THE STATE OF TEXAS § COUNTY OF TARRANT §

AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE SADDLEBROOK ADDITION, COLLEYVILLE, TEXAS

THIS "AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE SADDLEBROOK ADDITION, COLLEYVILLE, TEXAS" ("DECLARATION") is effective upon its recording in the Official Public Records of Tarrant County, Texas ("OPRTCT") by the SADDLEBROOK HOMEOWNERS ASSOCIATION, INC., a Texas Non-Profit Corporation.

WITNESSETH:

WHEREAS, the prior developer of the Saddlebrook addition constructed two (2) phases of a master planned community known as Saddlebrook; and

WHEREAS, the prior developer desired to take advantage of the then presently-existing unique geographical features of the subject property and proposed to establish and implement highly sophisticated plans for residential living and aesthetic considerations; and

WHEREAS, in view of the various features of the prior developer's long-range plans, the developer imposed certain covenants, conditions, and restrictions on Saddlebrook while the development retained reasonable flexibility to respond to changing or unforeseen circumstances so as to control and maintain the first-class quality and distinction of the Saddlebrook community project; and

WHEREAS, the prior developer imposed upon Saddlebrook the "Declaration of Covenants, Conditions and Restrictions for Saddlebrook Addition, First Filing" recorded in Volume 7928, Page 1782, "Amended Declaration of Covenants, Conditions and Restrictions for Saddlebrook Addition, First Filing, Colleyville, Texas" recorded in Volume 11778, Page 1, "Amended Declaration of Covenants, Conditions and Restrictions for Saddlebrook Addition, First Filing, Colleyville, Texas" recorded in Volume 11800, Page 624, "Second Amended Declaration of Covenants, Conditions and Restrictions for Saddlebrook Addition, First Filing, Collevville, Texas" recorded in Volume 12234, Page 516, "Second Amended Declaration of Covenants, Conditions and Restrictions for Saddlebrook Addition, First Filing, Colleyville, Texas" recorded in Volume 12234, Page 645, "Declaration of Covenants, Conditions and Restrictions for Saddlebrook Addition, Second Filing, Colleyville, Texas" recorded in Volume 8247, Page 1770, "Amended Declaration of Covenants, Conditions and Restrictions for Saddlebrook Addition, Second Filing, Colleyville, Texas" recorded in Volume 11778, Page 88, "Second Amended Declaration of Covenants, Conditions and Restrictions for Saddlebrook Addition, Second Filing, Colleyville, Texas" recorded in Volume 11800, Page 621, "Second Amended Declaration of Covenants, Conditions and Restrictions for Saddlebrook Addition, Second Filing, Colleyville, Texas" recorded in Volume 12638, Page 1115, and "Second Amended Declaration of Covenants,

Conditions and Restrictions for Saddlebrook Addition, Second Filing, Colleyville, Texas" recorded in Volume 12638, Page 1183 of the OPRTCT (collectively, the "Original CCRs"); and

WHEREAS, the Original CCRS were intended also to comply with the requirements of local governmental officials and the Comprehensive Zoning Ordinance of the City of Colleyville, Texas Page and utility companies to better ensure the care and maintenance of the common areas within Saddlebrook and establish an agency for preserving the best interests of the residents of Saddlebrook after completion of all development and construction therein; and

WHEREAS, the "development period," as defined in Section 209.002 of the Texas Property Code, for Saddlebrook has terminated; and

WHEREAS, Section 209.0041 of the Texas Property Code provides that upon termination of the development period that notwithstanding a higher percentage in a declaration that dedicatory instruments, such as the Original CCRs, may be amended by the by a vote of sixty-seven percent (67%) of the total votes allocated to property owners entitled to vote on the amendment of the declaration; and

WHEREAS, sixty-seven percent (67%) of the total votes allocated to property owners entitled to vote on the amendment of the Original CCRs have voted affirmative to amend and restate the Original CCRS; and

NOW THEREFORE, upon the effective date of this Declaration, the Original CCRs shall be null and void and they shall be replaced with this Declaration, and all of the Properties in the Subdivision shall be held, sold, and conveyed subject to this Declaration and the attached Exhibits;

NOW, THEREFORE, the real property referred to in Article II and described within Exhibit A, and such additions thereto as may be made pursuant to Article II hereof, is and shall be held transferred, sold, conveyed, and occupied subject to the covenants, conditions, restrictions, easements, charges, and liens (sometimes collectively referred to herein as "the Covenants and Restrictions") hereinafter set forth, whether or not set out or incorporated by reference in any deed or other instrument of conveyance;

ARTICLE I. CONCEPTS AND DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall otherwise clearly indicate or prohibit) shall have the following concepts and meanings:

(a) "Association" or "SHOA" shall mean and refer to the Saddlebrook Homeowners Association, Inc. a Texas non-profit corporation that has the power, duty, and responsibility of maintaining and administering the Properties and the Common Properties and administering and enforcing this Declaration and the other governing documents and collecting and disbursing the assessments and charges hereinafter prescribed. (b) "Property" or "Properties" shall mean and refer to all real property described on Exhibit "A" attached hereto, and any additions thereto, as are subject to this Declaration or any Supplemental Declaration prepared and filed of record pursuant to the provisions of Article II hereof.

