

## CAROLINA CROSSING SUBDIVISION UNIT 1

## DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

STATE OF TEXAS       §  
                                   §  
 COUNTY OF BEXAR     §

KNOW ALL PERSONS BY THESE PRESENTS:

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, made on the date hereafter set forth by CONTINENTAL HOMES OF SAN ANTONIO, L.P., a Texas limited partnership, hereinafter referred to as "Declarant,"

## WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Guadalupe County, Texas, which is more particularly described on Exhibit A attached hereto and incorporated herein for all purposes;

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

## ARTICLE I. DEFINITIONS

Section 1.1 "Association" shall mean and refer to Carolina Crossing Homeowners Association, Inc. (the "Association"), a Texas nonprofit corporation, its successors and assigns.

Section 1.2 "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.3 "Properties" shall mean and refer to that certain real property described in Exhibit A, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 1.4 "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot shall be the private streets situated within the Properties, landscaped areas, and esplanades situated within the Properties, or abutting or in close proximity thereto or otherwise serving the Properties, medians, entry signs, controlled access improvements with related fencing and other realty owned or controlled by the Association.

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Section 1.5 "Lot" shall mean and refer to any plot of land shown upon the recorded subdivision map or plat of the Properties with the exception of the Common Area.

Section 1.6 "Declarant" shall mean and refer to Continental Homes of San Antonio, L.P., a Texas limited partnership, its successors and assigns, if such successors or assigns should acquire more than one Lot from the Declarant for the purpose of constructing residences thereon and selling the same to members of the general public.

## ARTICLE II. PROPERTY RIGHTS

Section 2.1 Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(b) The right of the Association to dedicate or transfer all or any part of nonrecreational facilities to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded; provided, however, that except as to the grant of easements for utilities and similar or related purposes, the Common Area may not be alienated, released, transferred, hypothecated or otherwise encumbered without the approval of all holders of first mortgage liens covering any Lots;

(c) The right of the Association to limit the number of guests of Owners using the recreational facilities;

(d) The right of the Association, in accordance with its Articles of Incorporation or Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property. The rights of any such mortgagee in said Properties shall be subordinate to the rights of the Owners hereunder.

Section 2.2 Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on the property.

## ARTICLE III. MEMBERSHIP AND VOTING RIGHTS

Section 3.1 Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 3.2 The Association shall have two (2) classes of voting membership:

Class A Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) On January 1, 2000.

#### ARTICLE IV. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 4.1 Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(a) Annual assessments or charges; and

(b) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of the property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 4.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to:

(a) Promote the recreation, health, safety and welfare of the residents in the Properties; and

(b) The improvement and maintenance of the Common Area; and

(c) Enforcement of any restrictive covenants affecting the Properties.

Section 4.3 Maximum Annual Assessment Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Three Hundred and No/100 Dollars (\$300.00).

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(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than ten percent (10%) (such percentage increase may be cumulative from year to year) above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above ten percent (10%) by the vote or written assent of two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

(c) The board of directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4.4 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 upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the vote or written assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 4.5 Notice and Quorum for Any Action Authorized Under Sections 4.3 and 4.4. Written notice of any meeting called for the purpose of taking any action authorized under Section 4.3 or 4.4 shall be sent to all members not less than ten (10) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 4.6 Uniform Rate of Assessment. Both annual and special assessments, subject to Section 4.7, must be fixed at a uniform rate for all Lots and may be collected on a quarterly, semi-annual or annual basis, as determined from time to time by the board of directors.

