

**Hunters Creek North
Homeowners Association
Covenants, Regulations, and Bylaws**

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**HUNTERS CREEK NORTH HOMEOWNERS ASSOCIATION COVENANTS,
REGULATIONS, AND BYLAWS**

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

THESE HUNTERS CREEK NORTH HOMEOWNERS ASSOCIATION COVENANTS, REGULATIONS, AND BYLAWS (this “Covenants”) are made effective as of this _____ day of _____, 2017 (the “Amendment Effective Date”), by HUNTERS CREEK NORTH NEIGHBORHOOD ASSOCIATION, INC., a Texas nonprofit corporation (“Association”).

WITNESSETH:

WHEREAS, Hunters Creek North Subdivision is a subdivision in Bexar County, Texas, being more particularly described in Exhibit A attached hereto and incorporated herein for all purposes (collectively, the “Property” or “HCN”);

WHEREAS, HCN is currently encumbered by the following documents (collectively, the “Restated Documents”):

1. That certain _____ [ORIGINAL BYLAWS], as amended by that certain Hunters Creek North Neighborhood Association Amended Bylaws – January 01, 2012 recorded on January 6, 2012 in Volume 15300, Page 1564 of the Official Public Records of Real Property of Bexar County, Texas (collectively, the “Bylaws”);
2. Those certain Hunters Creek North Subdivision, Unit 1 Restrictive Covenants recorded on January 4, 1978 in Volume 1001, Page 704 of the Official Public Records of Real Property of Bexar County, Texas, as amended pursuant to that certain First Amendment to the Hunter’s Creek North Subdivision - Unit 1 Declaration of Restrictive Covenants recorded on May 7, 1993 in Volume 5647, Page 1593 of the Official Public Records of Real Property of Bexar County, Texas, and as supplemented pursuant to that certain 2011-2012 First Supplemental Restrictive Covenants for Hunters Creek North Subdivision Covering Unit 1 recorded on January 6, 2012 in Volume 15300, Page 1586 of the Official Public Records of Real Property of Bexar County, Texas (collectively, the “Unit 1 Declaration”);
3. Those certain Hunters Creek North Subdivision Declaration of Restrictive Covenants (covering a portion of Unit 2) recorded on July 2, 1984 in Volume 3147, Page 214 of the Official Public Records of Real Property of Bexar County, Texas (collectively, the “Unit 2 Declaration”); and
4. That certain Hunters Creek North Subdivision Declaration of Restrictive Covenants (Unit 3), recorded on or about December 5, 1980 in Volume 2164, Page 151 of the Official Public Records of Real Property of Bexar County, Texas, as amended by that certain First

Amendment to the Hunter's Creek North Subdivision - Unit 3 Declaration of Restrictive Covenants recorded on or about May 7, 1993 in Volume 5647, Page 1627 of the Official Public Records of Real Property of Bexar County, Texas (collectively, the "Unit 3 Declaration").

WHEREAS, pursuant to Article V, Section 7 of the Bylaws, the Bylaws may be amended or restated by a vote of a majority of a quorum of the owners;

WHEREAS, pursuant to Section XIV of the Unit 1 Declaration, the Unit 1 Declaration may be amended or restated by the affirmative vote of a majority of the owners of the lots;

WHEREAS, pursuant to Section XXIX of the Unit 2 Declaration, the Unit 2 Declaration may be amended or restated by the affirmative vote of seventy percent (70%) of the lots;

WHEREAS, pursuant to Section XXVII of the Unit 3 Declaration, the Unit 3 Declaration may be amended or restated by the affirmative vote of seventy percent (70%) of the lots and Section 209.0041(h) of the Texas Property Code lowers that amount to sixty-seven percent (67%); and

WHEREAS, the Association has so voted to restate the Restated Documents in accordance herewith.

