

FIRST AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF KERRVILLE COUNTRY ESTATES,
A SUBDIVISION IN KERR COUNTY, TEXAS

STATE OF TEXAS X
COUNTY OF KERR X KNOW ALL MEN BY THESE PRESENTS:

This Declaration made by Kerrville Country Estates, Inc.,
a Texas Corporation, hereinafter called "Developer."

WITNESSETH:

WHEREAS, Developer is the owner of that certain property
known as Kerrville Country Estates, Section I and Section II, a
subdivision in Kerr County, Texas, according to the map or plat
thereof recorded in Volume 4, Page 111 and in Volume 4, Page 131
of the Map Records of Kerr County, Texas; and,

WHEREAS, it is the desire of Developer to place certain
restrictions, covenants, conditions, stipulations and reservations
upon and against Kerrville Country Estates, in order to establish
a uniform plan for the development, improvement and sale of
such property, and to insure the preservation of such uniform
plan for the benefit of both the present and future owners of
tracts in said subdivision:

NOW, THEREFORE, Developer hereby adopts, establishes and
imposes upon Kerrville Country Estates, and declares the following
reservations, easements, restrictions, covenants and conditions
applicable thereto, all of which are for the purpose of enhancing
and protecting the value, desirability and attractiveness of
the land, which reservations, easements, covenants, restrictions
and conditions shall run with the land and shall be binding
upon all parties having or acquiring any right, title or interest
therein, or any part thereof, and shall inure to the benefit of
each owner thereof.

A.

General Land Use

All tracts in Kerrville Country Estates are hereby designated
to be used for residential purposes only.

Covenants Applying to Residential Tracts

(1) Land Use and Building Type:

No lots shall be used for any purpose except for single family residential purposes. The term "residential purposes", as used herein, excludes hospitals, clinics, apartment houses, boarding houses, hotels and commercial and professional uses, whether from homes, residences or otherwise, and all such uses of the lots are expressly prohibited. No building shall be erected, altered, placed, or permitted to remain on any tracts other than single family dwellings and permitted accessory structures. Construction and sales offices may be constructed on specific tracts as designated by the Architectural Control Committee. These shall be removed by December 31, 1990.

(2) Architectural Control:

No building or other improvements shall be erected, placed or altered on any lot until the construction plans and specifications and a plan showing the location of the structure or improvements have been approved by the Architectural Control Committee as to use, quality of workmanship and materials, harmony of external design with existing structures, and as to location with respect to topography and finish grade elevation. The Architectural Control Committee is composed of three members whose names are R. E. Reamer, Jack B. Miller and Roy E. Kelly, Jr. A majority of the Committee may designate a representative to act for it. In the event of death or resignation of any member of the Committee, the remaining members shall have full authority to designate a successor. Neither the members of the Committee nor its representatives shall be entitled to any compensation for services performed pursuant to this covenant. The herein granted powers and duties of the Architectural Control Committee shall cease and terminate twenty (20) years after the date of this instrument, and the approval required by this paragraph shall not be required unless prior to said date and effective

hereto shall execute and file for record an instrument appointing a representative or representatives, who shall thereafter exercise the same powers and duties granted herein to the Architectural Control Committee. The Committee's approval or disapproval as required herein, shall be in writing. If the Committee, or its designated representatives, fails to give written approval or disapproval within thirty (30) days after plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion of the improvements, approval will not be required and the related covenants shall be deemed to have been fully satisfied. The Architectural Control Committee, at its sole discretion, is hereby permitted to approve deviations in building area and location in instances where, in its judgments, such deviation will result in a more commonly beneficial use. Such approval must be granted in writing and when given will become a part of these restrictions.

(3) Dwelling Size and Construction:

The livable area of each main single family residential structure, exclusive of open or screened porches, stoops, open terraces, garages, or detached servant quarters shall be not less than 1,200 square feet on all tracts.

(4) Building Locations:

No building shall be located on any residential building plot nearer than twenty (20) feet to the front property line, nor nearer than ten (10) feet to any side or back property line.

(5) Tract Area and Width:

Tracts may be re-subdivided into building sites comprised of a part of one or more tracts as plotted, PROVIDED that no dwelling shall be erected or placed upon any building site containing less than five acres (217,800 square feet in area).