"Common Properties" shall mean and refer to any and all areas of land within the (c)Properties which are known, described, or designated as common areas or common property, greenbelts, or open spaces on any recorded subdivision plat of the Properties or intended for or devoted to the common use and enjoyment of the Members of the Association, together with any and all improvements that are now or may hereafter be constructed thereon. The Common Properties (as reflected or described within Exhibit "A" attached hereto) generally consist of open spaces or greenbelts in and around entrances and perimeter fences of the development. The Association may hold title to the Common Properties and may, in its discretion, acquire and hold title to Common Properties in the future. However, consistent with the objectives envisioned herein, the Association members shall be given the right to construct, repair, and maintain the screening fence separating the lots and the perimeter street on the West and South. All Common Properties shall be made available to the Association members use by the easements designated on the recorded plat. However, the perimeter greenbelt located between the lots and the curb line shall be the property of the lot owners or the city, but maintained by the Association. The Association reserves the right to execute any open space declarations applicable to the Common Properties which may be permitted by law in order to reduce property taxes.

(d) "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision plat(s) of the Properties, as amended from time to time, which is designated as a lot therein and which is or will be improved with a residential dwelling in conformity with the building restrictions herein.

(e) "Owner" shall mean and refer to each and every person or business entity who is a record owner of a fee or undivided fee interest in any Lot subject to these Covenants and Restrictions; however, the word "Owner" shall not include person(s) or entity(ies) who hold a bona fide lien or interest in a Lot as security merely for the performance of an obligation.

(f) "Member" shall mean and refer to each Owner of a Lot.

ARTICLE II. <u>PROPERTY SUBJECT TO THIS DECLARATION: ADDITIONS THERETO</u>

Section 1. Properties. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Colleyville, Tarrant County, Texas, and is more particularly described within Exhibit "A," attached hereto and made a part hereof for all purposes.

Section 2. Additions to the Property. Additional land(s) may become subject to this Declaration in any of the following manners:

(a) The Association may add or annex additional real property (from time to time and at any time(s)) to the scheme of amending this Declaration that shall extend the this Declaration to such property; PROVIDED, HOWEVER, that such amendment may contain such complementary additions and modifications contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the concept and purpose of this Declaration.

(b) In the event the Association desires to add or annex additional residential and/or Common Properties to the scheme of this Declaration, such annexation proposal must have the prior written consent and approval of the majority of the total votes allocated to property owners entitled to vote on the amendment of the declaration.

(c) Any additions made pursuant to Paragraphs (a) and (b) of this Section 2, when made shall automatically extend the jurisdiction, functions, duties, and membership of the Association to the properties added and correspondingly subject the properties added to the Declaration.

(d) Upon a merger or consolidation of the Association (as an incorporated entity) with another association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association, or alternatively, the properties, rights, and obligations of another association may, by operation of law, be added to the properties, rights, and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association for the Property together with the covenants and restrictions established upon any other properties as one scheme. Any merger or consolidation of the Association shall be approved by the affirmative vote of sixty percent (60%) of the total votes allocated to property owners entitled to vote on the amendment of the declaration.

ARTICLE III.

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every owner of a Lot shall automatically be and must remain a Member of the Association in good standing.

Section 2. Voting Rights. The Association shall have one (1) class of voting membership: All of the Members shall be entitled to one vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and 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.

Section 3. Quorum, Notice and Voting Requirements.

(a) Subject to the provisions of Section 2 above and paragraph (c) of this Section, any action authorized by Section 3 and 4 of Article V shall require the assent of the majority of the Association vote in person or by proxy at a meeting duly called for such purposes(s), written notice of which shall be given to all Members not less than thirty (30) days nor more than sixty (60) days in advance and shall set forth the purpose(s) of such meeting.

(b) The quorum required for any action referred to in Paragraph (a) of this Section shall be as follows:

At the first meeting called, the presence at the meeting of Members, or of legitimate proxies, entitled to cast sixty percent (60%) of all of the votes of the Association shall constitute a quorum. If, however, such a quorum is not present at the first meeting, an additional meeting may be called, subject to the notice requirement hereinabove set forth, and the required quorum at such second meeting shall be one-half (1/2) of the required quorum for the preceding meeting; provided, however, that no such second meeting shall be held more than sixty (60) days following the first meeting.

(c) As an alternative to the procedure set forth above, but subject to the provisions of Section 2 above and to the extent permitted by the Texas Property Code, any action referred to in Paragraph (a) of this Section may be taken with the assent given in writing and signed by Members who collectively hold or control more than sixty percent (60%) of the outstanding votes of the Association.

ARTICLE IV. PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 2 of this Article, every Member and any tenant of a Member and each individual who resides with either of them, respectively, on a Lot shall have a right and easement of use and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title to each respective lot; PROVIDED, HOWEVER, such easement shall not give such person the right to make alterations, additions, or improvements to the Common Properties.

Section 2. Extent of Members' Easements. The rights and easements of use and enjoyment created hereby shall be subject to the following:

(a) The right of the Association to prescribe reasonable regulations governing the use, operation, and maintenance of the Common Properties;

(b) Liens or mortgages placed against all or any portion of the Common Properties with respect to monies borrowed by the Association to improve the Properties or Common Properties;

(c) The right of the Association to enter into and execute contracts with any party for the purpose of providing maintenance or such other materials or services consistent with the purposes of the Association and/or this Declaration;

(d) The right of the Association to take such steps as are reasonably necessary to protect the Common Properties against foreclosure;

(e) The right of the Association to suspend the right of any Member to use or enjoy any of the Common Properties for any period during which any assessment against a Lot

resided upon by such Member remains unpaid, and for any period not to exceed sixty (60) days, for an infraction of the then-existing rules and regulations;

(f) Subject to approval by written consent by the Members having a majority of the outstanding votes of the Association, to dedicate or transfer all or any part of the Common Properties to any municipal corporation, public agency, governmental authority, or utility for such purposes and upon such conditions as may be agreed to by such Members.