NOW THEREFORE, the Association, desiring to continue to carry out the uniform plan of improvement, development and sale of such subdivided lots in the Property established by the Restated Documents, on the date of recordation of the Restated Documents as to the portions of the Property respectively encumbered by such Restated Documents, hereby: (i) ratifies the encumbrance of the Property by the Restated Documents, (ii) declares that the Property shall be further held, sold and conveyed subject to the restrictions, easements, covenants, regulations and bylaws set forth herein; (iii) declares that the Property continues to be subject to the jurisdiction of the Association; and (iv) and declares that conveyance of the lots in the Property and each contract or deed which may be executed with regard to any lot within such Property shall be held to have been executed, delivered and accepted subject to the restrictions, easements, covenants, regulations and bylaws set forth herein.

1. INTRODUCTION, OBJECT AND PURPOSE

One of the reasons people choose a home in HCN is because it's a community with rules, regulations and covenants which govern the use of the Property. The Association exists in part to enforce these rules, regulations and covenants, in its discretion.

These Covenants, the Articles of Incorporation filed with the Texas Secretary of State on November 22, 1989 and recorded on _____ in Volume _____, Page _____ of the Official Public Records of Real Property of Bexar County, Texas, any plats now or hereafter affecting the Property, any guidelines, rules or policies (collectively, the "Governing Documents") adopted by the Board of Directors of the Association (the "Board") are the documents which govern owners and Property in HCN. Homeowners may be provided a copy of these documents at closing. The

Governing Documents originated when HCN began in 1977, and have been amended and had addendums added several times since then, most recently in 2012. The purpose of this document is to collect, revise, and update the covenants, regulations and bylaws to provide a cohesive, single set of covenants, and to comply with recent changes to Texas law.

2. ASSESSMENTS

The Board of the Association shall fix the amount of the annual assessment due for the subsequent calendar year at least thirty days prior to the end of the current calendar year. Written notice of the assessment shall thereupon be sent to each owner subject thereto. The due date for all assessments shall be established by the Board. The Association shall upon demand at any time and for a reasonable charge furnish a certificate in writing signed by an officer of the Association, setting forth whether the assessments on a specific lot have been paid.

2.1. Creation of the Lien and Personal Obligation for Assessments. Each owner of all or any portion of a lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

- An annual assessment;
- Special assessments to be established and collected as hereinafter provided; and
- Maintenance assessments.

The annual, special and maintenance assessments, together with any interest thereon, reasonable attorney's fees and other costs of collection, and any other amount charged hereunder shall be a charge on the owner's lot and shall be a continuing lien upon the lot against which each such assessment is made. Each such assessment, together with any interest thereon, reasonable attorney's fees and other costs of collection shall also be the personal obligation of the person who was the owner of such lot at the time when the assessment fell due and shall also be an obligation running with the land and shall be enforceable against the original owner and successor-in-title.

2.2. Purpose of Assessment. The assessment levied by the Association shall be used for any purpose the Board deems necessary, including the promotion of the recreation, health, safety and welfare of the residents and tenants and, in particular for the improvement and maintenance of the property and for services and facilities devoted to this purpose and related to the use and enjoyment of the owners and the enforcement of these Covenants.

2.3. Annual Assessment. The amount of the annual assessment to be charged against each lot shall be fixed by the Association Board of Directors from time to time but not more frequently than once per year. The annual assessment for the year 2016 shall be \$275.00 per lot. The amount of the annual assessment for 2017 and thereafter, shall be the amount fixed by the Board of Directors, but shall not exceed the prior year's annual assessment by more than five percent (5%) unless approved by the members as provided herein. The due date for the annual assessment, or if charged more frequently than annually, any payment of a portion thereof, shall be the tenth (10th) day after the invoice therefor is sent to the owner liable therefor.

2.4. Special Assessment. In addition to the annual assessments authorized herein, the

Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of any Improvement located in the common areas or on property owned or leased by the Association wherever located, including fixtures and personal property related thereto. Special assessments shall be due ten (10) days after the invoice therefor is sent to the owner liable therefor.