(6) Nuisances:

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No noxious or offensive activity shall be permitted upon any tract nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

(7) Temporary Structures:

No structure of a temporary character, trailer, mobile home, including any such mobile home with the tires and wheels removed therefrom, regardless of how affixed to the property thereon, basement, tent, shack, garage (except for living quarters contained herein for bona fide servants) barn or other outbuildings shall be used on any lot at any time as a residence either temporarily or permanently.

(8) Signs:

No signs of any kind shall be displayed to the public view on any tract except one sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

(9) Livestock and Poultry:

No swine or poultry of any kind shall be raised, bred or kept on any tract.

(10) Garbage and Refuse Disposal:

No tract shall be used or maintained as a dumping ground for rubbish. Trash, garbage and other waste shall be kept in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. No automobile, truck, trailer or other vehicle, or parts thereof, shall be abandoned on this property. No repair or maintenance on automobiles, trucks, trailers or other vehicles shall be conducted or performed on said lands, provided that an individual landowner may perform maintenance on his privately owned vehicles if such maintenance is conducted in an enclosed structure and any such vehicles upon which such maintenance is performed shall not remain exposed to public view thereby creating an unsightly appearance to said land.

(11) Sewage Disposal and Water Supply:

Individual water systems and sewage disposal systems shall be located, constructed, and equipped in compliance with Texas State Health Department requirements and any other applicable governmental rules or regulations.

(12) Construction Type and Term:

Any construction commenced on any tract must be completed within one (1) year of the time construction was initiated and all buildings erected shall be of new construction.

(13) Firearms and Hunting:

No firearms, except shotguns, shall be used or discharged on any tract and no commercial hunting allowed on property.

(14) Easements:

The Developer retains an easement as set out in the plat of said land herein referred; said easement being 10 foot wide along the perimeter of each lot as therein set out to be used for utility purposes.

(15) Use of Lake:

All record owners of the lots of said subdivision, their families, guests, licensees and invitees shall be entitled to the use of the lake in said subdivision provided that all such record owners of lots other than those lots fronting on said lake shall use the park fronting on said lake for access and egress to and from said lake; and shall not encroach upon the private property of such record owners of the lots fronting on said lake.

(16) Terms:

These covenants of restrictions are to run with the land and shall be binding on all owners of tracts in Kerrville Country Estates and all persons claiming under them until January 1, 1992, after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the tracts is filed for record in Kerr County, Texas, altering, rescinding or modifying said covenants and restrictions in whole or in part.

(17) Maintenance Fund:

Each residential tract shall be subject to a monthly maintenance charge to be used for the purpose of maintenance and installation of streets, paths, parks, parkways, vacant tracts,

water system for area lake, and other purposes necessary, desirable in the opinion of the administrator of such fund to maintain or improve the property, or which it considers to be of general benefit to the owners or occupants of the property covered by these restrictions. Such fund may also be used for the purpose of enforcement of all covenants and restrictions of this section or subsequent sections of the Kerrville Country Estates.

The Developer shall collect and maintain control over the maintenance fund until ninety (90%) percent of all tracts of all sections in Kerrville Country Estates are sold by deed or contract or for ten (10) years from date, whichever comes first, or at an earlier time if the Developer so elects. At that time the administration of such funds shall be transferred to a property owners association consisting of all of the owners of residential lots in Kerrville Country Estates. The name of the association shall be Kerrville Country Property Owners' Association which shall consist of all residential lot owners from all sections in Kerrville Country Estates. The Association may incorporate under the laws of the State of Texas to facilitate the administration of its duties and functions. Each residential lot owner from all sections shall be a member of such Association and entitled to one (1) vote for each lot owned by deed or contract. Prior to incorporation the Association shall be governed by a Board of Directors consisting of three (3) property owners selected by the Developer at such time as maintenance responsibility and authority is vested in the Association.