ARTICLE V. COVENANTS FOR ASSESSMENTS

Section l. Creation of the Lien and Personal Obligation of Assessments. Each owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree (and such covenant and agreement shall be deemed to constitute a portion of the purchase money and consideration for acquisition of the Lot), to pay to the Association (or to an independent entity or agency which may be designated by the Association to receive such monies): (1) regular assessments or charges for maintenance, taxes, and insurance on portions of the Common Properties (including without limitation those matters described within Article VI, Section 1); (2) special group assessments for capital improvements or unusual or emergency matters, such assessments to be fixed, established, and collected from time to time as hereinafter provided; and (3) individual special assessments levied against individual Lot Owners to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual Owner and not caused by ordinary wear and tear, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The regular, special group, and special individual assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made and shall also be the continuing personal obligation of the then existing Owner of such Lot at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, and welfare of the residents of the Properties, and in particular for the improvement and maintenance of the access easements, walkways, common green areas, or other properties and services and facilities devoted to purposes and directly related to the use and enjoyment of the Common Properties, including, but not limited to, the payment of taxes on the Common Properties and insurance (if any) in connection with the Common Properties, and the maintenance, repair, replacement, and additions thereto, and for trash and garbage collection, security arrangements, and exterior maintenance of all or portions of the Lots, as may be determined necessary and appropriate by the Association from time to time and for paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of, the Common Properties, for carrying out the duties of the Board of Directors of the Association as set forth in Article VI hereafter, and for carrying out the various matters set forth or envisioned herein or in any other governing document related hereto, and for any matter or thing designated by the City of Colleyville in connection with any zoning, subdivision, platting, building, or development requirements of Saddlebrook.

Section 3. Basis and Amount of Regular Maintenance Assessments.

(a) The Association's Board of Directors may establish the maximum regular assessment for each Lot, provided that the maximum assessment may not be increased more than thirty percent (30%) above the maximum assessment for the previous year unless approved by the Association's Members as provided in Section 3 of Article III.

(b) The Association's Board of Directors may fix the actual regular assessment at an amount equal to or less than the maximum regular assessment for the previous year.

Section 4. Special Group Assessments. In addition to the regular assessments authorized by Section 3 hereof, the Association may levy in any fiscal year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair, or replacement of a described capital improvement upon the Common Properties, including any necessary personal property related thereto or for unusual or emergency purpose, PROVIDED THAT any such assessment shall have the affirmative approval of the Association's Member, as provided in Section 3, Article III hereof.

Section 5. Rate of Assessments. Both regular and special group assessments must be fixed at a uniform rate for all Lots owned by Members, unless otherwise approved by the Association's Board of Directors: as an example (and not as a limitation) in the event only one (1) residential dwelling is situated on or effectively occupies two (2) platted Lots, the total applicable assessment for the two (2) Lots and the Lot Owner thereof should not exceed one and one-half (1 $\frac{1}{2}$) times the amount of the assessment otherwise established for a single Lot with a single dwelling thereon. Each Lot owned by a Member shall be charged with one hundred percent (100%) of the established per Lot assessment.

Section 6. Due Dates. The Board of Directors may prescribe from time to time that the regular assessments are to be collected on an annual, semi-annual, quarterly, or monthly basis, and accordingly, the Board of Directors shall prescribe the appropriate due dates. All regular assessments shall be collected in advance. The due date or dates (if it is to be paid in installments) of any other assessment or special group assessment under Sections 3 and 4 hereof, shall be fixed in the respective resolution authorizing such assessment.

Section 7. Duties of the Board of Directors with Respect to Assessments.

(a) In the event of a revision to the amount or rate of the regular assessments, or establishment of a special group assessment, the Board of Directors of the Association shall fix the amount of the assessment against each Lot, and the applicable due date(s), for each assessment at least sixty (60) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the designated office of the Association.

(b) Written notice of the assessment shall thereupon be delivered, mailed, or, if an Owner has registered an email with the Association, emailed to every owner subject thereto.

(c) The Board of Directors shall upon reasonable demand furnish to any Owner originally liable for said assessment, a certificate in writing signed by an Officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificate.

Section 8. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; the Lien; Remedies of Association.

(a) If any assessment or any part thereof is not paid on the date(s) when due then the unpaid amount of such assessment shall be considered delinquent and shall, together with interest thereon at the highest permitted lawful rate per annum and costs of collection thereof, thereupon become a continuing debt secured by a self-executing lien on the Lot of the non-paying Owner, which shall bind such Lot in the hands of the Owner, his heirs, executors, devisees, personal representatives, and assigns. The Association shall have the right to reject partial payments of an assessment and demand the full payment thereof. The personal obligation of the then existing Owner to pay such assessment, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them. However, the lien for unpaid assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for the assessment provided herein by non-use of the Common Properties or abandonment of his or her Lot.

(b) The Association may also give written notification to the holder(s) of the mortgage on the Lot of the non-paying Owner of such Owner's default in paying any assessment when such default has not been cured within thirty (30) days of the original date due, provided that the Association has theretofore been furnished in writing with the correct name and address of the holders of such mortgage and a request to receive such notification.

(c) If any assessment or part thereof is not paid when due, the unpaid amount of such assessment shall bear interest from and after the date when due at the highest permitted lawful rate per annum, and the Association may, at its election, retain the services of an attorney for collection and there shall also be added to the amount of such unpaid assessment any and all collection costs incurred hereunder by the Association, including reasonable attorneys' fees.