2.5. Maintenance Assessment. The cost of normal and customary maintenance and repair of common area and improvements shall be paid from the annual assessments paid by the owners. However, in the event the need for maintenance, replacement or repair is caused in the judgment of the Board through the willful or negligent act of any owner, or the owner's family, guest or invitees, the cost of such maintenance, replacement or repair shall be assessed to such owner. Moreover, the maintenance of the "Subdivision Wall" (as hereafter defined) is the obligation of the respective owners of the lots on which the Subdivision Wall is located. However, if such maintenance is not, in the judgment of the Board satisfactory, representatives of the Association shall have the right to enter upon the lot upon which the defective portion of the Subdivision Wall lies and perform the necessary repair, reconstruction and maintenance work and assess the owner of such lot for the cost of the work so performed as a maintenance assessment. As used in these Covenants, the term "Subdivision Wall" shall mean any and all parts of the wall on the perimeter of HCN located along Lockhill Selma and Huebner Roads. Maintenance assessments shall be due ten (10) days after the invoice therefor is sent to the owner liable therefor.

2.6. Owner's Adjustment and Authorization of Assessment. A written notice of a meeting for the purpose of adjusting the annual assessment above five percent (5%) over the prior year or authorizing a special assessment shall be delivered to all owners not less than ten (10) days nor more than sixty (60) days in advance of the meeting. In order for the action at such meeting to be binding, the following quorum requirement must be met: at least fifty-one percent (51%) of the eligible votes must be present in person or by proxy at the meeting; in the event fifty-one percent (51%) of the members are not present in person or by proxy, the meeting shall be adjourned and a subsequent reconvening of the meeting called within sixty (60) days and without any further notice required, and at such reconvening the required quorum for a binding vote shall be at least thirty percent of eligible members present in person or by proxy. Approval of an adjustment to an annual assessment or by levying of a special assessment shall require a majority (fifty-one percent (51%) or greater) vote of the owners voting in person or by proxy at any such meeting.

2.7. Uniform Rate of Assessment. Both the annual assessment and any special assessment shall be fixed at a uniform rate for every lot and may, at the Association's option, be collected on a monthly, quarterly, semi-annual or annual basis.

2.8. Assessment Obligation. The obligation of payment of annual assessments, special assessments and maintenance assessments as provided herein shall commence upon ownership of the lot, regardless of whether improvements are built on such lot.

Notwithstanding anything herein to the contrary, the commencement date of assessment obligations for owners of each lot within Unit 2 which affirmatively voted to adopt these

Covenants is the Amendment Effective Date, and the commencement date of assessment obligations for owners of each lot within Unit 2 who did not affirmatively vote to adopt these Covenants shall be the date of the first deed executed after the Amendment Effective Date transferring ownership of such lot to a buyer.

2.9. Effect of Nonpayment of Assessment. If the assessments are not paid on the date when due, then such assessment(s) shall become delinquent and a late fee of Fifty and No/100 Dollars (\$50.00) shall, together with interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the lot which shall bind such lot in the hands of the then owner, the owner's successors and assigns. If the assessment is not paid within sixty (60) days after the due date, the assessment shall bear interest from the due date at a rate of one percent (1%) percent per month or the maximum rate permitted by the laws of the State of Texas, whichever is higher. No owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the common area or abandonment of the lot. The assessments provided herein are personal to the owner of the lot and run with the land. Sale or transfer of any lot shall not affect the assessment lien, and no sale or transfer shall relieve such property from liability for any charges thereafter becoming due or from the lien thereof.

2.10. Other Charges. All charges assessed against an owner pursuant to these Covenants that are unpaid by an owner shall constitute a continuing lien upon the lot of such owner as fully as if such charges were an unpaid assessment.

2.11. Enforcement of Lien. There is, to the full extent permitted by law, hereby created a claim of continuing lien, with power of sale, on each and every lot within HCN, to secure payment of any and all assessments and fees allowed, charged, or levied by the provisions of these Covenants and any and all monies charged or levied against any owner for failure to comply with the restrictions, covenants, conditions, assessments, fees, rights, and duties imposed, allowed, or granted by the provisions of these Covenants. The lien provided for herein shall be in favor of the Association and shall be for the benefit of all other owners. Such lien shall arise upon the failure of the owner to pay any monies allowed, charged, or levied pursuant to these Covenants within sixty (60) days of the date on which the owner received written notice of the amount due. Each such default or violation shall constitute a separate basis for a demand or claim of lien. The Board may elect to file a lien against the property of the defaulting owner, executed and acknowledged by an officer of the Board, containing substantially the following information: (a) the name of the delinquent owner, (b) the legal description and street address against which the claim of lien is made; and (c) the total amounts claimed to be due and owing for the unpaid amount, interest thereon, collection cost and reasonable attorney's fees. Notwithstanding the foregoing, no additional lien need be filed in order for the Association's continuing lien to be effective or to attach to any lot.

