subdivision.

SECTION VIII. Septic Systems. All Lot owners shall be required to obtain a permit, install and maintain a sanitary septic tank and system for the treatment of house sewage. The use of aerators with septic systems shall also be permitted with proper approvals. All septic tank and soil absorption sewage systems shall be constructed in accordance with the requirements of the Blanco County Health Department. Written certification that the system complies with applicable requirements shall be presented to the Association or the Developer by the Owner of a Lot prior to occupancy of the premises.

SECTION IX. Underground Utility Lines. Utility lines, including, but not limited to, wires or other devices for the communication or transmission of telephone or electric current or power, cable television or any other type of line or wire must be placed underground, except and unless the Developer or the Architectural Control Committee provides written approval to do otherwise. The Developer and Architectural Control Committee, at their sole discretion, will only allow exceptions to the rule of Underground Utilities in instances where such above ground installation shall not be objectionable by adversely impacting the views from any other Lot in THE DIVIDE.

SECTION X. Building Plans. No building or other structure shall be erected, placed, substantially changed, or remodeled on any Lot, nor shall any site preparation begin, until the proposed building plans and specifications, exterior finish plan, plot plan, landscaping plan, construction schedules, and builder have been approved in writing by the Developer/Association or its successors in title. If the Developer/Association fails to approve or disapprove such items in writing within thirty (30) days after the same have been received by it in proper written and blueprint form, such written approval will not be required; however, no building shall be erected which violates any of these covenants and restrictions herein in any event.

SECTION XI. Utility Easements. There shall be a twenty (20') foot wide utility easement reserved along all Driveway property lines and a ten (10) foot utility easement reserved along all other property lines.

SECTION XII. No Subdividing. The Owner of a Lot shall not be allowed to further subdivide the Lot.

ARTICLE V: OTHER PROPERTY TO BE ANNEXED

This Declaration of Covenants, Conditions, Restrictions, Reservations and Easements apply only to the land described herein, provided however, Developer may but is not obligated to impose these Restrictions on other property owned by Developer, whether contiguous or non-contiguous. The Developer, however, does reserve the right to add or annex additional Lots or sections to the Subdivision from time to time, and such lots or sections shall become subject to the scheme of these Restrictions by the recording of a Supplementary Declaration of Covenants, Conditions, Restrictions, Reservations and Easements which shall extend the scheme of the Covenants, Conditions, Restrictions, Reservations and Easements to such annexed property.

ARTICLE VI. GENERAL PROVISIONS

SECTION I. Enforcement. Enforcement of these restrictions shall be by proceeding of law or in equity, brought by any Lot owner, by the Association, or by the Developer against any party violating or attempting to violate any covenant or restriction, either to restrain violation, to direct restoration and/or to recover damages. Failure of any Lot owner, builder, the Association, or Developer to demand or insist upon observance of any of these restrictions, or to proceed for restraint of violations, shall not be deemed a waiver of the violation, or of the right to seek enforcement of these restrictions. All court costs and attorney's fees incurred in the enforcement of these restrictions shall be due and payable to the prevailing party.

SECTION II. Severability. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

SECTION III. Restrictions Run with Land. Unless canceled, altered or amended under the provisions of this paragraph, these covenants and restrictions are to run with the land and shall be binding on all parties claiming under them for a period of thirty (30) years from the date this document is recorded, after which time they shall be extended automatically for successive periods of ten (10) years, unless an instrument signed by a majority of the then owners of all Lots subject to this Declaration has been recorded agreeing to change these restrictions and covenants in whole or in part.

The Developer, for itself and its successors and assigns, reserves the right to alter, amend or revise these covenants and restrictions unilaterally, for a period of ten (10) years after its recordation, provided, however, that the Developer has the right at any time to waive such right. After which time or in the event Developer waives its right, these restrictions may be revised or amended by a written instrument signed by the owners of the Lots with sixty-five (65%) percent of the votes in the Association and the instrument is to be recorded in the Official Public Records of Hays County, Texas. No amendment shall be effective to: (1) release a Lot Owner and/or the Association from its responsibility to maintain the Shared Access Driveway, unless a successor is appointed and accepts such responsibilities; or (2) permit a Lot owner to further subdivide a Lot.

SECTION IV. Amendments to Articles and Bylaws. Nothing in this Declaration shall limit the right of the Association to amend, from time to time, its Articles of Incorporation and Bylaws.

SECTION V. Non-Liability of the Directors and Officers. Neither the Developer nor the directors or officers of the Association shall be personally liable to the owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever while acting in their official capacity, except for any acts or omissions found by a court to constitute gross negligence or actual fraud. The owners shall indemnify and hold harmless the Developer, each of the said directors and officers and their respective heirs, executors, administrators, successors and assigns in accordance with the Bylaws. This indemnification shall include, without limitation, indemnification against all costs and expenses (including attorney fees, amounts of judgments paid and amounts paid in settlement) incurred in connection with any claim, action, suit or proceeding, whether civil, criminal, administrative or other.

SECTION VI. Variances. In accordance with the general intent as stated above, the Architectural Review Committee may, on a case by case basis, authorize variances from compliance with any of the provisions of this Declaration, including but not limited to the building setback requirements contained herein. Variances must be evidenced in writing and shall become effective when signed by the Declarant or by at least a majority of the members of the Architectural Review 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 Lot and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the Lot owner's obligation to comply with all governmental laws and regulations affecting the property concerned. Variances will be considered and granted on a case-by-case basis taking into consideration the unique aspects of each tract as well as the topography of the Lot to ensure that the variance if granted will maintain the integrity and aesthetics of the Subdivision.

Witness the following signature on this ____ day of _____, 2017.

1623 Divide, LLC, a
Texas Limited Liability Company

By: _____
James L. Pierce, Manager

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF HAYS

This instrument was acknowledged before me this ____ day of _____, 2019 by James L. Pierce, Manager of 1623 Divide, LLC, a Texas Limited Liability Company, on behalf of said company.

Notary Public, State of Texas