Section 9. Rights of the City of Colleyville. In the event the Association, its successors or assigns, shall fail or refuse to adequately maintain the appearance and condition of the Common Properties which it is obligated to maintain hereunder, the City of Colleyville, Texas, shall have the right and may assume the duty of performing all such maintenance obligations of the Association at any time, upon giving written notice to the Owners or at any time after the expiration of ten (10) days after receipt by the Association, its successor or assign, of written notice specifying

in detail the nature and extent of the failure to maintain without such failure being remedied, whichever notice shall be appropriate. Upon assuming such maintenance obligations, the City of Colleyville may levy an assessment upon each Lot on a pro rata basis the cost of such maintenance, notwithstanding any other provisions contained in this Declaration, which assessment shall constitute a lien upon the Lot against which each assessment is made. During the period the City of Colleyville has a right and assumes the obligation to maintain and care for the Common Properties, the Association shall have no obligation or authority with respect to such maintenance. The right and authority of the City of Colleyville to maintain the Common Properties shall cease and terminate when the Association, its successors or assigns, shall present to the City of Colleyville reasonable evidence of its willingness and ability to resume maintenance of the Common Properties. In the event the City of Colleyville assumes the duty of performing the maintenance obligations of the Association as provided herein, then the City of Collevville, its agents, representatives, and employees shall have right of access to and over the Common Properties for the purpose of maintaining, improving, and preserving the same; and in no event, and under no circumstances, shall the City of Colleyville be liable to the Association or any Owner of their respective heirs, devisees, personal representatives, successors, and assigns for negligent acts or construction relating in any manner to maintaining, improving, and preserving the Common Properties, or to any Owner, the Association or any other person for failure to perform such maintenance. This provision may not be altered or changed without the consent of the City Council of the City of Colleyville evidenced by Resolution.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate and inferior to the lien of any first mortgage or deed of trust now or hereafter placed upon the Lots subject to assessment; provided, however, such subordination shall apply only to the assessments which have become due and payable prior to the sale (whether public or private) of such property pursuant to the terms and conditions of any such deed of trust. Such sale shall not relieve such Lots from liability for the amount of any assessment thereafter becoming due nor from the lien of any such subsequent assessment.

Section 11. Exempt Property. The following property otherwise subject to this Declaration shall be exempted from any assessments, charge, and lien created herein;

(a) All properties dedicated to and accepted by a local public authority and devoted to public use.

(b) All Common Properties as defined in Article I hereof.

ARTICLE VI. GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS OF THE ASSOCIATION

Section 1. Powers and Duties. The affairs of the Association shall be conducted by its Board of Directors (sometimes hereinafter "the Board"). The Board of Directors shall be selected in accordance with the Articles of Incorporation and Bylaws of the Association. The Board, for the benefit of the Association, the Properties, and the Owners, shall provide and shall pay for out of the maintenance fund(s) provided for in Article V above, the following:

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(a) Care, preservation and maintenance of the Common Properties and the furnishing and upkeep of any desired personal property for use in or on the Common Properties;

(b) Maintenance of the exterior grounds of Lots (as may be determined by the Board of Directors from time to time) including without limitation trees, shrubs, grass, landscaping, and operation of sprinkler systems;

(c) Private trash and garbage collection service (if not available from City) and security arrangements;

(d) Taxes, insurance, and utilities (including without limitation electricity and water) which pertain to the Common Properties only;

(e) The services of a person or firm to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by the manager;

(f) Legal and accounting services;

(g) Any other materials, supplies, labor, services, maintenance, repairs, structural alterations, taxes, or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration or which in its opinion shall be necessary or proper for the operation or protection of the Association or for the enforcement of this Declaration.

The Board shall have the following additional rights, powers, and duties:

(h) To execute all declarations of ownership for tax assessment purposes with regard to any of the Common Properties owned by it as an incorporated entity;

(i) To enter into agreements or contracts with insurance companies, taxing authorities, the holders of first mortgage liens on the individual Lots and utility companies with respect to: (i) any taxes on the Common Properties; (ii) insurance coverage (if any) on Common Properties, as either or both relate to the assessment, collection, and disbursement process envisioned by Article V hereinabove; and (iii) utility installation, consumption, and service matters;

(j) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit;

(k) To enter into contracts, maintain one or more bank accounts, and, generally, to have all the powers necessary or incidental to the operation and management of the Association;

(1) To protect or defend the Common Properties from loss or damage by suit or otherwise, to sue or defend in any court of law on behalf of the Association and to provide adequate reserves for repairs and replacements;

(m) To make reasonable rules and regulations for the operation of the Common Properties and to amend them from time to time;

(n) To levy reasonable fines against the Lots and Owner for violation of the Association's governing documents, including but not limited to its Enforcement Policy and Fining Schedule as adopted by the Board from time to time pursuant to Section 209.0061 of the Texas Property Code;

(o) To make available to each Owner within ninety (90) days after the end of each year an annual report;

(p) Pursuant to Article VII herein, to adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property, and if proceeds are insufficient to repair damage or replace lost property, to assess the Members in proportionate amounts to cover the deficiency;

(q) To enforce the provisions of this Declaration and any rules made hereunder and to enjoin and seek damages from any Owner for violation of such provisions or rules.

Section 2. Board Powers. The Board shall have the right to contract for all goods, services, and insurance, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein.

Section 3. Maintenance Contracts. The Board, on behalf of the Association, shall have the full power and authority to contract with any Owner for performance, on behalf of the Association, of services which the Association is otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable, and to the best interest of the Association.