The Association may bring an action at law against the owner personally obligated to pay any delinquent amount hereunder or to foreclose the lien against the lot, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorney's fees to be fixed by the court together with the costs of the action.. The Association shall have the power to bid in any foreclosure sale and to purchase,

acquire, hold, lease, mortgage and convey any property. In the event such foreclosure is by action in a court, reasonable attorney's fees, court costs, title search fees, interest and all other costs and expenses shall be allowed to the extent permitted by law. Each owner, by becoming an owner of a property in HCN, hereby expressly waives any objections to the enforcement and foreclosure of this lien in this manner.

2.12. Subordination of Lien to Mortgage. The lien for the assessments provided for herein shall be subordinate to the lien of any first mortgages now or hereafter placed upon any lot, tax liens for real property taxes on any lot, and assessments on any lot in favor of any municipal or governmental assessing unit.

2.13. Exempt Property. All common areas owned or leased by the Association and other portions of HCN, if any, shall be exempt from the obligation of payment of any assessment, annual, special, or maintenance.

3. ARCHITECTURAL CONTROL COMMITTEE

3.1. Establishment. The Association has an Architectural Control Committee ("ACC"). The members of the ACC shall be appointed by the Board and shall be a committee of such Association. Members of the ACC shall serve without salary or pay, and none of the members shall be required to be an architect, engineer, etc., or to meet any other particular qualifications.

3.2. Composition. The ACC shall be composed of no fewer than three (3) but not more than seven (7) residents of the Association, and each unit of the Association must be represented by a member on the ACC. Members are appointed by the Board and will serve for a term of two (2) years with no term limitations.

3.3. Meetings. The ACC shall meet as required by the business of the ACC. Said ACC members may be removed from their positions only by the Board. Each meeting of the ACC shall require a quorum of a majority of the ACC members. All acts of the ACC shall require the affirmative vote of a majority of a quorum. The ACC shall have the powers and duties specified in this Section and shall comply with the procedures specified in these Covenants.

3.5. Function of the ACC. The ACC provides review and authorization of all modifications removals, or additions to any elements of the outside appearance of an owner's property, maintenance of such property, and restrictions and nuisances as described herein. No building, roof, fence, wall, landscaping, or other structure ("improvement") shall be commenced, erected, placed, maintained or permitted to remain on any portion of HCN until a submission form therefor is approved by the ACC in writing. The ACC shall have the authority to adopt, amend, add to, replace and rescind from time to time, procedural or substantive rules to implement the purpose of the ACC. The ACC may recommend to the Board the employment of professional consultants to assist it in discharging its duties. The decision of the ACC shall be final, conclusive and binding upon the applicant. The ACC may implement rules regarding the ACC and submissions thereto. Any conflict between the rules and these Covenants shall be resolved in favor of these Covenants first and the rules second. A copy of such rules, as in effect from time to time, shall be made available to any owner requesting the same in writing.

3.6. Goals and Purpose. The goal of the ACC is to encourage and promote the attainment of the most desirable use of land and improvements, enhance the desirability of living conditions, and promote high aesthetic quality of dwellings and land within the Property.

3.7. Procedure for Submission and Approval by ACC. Submission forms shall be submitted in writing to the ACC and shall be in accordance herewith and in accordance with any rules of the ACC and must contain certain information and be in such form and detail as the ACC may deem necessary. ACC submission forms can be obtained from the Association or from the Association's website. If the ACC fails to approve or disapprove any submission form submitted to it in writing within thirty (30) days after the date shown on the submission form receipt, it shall be conclusively presumed that the ACC has approved such submission form as submitted. If the ACC requests additional or amended materials during the initial thirty (30) day period, or approves such submission form subject to the condition that certain additional or amended materials be submitted, such approval period shall be automatically extended to fifteen (15) days following the date upon which such additional or amended materials are delivered to and received by the ACC. If the additional or amended materials are not received on or before the required date, then the request for approval shall be automatically disapproved.

