

DECLARATION
OF
COVENANTS, CONDITIONS, EASEMENTS & RESTRICTIONS

HILLS OF TEXAS ESTATES

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

HILLS OF TEXAS ESTATES, LTD., a Texas limited partnership, its successors or assigns (THE DECLARANT), being the Owner of the following described real property lying and being situated in the County of Hays and the State of Texas and being more particularly described as follows, to-wit:

HILLS OF TEXAS ESTATES, a subdivision in Hays County, Texas, as shown by plat recorded in Plat Book No. 6, Pages 322-328, Plat Records of Hays County, Texas, to which reference is here made, (THE SUBDIVISION)

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

1. Residential Use: All lots within the Subdivision are hereby restricted exclusively to single-family residential use. No lot shall ever be used for a business or commercial purpose. No structures shall be erected, placed or maintained on any lot other than a conventional on-site constructed single-family residence with such accessory structures and buildings as a storage building, workshop, garage, guest house and servant's quarters. Not more than one single-family residence may be erected on a lot. The term "conventional on-site constructed single-family residence" shall exclude specifically mobile homes, double-wide mobile homes, house trailers, modular homes and move-on homes. As used in this Declaration, the term "lot" refers to any numbered plot of land shown upon a recorded plat of any portion of the Subdivision in accordance with the terms hereof

2. Size and Specifications: On lots 1 through 10 and 37 through 58, each dwelling shall not be less than 2,000 square feet of heated and air-conditioned space, exclusive of basement, garage, and porches. In the case of multi-story dwellings the minimum size shall be 2,200 square feet with not less than 1,300 square feet of heated and air-conditioned space in the first floor. On lots 23 through 36, each dwelling shall not be less than 2,300 square feet of heated and air-conditioned space, exclusive of basement, garage, and porches. In the case of multi-story dwellings the minimum size shall be 2,500 square feet with not less than 1,450 square feet of heated and air-conditioned space in the first floor. On lots 11 through 22, each dwelling shall not be less than 2,750 square feet of heated and air-conditioned space, exclusive of basement, garage, and porches and all utilities from the road to the house must be underground. In the case of multistory dwellings the minimum size shall be 2,950 square feet with not less than 1,700 square feet of heated and air-conditioned space in the first floor. Notwithstanding the above, Lot 25 shall be limited to a single-story dwelling.

All residences must have a minimum of a double-car garage. The garage shall be either side entry or rear entry. There shall be no garage entries facing the front street or side street if on a corner lot. Detached garages must be built to the side or rear of the residence. No carports are allowed.

At least 75% of the total exterior and 100% of the front exterior of any residence must be masonry which includes but is not limited to rock, brick or stucco. This masonry requirement also applies to detached garages. The masonry requirement may be deviated from, at the Architectural Control Committee's

discretion, when a residence exceeds 3,000 square feet.

3. Driveways: All driveway's must be either concrete, asphalt pavement or brick/concrete pavers within 16 feet of any road right-of-way. That portion of the driveway from the county road pavement to property line must be concrete. Gravel and other similar materials will be allowed more than 160 ft from any road right-of-way. The driveway must be completed before occupying the residence.

4. Quality Workmanship: All improvements and structures including but not limited to homes, garages, barns, fences, storage buildings, and other improvements shall be constructed of new material and in a workmanlike manner. Any garages, barns, storage buildings and other such structures must have the same masonry, paint, and shingles as the residence. Such improvements shall be maintained as situated so that their appearance will not be detrimental to the subdivision as a whole. All improvements shall be kept weatherproofed by painting or such other method as may be necessary and appropriate, and none of the improvements shall be allowed to deteriorate to the detriment of the neighborhood as a whole.

5. Storage of Materials and Personal Belongings: No materials or personal belongings of any kind shall be placed upon any lot except within a garage, storage building or other comparable enclosed structure. Any storage buildings, barns, and any other such enclosures may not be placed or built on the property until the home is under construction. Any construction building or construction materials must be removed within fifteen (15) days of completion of the structure.