Section 4. Liability Limitations. Neither any Member nor the Board nor the Directors (or any of them) nor the officers (if any) of the Association shall be personally liable for debts contracted for or otherwise incurred by the Association or for a tort of another Member, whether, such other Member was acting on behalf of the Association or otherwise. Neither the Association, its Directors, officers, agents, or employees shall be liable for any incidental or consequential damages for failure to repair or maintain the same. The Association or any other person, firm, or corporation liable to make such repairs or maintenance shall not be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, improvements, or portion thereof.

Section 5. Reserve Funds. The Board may establish reserve funds which may be maintained and accounted for separately from other funds maintained for annual operating

expenses and may establish separate, irrevocable trust accounts in order to better demonstrate that the amounts deposited therein are capital contributions and not net income to the Association.

ARTICLE VII. INSURANCE REPAIR AND RESTORATION

<u>Section 1. Right to Purchase Insurance.</u> The Association shall have the right and option to purchase, carry and maintain in force insurance covering any or all portions of the Properties or Common Properties, any improvements thereon or appurtenant thereto, for the interest of the Association, its Board of Directors, agents and employees, and of all Members of the Association, in such amounts and with such endorsements and coverage as shall be considered good, sound insurance coverage for properties similar in construction, location, and use to the subject property. Such insurance may include, but need not be limited to:

(a) Insurance against loss or damage by fire and hazards covered by a standard extended coverage endorsement in an amount which shall be equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined annually by the insurance carrier.

(b) Comprehensive public liability and property damage insurance on a broad form basis, including coverage of personal liability (if any) of the Owners and Members with respect to the Common Properties.

(c) Fidelity bond for all officers and employees of the Association having control over the receipt or disbursement of funds.

Section 2. Insurance Proceeds. The Association and the Members shall use the net Insurance proceeds to repair and replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of insurance paid to the Association, as required in this Article, remaining after satisfactory completion of repair and replacement, shall be retained by the Association as part of a general reserve fund for repair and replacement of the Common Properties.

<u>Section 3.</u> Insufficient Proceeds. If the insurance proceeds are insufficient to repair or replace any loss or damage, the Association may levy a special group assessment as provided for in Article V of this Declaration to cover the deficiency.

ARTICLE VIII. USE OF COMMON PROPERTIES

The Common Properties may be used and enjoyed as follows:

Section 1. Restricted Actions by Members. No Member shall permit anything to be done on or in the Common Properties which would violate any applicable public law or zoning ordinance, or which will result in the cancellation of or increase of any insurance carried by the Association, or which would be in violation of any law or any rule or regulation promulgated by the Board.

Section 2. Damage to the Common Properties. Each Member shall be liable to the Association for any damage to any portion of the Common Properties caused by the negligence or willful misconduct of the Member or his family, tenants, and guests.

Section 3. Rules of the Board. All Members shall abide by any rules and regulations adopted by the Board. The Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, and a Member determined by judicial action to have violated said rules and regulations shall be liable to the Association for all damages and costs, including reasonable attorneys' fees.

Section 4. Use of Common Properties. Use of the Common Properties shall be limited to Members and their families, tenants, and guests. No alcoholic beverages may be consumed on the Common Properties.

ARTICLE IX.

USE OF LOTS AND PROPERTIES – PROTECTIVE COVENANTS

The Properties (and each Lot situated therein but excluding the Common Properties) shall be constructed, developed, occupied, and used as follows:

Section 1. Residential Lots. All Lots within the Properties shall be used, known, and described as residential Lots. No building or structure shall be erected, altered, placed, or permitted to remain on any residential Lot other than a single-family dwelling and, if any, its customary and usual accessory structures (unless prohibited herein). No building or structure intended for or adapted to business purposes shall be erected, placed, permitted, or maintained on such premises, or any part thereof. This restriction does not prohibit an Owner from using a Lot for personal business or professional purposes, provided that: such use is incidental to the Lot's residential use; such use conforms to all applicable laws and ordinances; there is no external evidence of such use, including, without limitation, external signage, excessive number of cars parked outside of the Lot, or the emission of odors; there is no interference with any other Owner's use and enjoyment of the Owner's property; such use does not entail excessive deliveries to, or pickups from, the Lot by the public, employees, suppliers, or clients; and such use does not produce excessive noise not commonly found in a residential neighborhood. The restrictions on use herein contained shall be cumulative of, and in addition to, such restrictions on usage as may from time to time be applicable under and pursuant to the statues, rules, regulations and ordinances of the City of Collevville, Texas or any other governmental authority having jurisdiction over the Properties. No building structure on any Lot shall exceed two (2) stories in height.

Section 2. Minimum Floor Space; Alarms. Each dwelling constructed on any Lot shall contain a minimum square footage (air-conditioned living area) as set forth below:

Phase I:

Lots 1 through 13, inclusive, Block 3 Lots 1 through 23, inclusive, Block 6 Lots 1 through 32, inclusive, Block 4 and Lots 1 through 10, inclusive, Block 5 as follows:

One story single family structures – two thousand one hundred (2,100) square feet

One and one-half or two story single family structures - two thousand three hundred (2,300) square feet.

Lots 14 through 24, inclusive, Block 3 Lots 1 through 21, inclusive, Block 1 and Lots 1 through 12, inclusive, Block 2 as follows:

One story single family structures – two thousand five hundred (2,500) square feet One and one-half or two story single family structures – two thousand seven hundred (2,700) square feet.