3.8. Waiver and Estoppel. The approval of the ACC of any plans, specifications or drawings or any materials accompanying same for matters requiring approval of the ACC shall not be deemed a waiver of, or create any right of estoppel against, the ACC's right to withhold approval of any similar plans, drawings, specifications or materials subsequently submitted for approval.

3.9. Modifications and Waivers. Upon such terms and conditions and pursuant to such procedures as it may prescribe, the ACC may, but is not required to, adopt, review and approve or disapprove, in whole or in part, with or without conditions, applications for the modification or waiver of any requirement of these Covenants. Such application shall contain such information as the ACC may prescribe and shall affirmatively show that the application of such requirements, under the circumstances, created unnecessary and undue hardship, and that its modification or waiver will not be detrimental (aesthetically, economically, or otherwise) to the owner of any lot in HCN. Such waiver also must be approved by the Board.

3.10. Governmental Approval. Nothing in these Covenants shall relieve, or be interpreted as purporting to relieve, any owner from also securing such approvals, certificates or permits of any governmental agency or entity with jurisdiction as may be required by law as a condition to the commencement, construction, maintenance, addition, change or alterations to or of any improvement, and the ACC may require that a copy of such approvals, certificates or permits be provided to the ACC as a final condition to any approval, or as additional assurances to the ACC that the proposed improvements and uses meet governmental requirements.

3.11. Liability. Neither the ACC, any member thereof, members of the Board, nor the Association shall be liable to any owner or any other person, association or entity, for any damage, loss or prejudice suffered or claimed on account of:

- The approval or disapproval of any submitted materials, whether or not defective;
- The construction or performance of any work, whether or not pursuant to approved materials;
- The development of property;
- The structural capacity or safety features of any proposed improvement;
- Whether or not the location of the proposed improvement on the building site is free from possible hazards from flooding or from any other possible hazards whether caused by conditions occurring either upon or off the property;
- Soil erosion causing sliding conditions;
- Any decision made or action taken or omitted to be taken under the authority of the Governing Documents; or
- The execution and filing of any estoppel certificate, whether or not the facts therein are correct, provided however, that with respect to the liability of a member of the ACC, such member acted in good faith on the basis of such information as may be possessed by such member.

3.12. Function and Responsibility. The ACC shall consider the following when reviewing projects within its jurisdiction:

- Whether the design is compatible with the immediate environment of the site; and
- Whether materials, textures, colors and details of construction and plant materials are appropriate expressions to the design and function and whether the same are compatible with adjacent and neighboring structures, landscape elements and functions.

In applying the standards set forth in this Section, the ACC may review each of the following items of the proposed project.

- Uses and functions as they relate to the design of the project and adjacent uses
- Compatibility with neighboring properties and uses
- Visibility and effect upon view at all site line
- Aesthetics
- Quality of design
- Character
- Scale
- Building materials
- Color
- Environmental factors including, but not limited to:
 - o Noise
 - o Emission of smoke, fumes or odors
 - o Fire safety, life safety and fire access
 - o Disturbance of existing topography, trees, shrubs and other natural features
 - o Water percolation, grading and drainage and impermeability of soils
- Building & building components including, but not limited to:
 - o Stairs, ramps, elevators or downspouts on the exterior of buildings
 - o Flues, chimneys, exhaust fans, air conditioning equipment, elevator equipment, fans, cooling towers, solar panels, antennas or similar structures placed upon the

- roof or the exterior of the building
 - Sun shades, awnings, louvers, or any visible device for deflecting, filtering or shielding the structure or interior from the elements
 - Accessory structures, including garages, sheds, utility facilities and waste receptacles
- Other on site improvements including, but not limited to:
 - Parking and other paved areas
 - Landscaping
 - Lighting
 - Signs and graphics
 - Artwork, sculpture, fountains and other artistic features
 - Energy efficiency and renewable energy design elements including, but not limited to, exterior energy design elements