6. Setback Requirements: The single-family residence, garage, or other residential building of any kind shall have a building setback line from the front property line of thirty (30) feet. In addition, corner lots shall have a fifteen (15) foot setback from the side property line that fronts the side street. The single-family residence, garage, or other residential building of any kind shall not be located nearer than ten (10) feet to any side or rear property line. All storage buildings and any other enclosures, or any other items used for any purpose, must also be behind or beside the residence and shall not be nearer than ten (10) feet from the side property lines.

7. Easements: Easements are hereby reserved and dedicated over and across a twenty foot (20') strip along front and ten foot (10') along each side and rear lot line for the purpose of installing, maintaining and repairing, electric power, gas, telephone, water, cable, community mailbox station, drainage and/or any other similar utility lines, facilities, and services for the lots in the Subdivision. The easements reserved and dedicated hereby shall be for the general benefit of the Subdivision. These easements shall inure to the benefit of, and may be used by, any public or private utility company entering into and upon the Property for such purposes, without the necessity of any further grant of such easement rights to such utility companies. Any lot owner installing a fence or other improvement within the area encumbered by the easement does so at his own risk. If two or more lots are consolidated into a building site in conformity with the provisions of paragraph nine, these easement provisions and the setback provisions in paragraph six shall be applied to such resultant building site as if it were one original platted lot.

8. Platted Easements: In addition to those set forth in this Declaration, each lot shall be subject to all easements, set-back lines, covenants and restrictions set forth on the recorded plat covering that particular lot.

9. Restriction on Further Subdivision: There shall be no dividing, subdividing, or resubdividing allowed of any of the lots in this subdivision into smaller lots or tracts. All lots in this subdivision will remain the size platted on the subdivision plat, except that any person owning two or more adjoining lots may consolidate such lots into a single building site. Notwithstanding anything else herein to the contrary, Declarant hereby reserves the right to subdivide any lot(s) it may own into resulting lots of not less than one and one-half (1 1/2) acres each.

10. Sewerage: No means of sewerage disposal may be installed, used or maintained except ,a septic tank, or a similar or improved means of sanitary sewerage disposal, which meets the requirements of and is approved by all governmental authorities having jurisdiction thereof No residence placed upon a lot shall be used until sanitary sewerage disposal facilities complying with this paragraph have been completely built and approved by the governmental authority.

11. Draining Structures, Ditches, and Stock Tanks: Drainage structures under private driveways shall be constructed to Hays County specifications, shall not be less than a minimum of 18" round or oval pipe, shall be constructed so as not to block the flow of water and must be constructed before construction begins. Such structures, where needed, are to be installed at the expense of Buyer. Natural drainage and stock tanks shall not be altered, constructed, or changed without prior written approval from the A.C.C. and appropriate government agencies.

12. Trash Disposal: No lot shall ever be used for outside, unenclosed storage of any items or materials whatsoever, nor shall any lot or part hereof be used or maintained as a dumping ground for rubbish or debris or junk. Trash, garbage or other wastes shall not be permitted except in sanitary containers. All incinerators or cans or other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition beside or behind the residence. Cut or trimmed brush on occupied or non-occupied lots must be disposed of within 30 days of cutting. No construction of a house may begin until an enclosed trash receptacle is available on-site for construction debris. It is the owner's responsibility to see that construction debris is contained.

13. Nuisances: No noxious, offensive, undesirable, unlawful or immoral activity shall be conducted on any lot, nor shall anything be done or permitted to be done thereon which may be or become a nuisance or annoyance to the owners of adjacent lots or to the Subdivision as a whole. Any determination by the Committee that an activity is noxious, offensive, undesirable or immoral shall be final and binding on all parties.

14. Unused Vehicles: The placement of junked, abandoned, wrecked, or non-operating items of any kind such as motor vehicles, boats, or other equipment or materials shall not be permitted on any lot in the subdivision. No car, boat or other vehicle or equipment not in running condition and regularly used by the lot owner shall be allowed on any lot in the subdivision, unless in enclosed storage. The repairing of motor vehicles, boats, or any other items of a mechanical nature of any kind shall not be permitted on any lot in the subdivision except within a garage or other comparable enclosed structure.

15. Boats and Trailers: No boats, boat trailers, trailers, travel trailers, campers, RV's, motor homes or other similar property shall be allowed on the lot unless kept in enclosed storage specifically built for such purposes prior to such boat, boat trailer, trailer, travel trailer, camper, RV, motor home, etc. being brought onto the property. The enclosed storage must be built to either the side or the rear of the residence.