Section 4.7 Date of Commencement of Annual Assessments -- Due Dates. The annual assessments provided for herein shall commence as to each Lot, other than those owned by Declarant, on the first day of the month following the expiration of thirty (30) days following the conveyance of such Lot by Declarant, and shall commence as to each Lot owned by the Declarant on the first day of the month following the month on which such Lot is first used for residential purposes. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The board of directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the board of directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 4.8 Effect of Nonpayment of Assessments -- Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including judicial foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property, and such Owner hereby expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Lot Owners. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

Section 4.9 Subordination of the Lien to Mortgagees. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 4.10 Exempt Property. All Properties dedicated to, and accepted by, a local public authority and all Properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Texas shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

## ARTICLE V. GENERAL PROVISIONS

Section 5.1 Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5.2 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 5.3 Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded in the Real Property Records of Guadalupe County, Texas. So long as there is Class B membership in the Association, the VA or HUD must approve any amendments hereto and/or any annexations pursued under Section 5.4 hereof.

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Section 5.4 Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members.

Section 5.5 Rights of Mortgagees. Each lienholder or mortgagee of a Lot shall possess the right, subject to its prior written request to the Association and the providing of its address to the Association, to:

- (a) Inspect the books and records of the Association during normal business hours;
- (b) Receive an annual unaudited financial statement of the Association within ninety (90) days following the end of each fiscal year of the Association; and
- (c) Receive written notice of all meetings of the members of the Association and be entitled to designate a representative to attend such meetings.

Section 5.6 Leases. Any lease agreement between an Owner and a lessee shall provide that the lease shall be subject in all respects to the provisions of this Declaration and to the Articles of Incorporation and Bylaws of the Association, and that any failure by the lessee to comply with the terms of such documents shall be a default in the lease. All such leases shall be in writing.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand this 13th day of November, 1996.

CONTINENTAL HOMES OF SAN ANTONIO, L.P.  
a Texas limited partnership

By Its Sole General Partner: CHTEX OF SAN ANTONIO,  
INC., a Delaware corporation

By: Louis M. Christa  
Louis M. Christa, Assistant Secretary

STATE OF TEXAS §  
  §  
COUNTY OF BEXAR §

This instrument was acknowledged before me on 11/13/, 1996, by Louis M. Christa, Assistant Secretary of CHTEX OF SAN ANTONIO, INC., a Delaware corporation, sole General Partner of CONTINENTAL HOMES OF SAN ANTONIO, L.P., a Texas limited partnership, on behalf of said limited partnership.

[NOTARY'S SEAL]

Kristina M. Vega  
Notary Public, State of Texas



**EXHIBITS:**

Exhibit A - Property Description

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AFTER RECORDING, RETURN TO:

Richard L. Kerr

Gresham, Davis, Gregory, Worthy  
& Moore, P.C.

112 East Pecan Street, Suite 900  
San Antonio, Texas 78205

**EXHIBIT A**

**Property Description**

Lots 1-72, Block 1, Lot 74, Block 1 and Lots 1-31, Block 2, CAROLINA CROSSING SUBDIVISION UNIT 1, according to a plat thereof, recorded in Volume 5, Pages 325A and 325B, Deed and Plat Records of Guadalupe County, Texas.



DECLARATION OF USE RESTRICTIONS  
FOR  
CAROLINA CROSSING SUBDIVISION UNIT 1

THAT, CONTINENTAL HOMES OF SAN ANTONIO, L.P., a Texas limited partnership ("Declarant"), being the owner of all of certain lots situated within that certain subdivision being marketed as CAROLINA CROSSING (hereinafter called the "Subdivision"), such lots being more particularly described in Exhibit A attached hereto and incorporated herein by reference, and desiring to create and carry out a uniform plat for the improvement, development and sale of such subdivided lots situated in the Subdivision (each said subdivided lot being herein sometimes called a "lot"), does hereby adopt and establish the following restrictions and covenants to run with the land to and apply in the use, occupancy, and conveyance of the aforesaid described subdivided lots therein, and each contract or deed which may be executed with regard to any of such property shall be held to have been executed, delivered and accepted subject to the following use restrictions (the headings being employed for convenience only and not to be controlling over content):

ARTICLE I. USE

All lots in the Subdivision shall be used for single-family residential purposes only.