Phase II:

Lots 22 through 32, inclusive, Block 1 Lots 1 through 27, inclusive, Block 7 Lots 1 through 11, inclusive, Block 8 Lots 1 through 16, inclusive, Block 9 Lots 1 through 17, inclusive, Block 10 Lots 1 through 19, inclusive, Block 11 as follows:

One story single family structures - two thousand seven hundred (2,700) sq. feet One and one-half or two story single family structures - two thousand nine hundred (2,900) sq. feet.

Lots 24 through 45, inclusive, Block 6 as follows: One story single family structures - three thousand (3,000) sq. feet One and one-half or two story single family structures - three thousand two hundred (3,200) sq. feet.

The above square footage requirements are exclusive of all porches, garages or breezeways attached to the main dwelling. The construction plans and specifications for each residential dwelling shall include provisions for the installation of smoke detectors and such other safety and security devices which, from time to time, become technologically feasible for residential use.

<u>Section 3. Garages.</u> Each single family residential dwelling erected on any Lot shall provide a garage space for a minimum of two (2) conventional automobiles. All garage doors shall be equipped with an automatic and remote controlled electronic door opener; all garage doors shall be closed at all times when not in use. Garage structures may face the front property

line only if they are constructed a minimum of sixty (60) feet from the front property line. Garages on corner tots may optionally open directly towards and have driveway entrances from the side street, except that no garage or carport shall face and open at less than a 90-degree angle to the side street unless the garage or carport is at least twenty-five (25) feet from the side street property line. Except for the above provisions all garage entrances shall be located at the rear of the residence. Carports are not encouraged but may be permitted if, in the reasonable opinion of the Architectural Control Committee, the exterior surface and appearance will substantially compare with a garage and if no storage of items, which would otherwise be visible will occur thereunder; any and all proposed garage or carport plans and specifications must be submitted to the Architectural Control Committee for review.

<u>Section 4. Setback Requirements.</u> The Architectural Control Committee shall establish setback lines (for fences, walls and for buildings) from the front property line of each Lot at distances shown on the recorded plat. In any event, no building shall be located nearer than twenty-five (25) feet to the front property line. Building lines shall be as follows:

Lots 1 through 13, inclusive, Block 3; Lots 1 through 32, inclusive, Block 4; Lots 1 through 10, inclusive, Block 5; and Lots 1 through 23, inclusive, Block 6; shall have twenty-five (25) foot building lines; Lots 1 through 21, inclusive, Block 1; Lots 1 through 12, inclusive, Block 2; and Lots 14 through 24, inclusive, Block 3 shall have thirty (30) foot building lines;

The side yard requirement shall be a minimum equal to ten (10) percent of the lot width at the front building line, unless otherwise approved in writing by the Architectural Control Committee.

Section 5. Fences; Signs. No fence, wall, hedge, shrubbery, or other visual barrier taller than thirty (30) inches shall be placed on any lot in the subdivision nearer to any front or to any side street than is permitted for the house on said Lot, and no fence, wall or hedge located between interior lot lines and building setback lines shall be higher than six (6) feet from the ground unless it is an integral part of the house or building structure. With the Architectural Control Committee's approval, this six (6) foot limitation may be increased to a maximum of eight (8) feet for individual cases. No wire or chain link fence is permitted on the street side of any Lot. Should a hedge, shrub, tree, or other planting be so placed, or afterwards grow, so as to encroach upon adjoining property, such encroachment shall be removed upon request of the Owner of adjoining property. Should any encroachment be upon a right-of-way or easement, it shall be removed promptly upon request of the Association or any authority having easement rights, and such encroachment is wholly at the risk of the Owner and removal shall be solely at his expense. Notwithstanding anything herein, the Architectural Control Committer is empowered to grant variances to comply Section 202.0022 and 202.0023 of the Texas Property Code. No sign or signs shall be displayed to the public view on any residential Lot, except: (1) any builder, during the applicable initial construction and sales period, may utilize one professional sign (of not more than twelve (12) square feet in size) per Lot for advertising and sales purposes; (2) thereafter, a dignified "for sale" sign (of not more than six (6) square feet in size) may be utilized by the Owner of the respective residential Lot for the

applicable sale situation, and (3) political signs that comply with Section 259.002 of the Texas Elections Code.

Section 6. Easements; Utilities. Easements and access easements for the installation and maintenance of utilities, screening fence, and drainage facilities are reserved as shown on the recorded subdivision plat. Except as to special street lighting or other aerial facilities which may be required by the City of Colleyville or which may be required by the franchise of any utility company or which were installed by the prior developer pursuant to its development plan, no aerial utility facilities of any type (except meters, risers, service pedestals, pre-existing power poles, and lines, and other surface installations necessary to maintain or operate appropriate underground facilities) shall be erected or installed on the Properties whether upon individual Lots, easements, streets, or rights-of-way of any type, either by the utility company or any other person on entity, including but not limited to any person owning or acquiring any part of the Properties, and all utility service facilities (including but not limited to water, sewer, gas, electricity, and telephone) shall be buried underground unless otherwise required by a public utility. All utility meters, equipment, air conditioning compressors, and similar items must be visually screened and located in areas designated by the Architectural Control Committee.

Section 7. Temporary Structures and Vehicles. No temporary structure of any kind shall be erected or placed upon any Lot. Temporary structures shall include, but not be limited to, any garage, servant's house, or other improvement erected more than one hundred twenty (120) days prior to the completion of the main portion of the single-family dwelling.

Any bus, boat, trailer, boat trailer, mobile home, camper, or any vehicle other than a conventional automobile or pick-up truck shall, if brought within the Properties, be stored, placed, or parked within the garage of the appropriate Lot Owner unless otherwise directed by the Architectural Control Committee.