The maintenance charge shall be paid annually on the first payment to become due on January 1, next after the owner acquires title either by deed or contract to the lot subject thereto. The maintenance charges which shall accrue from the date of acquisition of a lot to the next January 1 shall be paid at time of closing. The maintenance charge shall not accrue against any tract of which the legal and/or equitable title to which are vested in Kerrville Country Estates, Inc., notwithstanding that a tract may have been previously sold by a deed or contract and title thereto reverted back to the corporation. Further, the maintenance charge shall not accrue as against the builders who acquire lots for the purpose of building speculative residential housing. However, if no house is started on any lot acquired by building within two (2) years from

the date of acquisition, maintenance charges shall commence at that time. During the time that such fund is administered by the Developer, the initial maintenance charge shall be One (\$1.00) Dollar per acre per month; however, the annual charge shall not exceed One Hundred Eighty and No/100 (\$180.00) Dollars. However, after the property owners association assume administration of responsibilities, the Association may adjust such rates pursuant to the rules and regulations of the Association. Interest on past due charges shall accrue at the rate of ten (10) percent per annum from date of delinquency. The charges shall be secured by a Vendor's Lien on the lots subject to such charge, and the party charged with the responsibility of collecting and administering such funds shall be entitled to foreclose on such Vendor's Lien to insure payment of such maintenance charge in accordance with the provisions of law. The maintenance charge shall remain effective until January 1, 1992, and shall automatically be extended thereafter for successive periods of five (5) years; provided, that the property owners association may revoke such maintenance charge as of January 1, 1992, or at the end of any successive five (5) year period thereafter by executing and acknowledging an appropriate agreement or agreements in writing for such purpose and filing the same for record in the Office of the County Clerk, Kerr County, Texas. The party charged with the responsibility of administering the fund shall have the sole discretion as to how such money shall be used to comply with the provisions of this paragraph.

If any property owner purchases more than one (1) tract, the annual maintenance charge shall not exceed One Hundred Eighty and No/100 (\$180.00) Dollars; however, if any owner of more than one (1) tract elects to replat the property owned by him and make more than one (1) tract into a building site, the \$1.00 per acre per month maintenance charge for replatted tracts will apply.

(18) Right of Mortgagees:

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Any violation of any of the easements, agreements, restrictions, reservations, or covenants contained herein shall not have the effect of impairing or affecting the rights of any mortgagee, guarantor, or trustee under any mortgage or deed of trust outstanding against the lot, at the time that the easement, agreements, restrictions, reservations, or covenants are violated.

In order to encourage the granting of first mortgage liens on property within this subdivision, Kerrville Country Fund may proceed to enforce its prior lien, granted and reserved under these restrictions upon any property upon which there is outstanding a valid first mortgage lien, it shall be necessary that a sixty (60) day notice be sent to the nearest office of such first mortgage lien holder by registered mail of such intent, which notice may be a statement of the charges delinquent, together with the notation "Final sixty (60) day notification to proceed to collect maintenance fund lien." Upon request by any first lien mortgage holder, or proposed holder, Kerrville Country Fund shall furnish, for the mortgage holder's file, an executed form relating the provisions of this paragraph to the applicable individual tract.

When any land covered by the restrictions and covenants is being financed through the Veterans' Land Program, the use of the word, "owner" or "owners" appearing therein shall be interpreted to mean the contract-holder, his or her successors and assigns, and the Veterans' Land Board, as holder of the legal title, shall not be bound by said restrictions and covenants.

(19) Enforcement:

The covenants, reservations, easements and restrictions set out herein are for the benefit of the undersigned, their heirs, successors and assigns and equally for the benefit of any

subsequent owner of a tract or tracts in Kerrville Country Estates and his heirs, executors, administrators and assigns. Accordingly, all of the covenants, reservations, and easements and restrictions contained herein shall be construed to be covenants running with the land, enforceable at law or in equity, by any one or more of said parties.

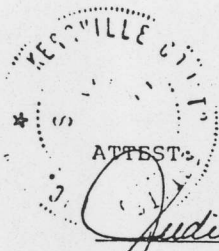
(20) Severability:

The invalidity, abandonment or waiver of any one of these covenants, reservations, easements, and restrictions shall in no way affect or impair the other covenants, reservations, easements and restrictions which shall remain in full force and effect.

DATED this the 3rd day of OCTOBER, 1978.

KERRVILLE COUNTRY ESTATES, INC.

By Jack B. Miller
Jack B. Miller
Vice President



Judith A. Miller

THE STATE OF TEXAS X

COUNTY OF HARRIS X

BEFORE ME, the undersigned authority, on this day personally appeared JACK B. MILLER, Vice President of Kerrville Country Estates, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 7th day of OCTOBER, 1978.

H. Ritman Jones
Notary Public, in and for
Harris County, Texas



H. RITMAN JONS
NOTARY PUBLIC IN & FOR KERR COUNTY TEXAS
MY COMMISSION EXPIRES SEPT, 15, 1980