No owner shall occupy or use a lot or any improvements constructed thereon, or permit the same or any part thereof to be occupied or used for any purpose other than as a private residence for the owner, his family, guests and tenants. During the construction and sales period of the lots, the Declarant or any builder who has the consent of Declarant may erect and maintain such structures as are customary in connection with such construction and sale of such property, including, but not limited to, business offices, storage areas, trailers, construction yards, signs, model units and temporary sales offices.

No building material of any kind shall be placed or stored upon any lot until the owner thereof is ready to commence improvements and then the material shall be placed within the property lines of the lot upon which the improvements are erected and shall not be placed on the street.

No residence of a temporary character shall be permitted on any lot. No structure shall be occupied as a residence, even temporarily, unless it is a complete dwelling conforming to these use restrictions.

## ARTICLE II. ARCHITECTURAL CONTROL

Section 1. Development Objectives. The aesthetic and ecological quality of the Subdivision requires that all dwellings be compatible with other dwellings and be in harmony with the natural surroundings. To this end, an Architectural Control Committee (sometimes hereinafter called "the Committee") has been created as described in Section 2 of this Article. The Architectural Control Committee has the responsibility to carry out the goals and functions that have been adopted, and are described below, and which may be amended from time to time.

Section 2. Architectural Control Committee. The Architectural Control Committee shall be Louis M. Christa, Timothy D. Pruski, and Dave Matlock, or a representative or representatives appointed by a majority of them. In the event of the death or resignation of any member, the remaining members shall have full authority to carry out the duties of the Committee and the authority to designate a successor committee member to fill any vacancies.

Section 3. Goal of Architectural Control Committee. The goal of the Committee is to encourage the construction of dwellings of good architectural design, quality and property size compatible with Declarant's conceptual plan for the Subdivision. Dwellings should be planned and designed with particular attention to the design and aesthetic appearance of the exterior and the use of such materials as will, which, in the sole judgement of the Committee, create an attractive and harmonious blend with existing and proposed dwellings in the immediate area and the natural surroundings. The Committee may disapprove the construction or design of a home on purely aesthetic grounds where, in its sole judgement, such disapproval is required to protect the continuity of design or values of the neighborhood and of other homeowners or to preserve the serenity and natural beauty of any surroundings. Prior judgments regarding matters of design or aesthetics shall not be deemed binding upon the Architectural Control Committee if the Committee feels that the repetition of such matters will have an adverse affect on the Subdivision.

Section 4. Function of the Architectural Control Committee. The Committee shall function as the representative of the owners for the purposes herein set forth. No building, roof, fence, wall or other structure of any nature whatsoever shall be erected, placed or altered on any lot (nor may any such item be subsequently replaced, treated or repainted in a manner which materially alters the exterior appearance of the item) until plans and specifications, in such form and detail as the Committee may deem necessary, shall have been submitted to and approved in writing by such Committee. The Architectural Control Committee or its representative shall have the power to employ professional consultants to assist it in discharging its duties. The decision of the Architectural Control Committee shall be final, conclusive and binding upon the applicant. All submissions to the Architectural Control Committee shall be at the address specified herein.

Section 5. Procedures of the Architectural Control Committee. The Committee may establish and publish from time to time reasonable administrative procedures and separate building guidelines to supplement these restrictions. The address of the Architectural Control Committee as of the date hereof shall be as follows: 1848 Lockhill-Selma Road, Suite 102, San Antonio,

Texas 78213; and this address may be changed from time to time by the Architectural Control Committee by its filing of an Address Change Certificate in the Real Property Records of Guadalupe County, Texas.

Section 6. Plans and Specifications. Review and approval of plans and specifications by the Committee shall be mandatory prior to any owner undertaking any improvements. In order that the Committee may give just consideration to the proposed improvement, such plans and specifications must adequately describe the site plans, floor plans, foundation plans, elevations and exterior materials, color and other characters of the proposed structure; and, if the Committee so requests, a preliminary landscape plan and a cross-section sketch through the lot from the property line, with the highest existing grade to the property line with the lowest existing grade representing any improvements and grade changes and their relationship to existing conditions of the site. Plans and specifications shall be in duplicate and must include all items required by the Committee (i.e., they may not be submitted on a piecemeal basis).