Section 8. Garbage and Trash Collection. No residential Lot shall be used or maintained as a dumping ground for rubbish, trash, or garbage. All garbage shall be kept in sanitary containers in appropriate locations which may be specified by the Architectural Control Committee. Unless otherwise expressly permitted by the Architectural Control Committee, garbage containers shall be situated and enclosed or screened so as not to be visible from any residential street. The Association shall make or cause to be made appropriate arrangements for collection and removal of garbage and trash on a regular basis. Each Lot Owner shall observe and comply with any and all regulations or requirements promulgated by the Association in connection with the storage and removal of trash and garbage.

An Owner shall: (i) control weeds, grass, and/or other unsightly growth; (ii) remove trash, rubble, building, and construction debris; and (iii) exercise reasonable care or conduct to prevent or remedy an unclean, untidy, or unsightly condition on the Owner's Lot, and failure to do so will subject the Owner and Lot to the Association's Enforcement Policy and Fining Schedule

Section 9. Offensive Activities. No noxious or offensive activity shall be conducted on any portion of the Properties that will adversely affect the peace, quiet, comfort or serenity of the Lot Owners or residents. No animals, livestock, or poultry of any kind shall be raised, bred, or kept

on any residential Lot, except that dogs, cats, or other household pets may be kept, provided that they are not kept, bred, or maintained for commercial purposes and provided they pose no threat to the health, safety, or tranquility of the Lot Owners or residents.

Section 10. Landscaping and Irrigation Systems. Each Lot on which a residential dwelling constructed shall preserve and maintain all of the lawn and landscaping in a healthy and attractive condition. All lawn, irrigation systems, and landscaping must comply with Colleyville City Code and Ordinances. For new construction, landscaping of the Lot shall be completed in one hundred and twenty (120) days after the date which the main structure is complete.

Section 11. Exterior Surfaces. All roofs and shingles shall comply with the applicable Texas Property Code and City of Colleyville Building Code. Metal edging shall be installed and painted to match fascia board trim. The exterior surface of all residential dwellings shall be constructed of glass, brick, or other materials approved by the Architectural Control Committee. The Architectural Control Committee is specifically authorized to require seventy-five percent (75%) masonry coverage, providing a continuous, uniform surface with respect to all improvements which directly affect the appearance and image of the structure. Installation of all uncommon types of exterior items and surfaces such as address numbers or external ornamentation, lights, mail chutes, exterior paint, or stain, shall be subject to the prior approval of the Architectural Control Committee. All antennas (including without limitation radio or television transmitting or receiving antennas) shall be installed in accordance with all applicable federal laws including but not limited to the Telecommunications Act of 1996), Texas Property Code, and City of Colleyville Building Codes. All roof and surface water must be drained toward the street or the rear Lot lines as defined in the master drainage plan.

Section 12. Architectural Control Committee. No building shall be erected, placed, or altered on any building plot in this subdivision until a complete set of building plans (which shall clearly indicate all exterior materials) and a plot plan of the location of such building shall have been delivered to the Architectural Control Committee designated as hereinafter provided, and until such building plan and plot plan shall have been approved in writing by the Architectural Control Committee as being in conformity and harmony with the external design and location of the existing structures of the subdivision and in compliance with the restrictions herein contained. The plot plan (or a copy thereof) shall be returned to the Owner of the Lot after approval of the Architectural Control Committee has been appropriately endorsed thereon. The Board shall have the authority to appoint the Architectural Control Committee and to remove without cause any person serving on the Architectural Control Committee. The Architectural Control Committee shall consist of not less than two (2) nor more than three (3) members, and the Board shall also have the authority to fill any vacancies in the Architectural Control Committee. Neither a Board of Directors member, a Board member's spouse, nor someone residing the Board member's household can be on the Architectural Control Committee while serving as a Board member. The Architectural Control Committee is authorized to delegate to one (1) or more representatives authority to perform the duties of the Architectural Control Committee as set forth herein. In the event that the Architectural Control Committee should at any time fail or refuse to appoint a successor committee, the owners of a majority of the lots included within said subdivision, as determined on a front footage basis, shall have the right to elect or appoint, from time to time, a successor Architectural Control Committee. In the event that the Architectural Control Committee,

or its designated representative, fails to approve or disapprove any building plans, specifications and plot plans within ten (10) working days after the same are submitted to it, and if all terms contained in these restrictions have been complied with, the Architectural Control Committee shall be deemed to have approved such plans, specifications and plot plan. The Architectural Control Committee shall in no event be liable in damages for any action or failure or refusal to act pursuant to the provisions hereof. The Architectural Control Committee shall receive no fees or compensation for its services. Any decision of the Architectural Control Committee may be appealed pursuant to Section 209.00505 of the Texas Property Code.

Section 13. Rentals. All property rentals require at minimum a 30-day written lease. The Owner must submit lessee's contact information, including the name, mailing address, phone number, and email of each lessee who will reside at a property in the subdivision to the SHOA Secretary within thirty (30) days of the beginning of the lease. The commencement date of the lease and the term of the lease should also be provided to the SHOA Secretary within the first thirty (30) days of the lease.

Section 14. Solar Panels, Generators, and Wind Turbines. Solar panels, Electric generators, and wind turbines must be installed to comply with all federal laws, state laws and codes (including but not limited to Section 202.010 of the Texas Property Code), and Colleyville City Codes. All such ground level installations are to be screened in accordance with Article IX, Section 6.