16. Temporary Structures: No structure or improvement of a temporary character, nor any trailer, recreational vehicle, tent, camper, shack, garage, barn or other outbuilding shall at any time be used as a residence or dwelling, either temporary or permanent, without the prior written approval of the Architectural Control Committee. There shall be no overnight or weekend camping of any kind.

17. Animals: Dogs, cats or other household pets, not exceeding a total of four in number (exclusive of unweaned offspring), may be kept on any lot so long as they are not kept, bred or maintained for any commercial purpose. Common household pets are the only animals allowed in the subdivision except that:

two (2) horses per lot are allowed on lots two through seven (2-7), and lot number one (1) is allowed to have our (4) horses; and

an FFA project is allowed on Lots 1 through 7 with prior written approval of the Architectural Control Committee. Only one animal is allowed per project and must be contained on the northeast side of the creek bisecting Lots 1 through 7. Architectural Control Committee approval may be conditioned upon any factor it deems necessary. No pigs, hogs or swine are allowed under any condition.

No pets or animals may be kept if they become offensive or a nuisance by virtue of their numbers, sight, odor or noise. If a question arises as to whether an animal (individually or considered together) is offensive or a nuisance, the Architectural Control Committee shall make the determination and its determination shall be final and binding on all parties.

18. Animal Containment: All animals shall be contained within the lot lines either by fence, leash, or other

comparable device. Animals shall not be allowed outside an owners lot. Animals may not be kept on the property prior to the owner living in and occupying the residence. Any pen, corral, hutch, structure or enclosure of any kind must be constructed of new material, must be attractive in appearance in keeping with the general standard of improvement in the subdivision, cannot be built until the residence is under construction, and must be at all times kept neat and clean in appearance, consistent with the requirements herein specified for other improvements in the subdivision. All such improvements must be located behind the residence, and not closer than twenty (20) feet to the side property lines.

19. Fences: ALL fencing must be approved in advance of installation by the Architectural Control Committee. Barbed wire fencing, T-Bar posts, hog and chicken wire and similar other fence wiring is not allowed on any lots except lots one through seven (1-7), and then the above fencing shall not be allowed closer than 150 feet to any street. If fencing is installed from the residence to street(s), it must be metal pipe fencing of at least 2-inch diameter, wood fencing with no wire, masonry fencing, iron fencing, or a combination thereof, or some other fence type approved by the Architectural Control Committee. Dark-colored vinyl-coated chain-link fencing is allowed from 75 feet behind the front property line to the rear of the lot. If the residence is closer to the front property line than 75 feet, then dark-colored vinyl-coated chain-link fencing is allowed from the residence to the rear of the lot. All fences must be mowed and kept clean of weeds, trash and garbage at all times. All fences must be well maintained to prevent sagging and deterioration and installed in a quality, workmanlike manner.

20. Mailboxes: If individual street side mailboxes are utilized in the subdivision in lieu of collection stations, each resident mailbox must be enclosed in the same brick or masonry as used on the residence. In addition, on the mailbox enclosure, the numerical address must be engraved in a cast stone or similar item.

21. Signs: Except for one sign of not more than six square feet advertising the property for sale or for rent, no signs of any kind shall be displayed to the public view from any lot.

22. Antennae: No exterior radio, television or any other type of antenna shall be higher than 40' as measured from the ground. All satellite dish receivers must receive prior written approval of the Architectural Committee as to size and location.

23. Hunting and Firearms: Hunting, trapping and discharge of firearms are expressly prohibited within the Subdivision.

24. Clothes Drying Facilities: Outside clothes lines or other facilities for drying clothes or airing clothes shall not be erected, placed or maintained on any Lot unless they are concealed in such a manner so as not to be visible from neighboring property or from streets.

25. Oil, Gas and Mineral Development: No oil or gas drilling, exploration or development operations, oil or gas refining or treatment, quarrying or mining operations of any kind shall be permitted on a lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted on any lot. No derrick or other structure designed for use in boring for oil, natural gas or other minerals shall be erected, maintained or permitted on any lot.

26. Rights of Declarant: The Declarant or its agents shall have the right to use any unsold lot for a sales office location, or any sold lot, with the owner's permission.