Section 7. Basis of Approval. Approval of plans and specifications shall be based upon the following:

- (a) The architectural and structural integrity of the design.
- (b) Harmony and conformity of the design with the surroundings both natural and built.
- (c) Adequacy of the design to conditions of the site.
- (d) Relation of finished grades and elevations to neighboring sites.
- (e) Conformity to specific and general intent of these Use Restrictions covering the particular platted unit of which the lot in question forms a part.
- (f) Aesthetic considerations determined in the Committee's sole discretion.

Section 8. Variances. Upon submission of a written request for same, the Architectural Control Committee may, from time to time, in its sole discretion, permit an owner to construct, erect, or install a dwelling which is in variance from the covenants, restrictions or architectural standards which are provided in this Declaration. In any case, however, the dwelling which such variance effects must, in the Committee's sole discretion, blend effectively with the general architectural style and design of the neighborhood and must not detrimentally affect the integrity of the Subdivision or be unharmonious with the natural surroundings. Written requests for variances shall be deemed to be disapproved if the Committee has not expressly and in writing, approved such request within thirty (30) days of the submission of such request. No member of the Committee shall be liable to any owner for any claims, causes of action or damages arising out of the grant or denial of any variance to an owner. Each request for a variance submitted

hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any one owner shall not constitute a waiver of the Committee's right to strictly enforce the restrictions created by these Use Restrictions.

Section 9. Failure of the Committee to Act. If the Architectural Control Committee fails to approve or to disapprove the plans and specifications or to reject them as being inadequate within thirty (30) days after submittal thereof, it shall be conclusively presumed that such Committee has approved such plans and specifications. If plans and specifications are not sufficiently complete or are otherwise inadequate, the Architectural Control Committee may reject them as being inadequate or may approve or disapprove them in part, conditionally or unconditionally, and reject the balance. The approval of the Architectural Control Committee to any submitted plans and specifications shall not be deemed as the approval of the Committee to any other items not expressly and specifically covered by such submitted plans and specifications.

Section 10. Limitation of Liability. The Committee shall have the express authority to perform fact-finding functions hereunder and shall have the power to construe and interpret any use restrictions covenant herein that may be vague, indefinite, uncertain or capable of more than one construction. All decisions of the Committee shall be final and binding, and there shall be no revisions of any action of the Committee except by procedure for injunctive relief when such action is patently arbitrary and capricious. Neither the Declarant, the Architectural Control Committee nor any member of such Committee shall be liable in damages or otherwise to anyone submitting plans and specifications for approval or to any owner of land affected by this Declaration by reason of mistake of judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or to disapprove any plans and specifications.

### ARTICLE III. SIZE OF LOT AND DWELLING

Every dwelling erected on any lot shall front or present a good frontage on the street upon which said lot fronts. Dwellings on corners shall have a presentable frontage on all streets on which the particular corner lot abuts. No dwelling shall be erected on any lot having an area of less than six thousand square feet (6,000 sq. ft.).

The total living area of the main structure of any dwelling, exclusive of open or screened porches, terraces, patios, driveways, carports, garages, and/or living quarters for bona fide domestic servants, shall not be less than one thousand three hundred square feet (1,300 sq. ft.) for single story structures and one thousand three hundred square feet (1,300 sq. ft.) for two-story structures, unless specifically approved to the contrary by the Architectural Control Committee. The first floor of any two-story structure shall contain at least five hundred square feet (500 sq. ft.) of total living area.