ARTICLE X. INGRESS-EGRESS

Section 1. Ingress – Egress. Each Owner of a Lot agrees for himself, his heirs, assigns, or successors in interest that he will permit free and reasonable access by the Owner of adjacent or adjoining Lots containing a divisional wall, when such access is essential for the construction, reconstruction, refinishing, repair, maintenance, or alteration of said divisional wall. The access shall be limited to an area not more than five foot (5') in width along or parallel to the property line. Access shall only be at reasonable times and shall be permitted only after written notice has been given to the Lot Owner stating the purpose of the access. In no event shall such access be deemed to permit entry into the interior portions of any dwelling. Any damage caused by such access will be repaired at the expense of the Owner causing such damage.

ARTICLE XI. REGISTRATION

Section 1. Registration with Association. Each and every Lot owner shall have an affirmative duty to provide written information to the Association confirming: (a) the full name and address of a Lot Owner; (b) the name of each tenant of a Lot Owner; and (c) such other information as may be reasonably requested from time to time by the Association, to supplement or revise any and all prior written information within thirty (30) days after a material change has occurred.

ARTICLE XII. GENERAL PROVISIONS

Section 1. Duration. This Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of fifty (50) years from the date that this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument is signed by the Members entitled to cast sixty percent (60%) of the votes of the Association and recorded in the Deed Records of Tarrant County, Texas, which contains and sets forth an agreement to abolish the Covenants and Restrictions.

Section 2. Amendments. This Declaration may be amended by the affirmative vote of sixty percent (60%) of the votes of the Association. Any and all amendments shall be recorded in the office of the County Clerk of Tarrant County, Texas.

Section 3. Enforcement. Enforcement of this Declaration and the other governing documents may be by any proceeding at law or in equity against any person or persons violating or attempting to violate them, whether the relief sought is an injunction or recovery of damages, or both, or enforcement of any lien created by this Declaration, but failure by the Association or any Owner to enforce this Declaration or the other governing documents shall in no event be deemed a waiver of the right to do so thereafter. The City of Colleyville, Texas, is specifically authorized (but not obligated) to enforce this Declaration . With respect to any litigation hereunder, the prevailing party shall be entitled to recover reasonable attorneys' fees from the non-prevailing party.

Section 4. Validity. Violation of or failure to comply with this Declaration or the other governing documents shall not affect the validity of any mortgage, bona fide lien, or other similar security instrument which may be then existing on any Lot. Invalidation of any one or more of any governing document of the Association, or any portions thereof, by judgment or court order shall not affect any of the other provisions or covenants therein contained, which shall remain in full force and effect. In the event any portion of the governing documents conflicts with mandatory provisions of any ordinance or regulation promulgated by the City of Colleyville, then such municipal requirement shall control.

Section 5. Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration. Words of any gender used herein shall be held and construed to include any other gender, and words in the singular shall be held to include the plural and vice versa, unless the context requires otherwise.

Section 6. Notices to Member/Owner. Any notice required to be given to any Member of Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, addressed to the last known address of the person who appears as Member or Owner of the records of the Association at the time of such mailing, or if the Owner has provided an email address to the Association, the date the email is sent.

Section 7. Notice to Mortgagees. The holder(s) of a mortgage may be furnished with written notification from the Association of any default by the respective mortgagor/Member/Owner in the performance of such mortgagor's/Member's/Owner's obligation(s) as established by this Declaration, provided that the Association has been theretofore furnished, in writing, with the correct name and address of such mortgage holders, and a request to receive such notification.

Section 8. Disputes. Matters of dispute or disagreement between owners with respect to interpretation of application of the provisions of this Declaration, the Association's Bylaws, or the other governing documents shall be determined by the Board of Directors, whose determination (absent arbitrary or capricious conduct or gross negligence) shall be final and binding upon all Owners.

IN WITNESS WHEREOF, Saddlebrook Homeowners Association, Inc. a Texas non-profit corporation, has caused this instrument to be executed this _____ day of _____, 2024.

Saddlebrook Homeowners Association, Inc.,

A Texas non-profit corporation

By:

Printed Name: _____

Title: _____

THE STATE OF TEXAS § SCOUNTY OF TARRANT §

BEFORE ME, the undersigned authority, on this day personally appeared

______, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Saddlebrook Homeowners Association, Inc. a Texas non-profit corporation, and that he or she executed the same as the act and deed of such corporation for the purposes and considerations therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2024.

Notary Public in and for the State of Texas

Exhibit "A"

Lots l through 21, inclusive, Block l;

Lots l through 12, inclusive, Block 2;

Lots 1 through 24, inclusive, Block 3;

Lots l through 32, inclusive, Block 4;

Lots 1 through 10, inclusive, Block 5; and

Lots l through 23, inclusive, Block 6;

all of SADDLEBROOK ADDITION, FIRST FILING, an Addition to the City of Colleyville, Tarrant County, Texas, according to the Plat recorded in Volume 388-169, page 36, Plat Records, Tarrant County, Texas;

and

Lots 22 through 32, inclusive, Block 1;

Lots 24 through 45, inclusive, Block 6;

Lots 1 through 27, inclusive, Block 7;

Lots 1 through 11, inclusive, Block 8;

Lots 1 through 16, inclusive, Block 9;

Lots 1 through 17, inclusive, Block10; and

Lots 1 through 19, inclusive, Block 11;

All of SADDLEBROOK ADDITION, SECOND FILING, an Addition to the City of Colleyville, Tarrant County, Texas, according to the Plat recorded in Volume 388-177, page 3, Plat Records, Tarrant County, Texas.