27. Parking: Streets shall not be used for parking except for emergency parking of vehicles. No continuous parking of automobiles or any other type of vehicle will be permitted on any street or road right-of-way in the subdivision at any time.

28. Enforcement: Any person owning any interest in any of the lots in said Subdivision, including mortgage interest or the property owners' association (see item 36), may enforce these restrictions through a proceeding at law or in equity against the person or persons violating or attempting to violate any covenant, condition, restriction, or limitation, either to prevent or to correct such violation, or to recover damages, or to obtain other relief for such violation. All expenses, including a reasonable attorney fee, shall be recovered from anyone violating these restrictions by the party bringing the suit.

29. Architectural Control Committee: All improvements on each lot shall be subject to the review and approval of an Architectural Control Committee (hereinafter referred to as the "Committee" or "ACC") as follows:

There is hereby created and activated a Committee for the purpose of providing for the harmonious architectural design and location of improvements within the subdivision. The committee shall review and approve the plans and proposed location of all residences, outbuildings, fences or other improvements to be built, placed or made upon any lots and shall perform such other duties and responsibilities as are allocated under other paragraphs of this Declaration. The initial members of the Committee shall be Rex Bohls, Doug Lewis and Delbert H. Stark, Jr. If any one or more of the three members refuses or fails to serve, the remaining member or members are hereby authorized to appoint a person or persons as replacement members. All rights, duties and responsibilities of the Architectural Control Committee shall be transferred to and vested in the Board of Directors of the Property Owners Association upon the closing of sales of 90% of the lots within the subdivision by Declarant or January 1, 1997, whichever last occurs.

No building, structure, fence, or other improvement shall be commenced, erected, placed or maintained on any lot, nor shall any addition to or change or alteration therein be made, until the construction plans and specifications, and a plot plan showing the location of all such structures and all appurtenances thereto, have been submitted to and approved by the Committee.

Construction plans and specifications submitted to the Committee shall be in such form as it may require and shall include, at a minimum, plans of all floors and levels involved, elevations of all sides of the proposed structure, a section through the structure to explain the relationship of the floor levels and stairs, notes to specifications describing the materials to be used on the exterior and location of the proposed improvements or alterations thereto on the lot.

The ACC may, but need not, hire specialized consultants and incur expenses up to One Hundred Dollars (\$100) to aid it in reviewing plans and their incidents. The cost of such consultants and expenses shall be considered a cost of the lot owner and such plans will not be considered until these costs are paid.

The Committee's approval or disapproval or other action as required in these covenants shall be by majority vote, shall be evidenced in writing and shall be delivered in person or by registered or certified letter addressed to the requesting party at an address which must be supplied with the submission. In the event the Committee should fail to approve or disapprove the plans, specifications and plot plans within fifteen (15) days after they have been submitted to it, it will be presumed that the same have been approved, provided the same were submitted to the Committee in writing by certified mail, return receipt requested, with an address provided to which the reply should be mailed. The judgement of the Committee in the exercises of its discretion in this respect shall be final and conclusive. Under no circumstances shall the Committee or any of its members be subject, jointly or severally, to any suit by anyone for money damages or otherwise.

Construction or placement of any improvement approved by the Committee shall commence within six (6) months of such approval; and the completion of such construction or placement must be accomplished within nine (9) months of the commencement of same.

30. Limitations of Liability: Neither the Declarant nor the Architectural Committee, nor any member of such Committee, shall be liable in damages or otherwise to anyone submitting plans, specifications and plot plans for approval or to any owner of any portion of the Property by reason of mistake of judgement, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or to disapprove any plans, specifications, plot plans or other matters submitted to it or arising out of any other action taken or not taken by them, jointly or severally, pursuant to the provisions of this Declaration.

31. Cleaning Lots: After written notice of fifteen (15) days to cure to the owner thereof, the Architectural Committee shall have the right to clean and clear lots of unsightly weeds, grass, brush, trash, and refuse,

such cleaning and clearing to be at the expense of the particular lot owner and for which a lien in favor of the Committee, or its assigns, may be placed upon the property, including interest, costs, and attorneys fees.