#### ARTICLE IV. MASONRY REQUIREMENTS

That portion of the exterior walls of the main residence building constructed on any lot which are within eight feet (8') from the ground level of such lot shall be at least twenty-five percent (25%) by area, composed of masonry or masonry veneer, said percentage to apply to the aggregate area of all said walls, inclusive of door, window and similar openings. The minimum masonry requirement specified shall apply to the lower floor only for a two-story dwelling. Masonry or masonry veneer includes stucco, ceramic tile, clay, brick, rock and all other materials commonly referred to in the San Antonio, Texas, area as masonry. Notwithstanding the foregoing, the Architectural Control Committee is empowered to waive this restriction if, in its sole discretion, such waiver is advisable in order to accommodate a unique or advanced building concept, design, or material, and the resulting structure will not detract from the general appearance of the neighborhood.

#### ARTICLE V. OUTBUILDING REQUIREMENTS

Every outbuilding, inclusive of such structures as a storage building, greenhouse or childrens' playhouse, shall be compatible with the dwelling to which it is appurtenant in terms of its design and material composition. All such buildings shall be located on the rear one-third of the lot and shall be subject to approval of the Architectural Control Committee. In no instance shall an outbuilding exceed one (1) story in height or have total floor area in excess of ten percent (10%) of the floor area of the main dwelling. No outbuilding shall be located closer than five feet (5') from any rear or side lot lines.

#### ARTICLE VI. FENCES

In order to ensure a general uniformity of appearance of those fence sections that can be viewed from a street, any and all fences erected on areas readily apparent and visible from streets (e.g., between dwellings (i.e., separating front and rear yards) and on all corner lots along that portion of side or rear yards fronting on side streets, shall be six-foot (6') vertical privacy fences composed of masonry, cedar, spruce, or other such materials as may be approved from time to time by the Architectural Control Committee. In no event shall any fence extend any closer to the street fronting a dwelling than the front outermost corners of such dwelling. On corner lots, fences must be set back at least five feet (5') from that side property line abutting the side street.

Notwithstanding the foregoing, the Architectural Control Committee is empowered to waive the aforesaid fence limitations in connection with retaining walls and decorative walls if, in its sole discretion, such waiver is advisable in order to accommodate a unique, attractive or advanced building concept design or material and the resulting decorative wall and/or retaining wall will not detract from the general appearance of the neighborhood.

No chain-link fences may be built or maintained on any lot where same would be visible from a street (i.e., between dwellings and abutting side streets on corner lots).

No fence, wall, or hedge, or shrub planting which obstructs sight lines shall be placed or permitted to remain on any corner lot within the triangular areas formed by the street property lines and a line connecting them at points twenty-five feet (25') from the intersection of the street lines or in the case of a rounded property corner, from the intersection of the street line extended; the same sight line limits shall apply on any lot within ten feet (10') from the intersection of street property lines with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distance of such intersections, unless the foliage is maintained at sufficient height to prevent obstruction of such sight lines.

#### ARTICLE VII. DRIVEWAYS

All driveways shall be surfaced with concrete, or other similar hard surfaced material.

#### ARTICLE VIII. TEMPORARY STRUCTURES

No structure of a temporary character - trailer, tent, shack, garage, barn or other outbuildings - shall be used on any lot at any time as residence, either temporarily or permanently. No trailer, camper or similar vehicle shall at any time be connected to utilities situated within a lot. No dwelling previously constructed elsewhere may be moved on any lot in the Subdivision controlled by these covenants. This covenant specifically includes the use of a mobile home in which the axle and wheels have been removed and placed upon a concrete slab, which said mobile home is hereby specifically prohibited as a residence, either temporarily or permanently, and further, specifically includes a mobile home upon which the wheels have been left attached. However, Declarant hereby reserves the exclusive right to approve the erection, placement, and maintenance of such temporary facilities herein described in or upon any lot(s) as in its sole discretion may be necessary or convenient while selling lots, selling or constructing residences, or constructing other improvements within the Subdivision. Such facilities may include, but not necessarily be limited to, sales and construction offices, storage areas, model units, signs, and portable toilet facilities.

#### ARTICLE IX. EASEMENTS

Declarant reserves for public use the easements and rights-of-way shown on the recorded plat for the Subdivision for the purpose of constructing, maintaining, repairing and/or replacing any system(s) of electric lighting, electric power, telegraph and telephone line(s), gas, sanitary sewer, cable television line(s), or any other utility Declarant sees fit to install in, across and/or under any lots comprising the Subdivision, including storm sewers, drainage channels, or drainage rights-of-way. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or in the case of drainage easements, which may change direction of flow of water through drainage channels in such easement. The easement area of each lot, if any, and all improvements in such area shall be maintained continuously by the Owner of the lot, except for those improvements for which a public authority or utility company is responsible. Neither

Declarant nor any utility company using the easements herein referred to shall be liable for any damages done by them or their assigns, their agents, employees, or servants, to fences, shrubbery, trees and flowers or any other property of the Owner on the land covered by said easements. Utility companies shall not be held liable for any damage where utility lines are buried from transformer to meter location.

#### ARTICLE X. SIDEWALKS

Each lot shall have a sidewalk with a four foot (4') width, such sidewalk to be installed at the same time the dwelling is constructed along its street frontage for the use of pedestrians.

#### ARTICLE XI. CONFLICT OF RESTRICTIONS WITH CITY ORDINANCES

In the event of any conflict between these Restrictions and Ordinances of the City of Schertz, the most restrictive shall govern.

#### ARTICLE XII. SIGNS AND BILLBOARDS

The construction and maintenance of signs, billboards and advertising structures of any kind on any lot is prohibited, except that one sign advertising the rental or sale of the lot is permitted, provided it does not exceed three feet (3') by five feet (5') in size and except that signs of a larger size advertising the Subdivision may be erected by a builder, if approved by Declarant.

#### ARTICLE XIII. VEHICLES

No trailer, tent, boat, or stripped down, wrecked, junked, or inoperable vehicle (including a vehicle with an expired inspection and/or license sticker) shall be kept, parked, stored, or maintained on any portion of the front yard in front of the building line of the permanent structure and shall be kept, parked, stored or maintained on other portions of a lot only within an enclosed structure or a screened area which prevents the view thereof from adjacent lots or streets. No dismantling or assembling of motor vehicles, boats, trailers or other machinery or equipment shall be permitted in any driveway or yard adjacent to a street. Flat tires on vehicles that are readily in view from the street or other lots shall be promptly fixed. No commercial vehicle bearing commercial insignia or names shall be parked on any lot except within an enclosed structure or a screened area which prevents such view thereof from adjacent lots and streets, unless such vehicle is temporarily parked for the purpose of serving such lot.

#### ARTICLE XIV. NUISANCES

No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

No owner shall do any work that will impair the structural soundness or integrity of another residence or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other residences or their owners.

No exterior lighting of any sort shall be installed or maintained on a lot where the light source is offensive or a nuisance to neighboring property (except reasonable security or landscape lighting that has approval of the Architectural Control Committee).

No exterior speakers, horns, whistles, bells or other sound devices (except security devices such as entry door and patio intercoms used exclusively to protect the lot and improvements situated thereon) shall be placed or used upon any lot.

No guns, pistols, rifles or other firearms shall be discharged by owners or their guests in the Subdivision, nor shall target practice or hunting of any nature be permitted on any tract situated in the Subdivision, or on any adjoining property situated in close proximity to the Subdivision whether owned by Declarant or otherwise.

#### ARTICLE XV. GARBAGE AND REFUSE DISPOSAL

No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage and other waste shall be kept in sanitary containers, whether arranged for alley pickup or street pickup. No trash, ashes or other refuse may be thrown or dumped on any vacant lot or drainage area in said Subdivision.

#### ARTICLE XVI. PETS

No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except for cats, dogs, or other generally recognized household pets of a reasonable number, provided that they are not kept, bred or maintained for any commercial purposes; and provided further, that no more than two (2) adult dogs and two (2) adult cats may be kept on a single lot.