32. Partial Invalidity: If any portion of this Declaration is declared illegal, invalid, or unenforceable by law or court order, such action shall not affect the validity of any other provision hereof. Failure to enforce any one or more provisions hereof shall not constitute a waiver thereof as to future enforcement and shall not serve to invalidate any other provision of this Declaration.

33. Duration: These covenants, conditions, easements and restrictions shall run with the land and shall be binding upon and against the Property for a period of twenty-five (25) years from the date of recordation, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then owners of seventy-five percent (75%) of the Property (by lot) has been recorded agreeing to change said covenants in whole or in part. No such agreement to change shall be effective unless made and recorded within three months immediately prior to the date the covenants would be automatically extended.

34. Deviations: The Committee may exercise a limited right to approve minor deviations from the provisions hereof without an actual amendment of the Declaration, when, in the opinion of the Committee, such deviation will be beneficial to other owners of lots in the Subdivision. The Declarant hereby reserves the right to amend these restrictions when, in the opinion of the Declarant, such amendment will be beneficial to the subdivision. This right of the declarant to amend these restrictions shall terminate when the Property Owners' Association is activated pursuant to paragraph 37.

35. Laws and Regulations: All owners of any lots within the Subdivision shall at all times comply with all applicable laws, regulations and ordinances of municipal, county, state, federal or other governmental authorities.

36. Texas Veterans Land Board: It is anticipated that some of the lots within the Subdivision shall be sold to veterans through the Texas Veterans Land Board Program. Notwithstanding anything to the contrary contained herein, these restriction shall not, and shall not be construed to, prevent the Texas Veterans Land Board from deeding one acre to a veteran for a homesite in order that he might construct a residence thereon. Nor shall these restrictions be construed to charge or assess any fees to the Texas Veterans Land Board.

37. Property Owners Association: Each owner of a lot in the Subdivision shall be a member of the HILLS OF TEXAS ESTATES PROPERTY OWNERS ASSOCIATION (the "Association"). The purpose of the Association is to provide for the management, maintenance, administration, and operation of:

- (a) The duties of the ACC;
- (b) The enforcement of these Declarations;
- (c) "Common Areas" including, but not limited to, subdivision entrances together with associated fences, gates and landscaping;
- (d) Any property conveyed to the Association by this Declarant; and
- (e) Any other function pertaining to the well-being of the subdivision.

The Association shall be activated and commence on January 1, 1996, and shall be managed initially by a Board of Directors composed of Rex Bohls, Douglas Lewis, and Delbert Stark, Jr. If any one of the three initial directors refuses or fails to serve on the Board for any reason, the remaining directors are hereby authorized to appoint a replacement director. A meeting of all members of the Association shall be called by the initial Board of Directors within 30 days of the date Declarant has closed the sale of 90% of the lots within the subdivision or January 1, 1997, whichever last occurs, or earlier at Declarant's election, for the purpose of electing successor directors. A quorum of 25% of all lot owners is required for the initial organizational meeting. A majority of the quorum shall elect a Board of Directors and approve and conduct such other business as may properly be brought before such meeting. Each lot in the subdivision shall be entitled to one vote in the Association. When more than one person holds an interest in any one lot, all such persons shall be members of the Association but they shall collectively cast only one vote for each lot

owned. The association shall be incorporated under the Texas Non-Profit Corporation Act, shall have a Board of Directors consisting of three (3) members unless otherwise determined, and shall act by majority vote in accordance with this Declaration and with the By-Laws of the Association.

38. Membership in Association: Each lot owner is required to be a member of the Property Owners Association. By acceptance of a deed or contract of sale to any lot or lots in the Subdivision, the owner thereof personally agrees to be and become a member of the Association and to be and become bound and obligated by the terms and provisions of this Declaration.

39. Obligations of Lot Owners: Each owner of a lot in the Subdivision, excluding Declarant, covenants and agrees, and by acceptance of a deed or contract for sale to such lot is deemed to covenant and agree, to pay the Association an annual maintenance charge. The annual assessment, together with interest, costs, and reasonable attorneys fees, shall, to the full extent permitted by law, be a charge and a lien on the lots subject to this Declaration and each shall be a continuing lien upon the property against which 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 each lot in the Subdivision at the time the assessment was due. The Association shall have the duty and obligation to establish, collect and administer such assessments. The lien of any assessment shall be subordinate to the lien of any first mortgage.