All such animals shall be kept in strict accordance with all local laws and ordinances (including leash laws) and in accordance with all rules established by the Architectural Control Committee. It shall be the responsibility of each of the owners of such household pets to keep all such pets on a leash and under such owner's direct supervision at all times when such pets are not confined within such owner's fenced lot, and to prevent the animals from running loose or becoming a nuisance to the other residents.

#### ARTICLE XVII. OIL AND MINING OPERATIONS

No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon any lot. No derrick or other structure designed for use



in boring for oil or natural gas shall be erected, maintained or permitted upon any lot. No tank for the storage of oil or other fluids may be maintained on any of the lots above the surface of the ground.

### ARTICLE XVIII. WATER AND SEWERAGE SYSTEMS

No individual water supply system or sewage disposal system shall be permitted on any lot, including, but not limited to, water wells, cesspools or septic tanks.

### ARTICLE XIX. RADIO OR TELEVISION ANTENNA

No radio or television aerial wires or antennae shall be maintained on any portion of any lot forward of the main ridgeline of the midpoint of the main ridgeline in the case of a house whose main roof ridgeline is not parallel to the front lot line. Furthermore, no radio or television aerial wires or antennae shall be placed or maintained on any lot which extends more than five feet (5') above the highest part of the roof of the main residence on said lot. In no event shall any cable equipment, discs, towers, or other similar devices or apparatus ancillary to television reception be situated on any portion of a lot which is visible from the street or from other lots.

### ARTICLE XX. ATHLETIC FACILITIES

No basketball goals or backboards or any other similar sporting equipment of either a permanent or temporary nature shall be placed within fifteen feet (15') from the front property line of any lot in the Subdivision without the prior written consent of the Architectural Control Committee.

### ARTICLE XXI. GARAGES

A garage able to accommodate a minimum of two (2) automobiles and a maximum of four (4) automobiles must be constructed and maintained for each residence. No garage may be enclosed, modified, or converted for any use other than for storage and maintenance of automobiles, except when being used as a builder's temporary sales or construction office prior to permanent occupancy of the main structure. No carports shall be permitted without the prior written approval of the Architectural Control Committee.

### ARTICLE XXII. ROOFS

The surface of all roofs of principal and secondary structures which are exposed to public view shall be asphalt shingle or wood shingle, wood shakes, or tile. The Architectural Control Committee shall have the authority to approve other roof treatments and materials when in its determination such treatments and materials in the form utilized will not be a detriment to the quality of the neighborhood. No gravel or "built up" roofs shall be permitted without the written approval of the Architectural Control Committee.

### ARTICLE XXIII. SETBACK LINES

All buildings or other structures, permanent or temporary, habitable or not, must be constructed, placed and maintained in conformity with platted setback lines; and in no event shall any such building or other structure be constructed, placed or maintained within five feet (5') of the side boundary of a lot, within twenty feet (20') from the rear property line or within twenty-five feet (25') of the front boundary of a lot. Notwithstanding the foregoing side boundary setbacks, a dwelling must not be situated closer than fifteen feet (15') from any dwelling situated on an abutting lot. The eaves, steps and/or porches of dwellings shall not be deemed to be a part of a building or structure for the purpose of this covenant. The Architectural Control Committee is empowered to grant variances from the setback requirements hereinabove provided in those instances where in the opinion of said Committee the proposed location of the buildings or other structure will not detract from the appearance and value of other lots in the Subdivision and will not have a detrimental effect on the aesthetic integrity and harmony of the Subdivision.

### ARTICLE XXIV. ENFORCEMENT

If the Owner of any lot in the Subdivision, or such Owner's heirs, successors, lessees or assigns shall violate or attempt to violate any of the covenants herein contained, it shall be lawful for any person or persons owning real property situated in the Subdivision controlled by these covenants to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants and either to prevent him or them from so doing or to recover damages for such violations. Declarant, for itself, its successors or assigns, reserves the right to enforce these restrictive covenants, though it may have previously sold and conveyed all subdivided lots in the Subdivision, controlled by these covenants. The reservation of this right to enforcement shall not create an obligation of any kind upon Declarant to enforce same. Any references to "Declarant" herein shall include for all purposes any builder or builders who acquire more than one lot in the Subdivision for the purpose of constructing residences thereon for sale to members of the general public.

### ARTICLE XXV. DURATION, RIGHT TO ENFORCE AND AMENDMENTS

These Use Restrictions shall be deemed covenants running with the land and shall be binding on all parties and all persons claiming under them until January 1, 2045, at which time said Restrictions shall be automatically extended for successive periods of ten (10) years, unless by vote of a majority of the then owners of the lots it is then agreed to change said Use Restrictions in whole or in part. These Use Restrictions may be amended prior to January 1, 2045 by an instrument signed by not less than seventy percent (70%) in interest of the lot owners.

### ARTICLE XXVI. PARTIAL INVALIDATION

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

EXECUTED as of the 15th day of November

1239/0295  
1996.

**DECLARANT:**

**CONTINENTAL HOMES OF SAN ANTONIO, L.P.**  
a Texas limited partnership

By Its Sole General Partner: **CHTEX OF SAN ANTONIO, INC.**, a Delaware corporation

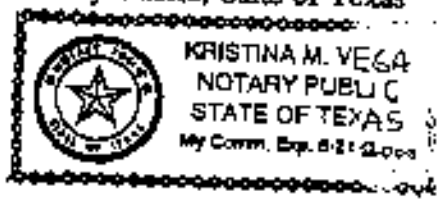
By: Louis M. Christa  
Louis M. Christa, Assistant Secretary

STATE OF TEXAS           §  
   §  
COUNTY OF BEXAR       §

This instrument was acknowledged before me on 11/13/, 1996, by Louis M. Christa, Assistant Secretary of CHTEX of San Antonio, Inc., a Delaware corporation, sole General Partner of Continental Homes of San Antonio, L.P., a Texas limited partnership, on behalf of said limited partnership.

[NOTARY'S SEAL]

Kristina M. Vega  
Notary Public, State of Texas



**EXHIBITS:**

Exhibit A - Legal Description of lots Covered by this Declaration of Use Restrictions

1239/0296

**AFTER RECORDING, RETURN TO:**  
Mr. Richard L. Kerr  
Gresham, Davis, Gregory, Worthy  
& Moore, P.C.  
112 East Pecan Street, Suite 900  
San Antonio, Texas 78205

EXHIBIT A

**CAROLINA CROSSING SUBDIVISION UNIT 1**

Legal Description of Lots Covered By  
This Declaration of Use Restrictions

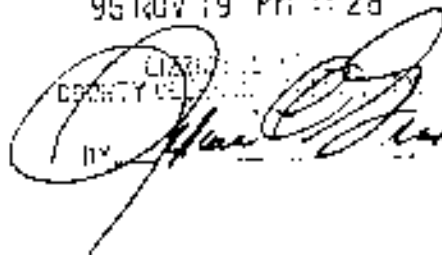
Lots 1-72, Block 1 and Lots 1-31, Block 2, CAROLINA CROSSING  
SUBDIVISION UNIT 1, according to a plat thereof, recorded in Volume 5, Pages  
325A and 325B, Deed and Plat Records of Guadalupe County, Texas.

FILED FOR RECORD

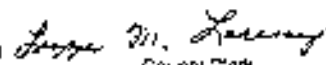
95 NOV 19 PM 3:28

THE STATE OF TEXAS  
COUNTY OF GUADALUPE

I hereby certify that this instrument was  
FILED on the date and at the time stamped  
hereon by me and was duly recorded in the  
Official Public Records of Guadalupe County,  
Texas.

CLERK OF COUNTY CLERK  
BY 



  
County Clerk,  
Guadalupe County, Texas