40. Annual Maintenance Charge: Beginning January 1, 1996, each lot in the Subdivision, excluding lots owned by Declarant, is subject to an annual maintenance charge (AMC) of One Hundred Eighty Dollars (\$180) per year. The initial AMC shall be due and payable on or before January 31, 1996, and on or before January 31 of each year thereafter. If the AMC shall become past due, the Board is authorized to assess a late charge in accordance with the terms of the By-Laws of the Association. If the amount of the AMC for each lot may be increased or decreased by the Board from time to time, but not more often than once per year. However, if any such change increases or decreases the AMC by more than twenty percent (20%) over the preceding year, the change must be approved by a majority of the Association members. The amount of the AMC shall be determined at least thirty (30) days prior to January 1st (except the first AMC which is automatically due January 1, 1996) and written notice of such assessment shall be sent immediately to each member of the Association. If not paid by February 1st, the AMC shall be deemed delinquent and shall be subject to a late charge to be determined by the Board. AMC's are due January 1st for that year and are to be paid in advance. Lots owned by Declarant shall not be subject to AMC. Notwithstanding the foregoing, the initial Board of Directors of the Association shall not increase the annual maintenance charge unless such increase is approved by a majority of the Association members, excluding Declarant.

41. Special Annual Maintenance Charge: In addition to the assessment authorized in Paragraph 40 herein, Lots 11 through 22, inclusive, but excluding lots owned by the Declarant, shall be subject to a Special Annual Maintenance Charge (SAMC) for the purpose of operating, maintaining and repairing the private roadway, private entrance, privacy gate, and fencing and landscaping associated with the private entrance and roadway. Beginning January 1, 1996, the SAMC shall be \$360.00 per year. The initial SAMC shall be due and payable on or before January 31, 1996, and on or before January 31 of each year thereafter. The obligation to pay the SAMC shall be enforced in accordance with Paragraph 39 herein. The initial Board of Directors shall administer to receipts and expenditures of the SAMC. Upon the election of Directors of the Association in accordance with Paragraph 37 herein, the elected Board shall appoint a three (3) person sub-committee comprised of owners of Lots 11 through 22, inclusive, which subcommittee shall administer to receipts and expenditures of the fund created by the SAMC. The sub-committee shall be authorized to adjust the SAMC by not more than 20% from the proceeding year's charge. In the event the sub-committee shall seek to adjust the SAMC by more than 20%, such adjustment must be approved by a majority of owners of Lots 11 through 22, inclusive.

42. Title: The Association shall accept delivery of any deed or bill of sale executed by Declarant conveying property within the subdivision or addition thereto to the Association.

43. Addition by Declarant: Declarant hereby declares that it presently contemplates that at a future time the Subdivision may be expanded (but Declarant does not hereby obligate itself to expand the

Subdivision) by adding, from time to time, additional property to the Subdivision. These Restrictions shall become effective with respect to any such annexed additional property on the date on which there is filed for record in the Office of the County Clerk of the county in which the same are located, a Supplemental Declaration to that effect signed and acknowledged by Declarant. Such Supplemental Declaration shall describe the additional property; list the lots that will then constitute the Subdivision; refer to these Restrictions; declare that these Restrictions shall contain such additions, deletions, and modifications to these Restrictions with respect to the additional property as the Declarant, in its sole discretion, shall deem necessary or appropriate to distinguish the additional property from the remainder of the Subdivision, or as may be necessary or desirable for any other reason. Upon the filing of the Supplemental Declaration, each lot comprising the additional property shall be included within the definition of the Subdivision as set forth on Page 1 hereof. Declarant may cause to be recorded as many separate Supplemental Declarations as may be desired from time to time, at any time, to effect the annexation of additional property. Annexation of additional property may be accomplished by Declarant without the consent of any other party or entity.

In accordance with the Declaration, the A.C.C. and P.O.A. referred to herein are the same entities, created by the Declaration. The P.O.A. shall exercise its power and carry out its responsibilities. Upon activation of the P.O.A., each lot owner shall be a member of the Hills of Texas Estates P.O.A. and shall be entitled to a vote for each lot owned.

IN WITNESS WHEREOF Hills of Texas Estates, Ltd. has caused this document to be executed by its duly authorized officer this 24 day of May, 1995.