3.13. Swimming Pool and Spa Installations and Maintenance. If a pool or a spa is to be installed, a fence must be provided for safety reasons as well as for screening the pool equipment. Plans detailing the pool and equipment locations, pool decking, safety fencing, filter back-wash sewer connections, pool deck elevations, finished grade elevations, and surface water drainage, must be approved by the ACC and the City of San Antonio, if applicable, prior to start of construction.

If a new safety fence is required, an owner must submit a fence plan concurrent with the pool plan to the ACC. Pool plans will not be approved without concurrent new fence plan or fence modification plan approval. If a fence was installed prior to pool construction, a submitting owner must detail how the existing fence will be modified to comply with safety requirements such as self-closing and self-latching gates, and how the owner will prevent outside access to the pool. It is an owner's responsibility to obtain the necessary permits and inspections from the City of San Antonio after the ACC has first approved the plans. Owners are responsible for the upkeep and maintenance of pools on their lots such that they do not become nuisances to other owners, including, but not exclusively, dirty water that is unsightly or objectionable, creates unpleasant odors or is a public health hazard, or becomes a haven for insects, rodents, etc.

4. PROPERTY RESTRICTIONS

4.1. Single Family. With the exception of Lot 1, Block 4, Unit 1 of Hunters Creek North as shown on the plat recorded in Volume 7900, Page 106 of the Official Public Records of Real Property of Bexar County, Texas, and any lot owned or leased by the Association, the lots in Unit 1, 2 and 3 shall be used for single-family dwellings and residential purposes only. No owner shall occupy or use his or her lot or any improvements constructed thereon, or permit the same or any part thereof to be occupied or use for any purposes other than a private residence for the owner, guests and tenants.

4.2. Leasing. An owner may lease the dwelling on his or her lot for a term not less than six (6) months, so long as the written lease between the owner and tenant provides that the lease is subject to the terms of the Governing Documents of the Association. An owner is responsible for providing her or his tenant with copies of the Governing Documents and notifying the tenant

of changes thereto. An owner is also responsible for the actions or inactions, failure to comply with the Governing Documents, or failure to comply with any and all federal, state or local laws and regulations by the tenant and his or her invitees. All owners must register their tenants with the Association within thirty (30) days of the execution of any lease, and provide the Association with a copy of such lease (which copy may redact any sensitive personal information).

4.3. House Numbers. House numbers be located as near the front entry as possible, so that they are easily visible in the event fire, law enforcement, emergency medical technicians and other first responders need to locate a lot. The color and size of the numbers must provide high contrast with the masonry and/or exterior wall composition.

4.4. Size of Dwelling. The total floor area of the main structure of any dwelling shall not be less than two thousand two hundred square feet (2,200 sq. ft.) for a dwelling with only one (1) story, and two thousand four hundred square feet (2,400 sq. ft.) for dwellings with more than one (1) story. These areas shall be exclusive of open porches, breezeways, carports, garages and other outbuildings.

4.5. Outbuilding Requirements. Every outbuilding, inclusive of such structures such as a storage building, greenhouse or children's playhouse, shall be compatible with the dwelling to which it is appurtenant in terms of its design and material composition. All such buildings shall be subject to approval of the ACC. In no instance shall an outbuilding exceed one (1) story in height or have total floor area in excess of ten percent (10%) of the floor area of the main dwelling

4.6. Masonry Requirements. The exterior walls of the main residence building constructed on any lot shall be at least seventy-five percent (75%) by area, composed of masonry or masonry veneer, said percentage to apply to the aggregate area of all said walls, inclusive of door, window and similar openings. The minimum masonry requirement specified shall apply to the lower floor only for a two (2) story dwelling. Masonry or masonry veneer includes stucco, ceramic tile, clay, brick, rock and all other materials commonly referred to in San Antonio, Texas area as masonry. Notwithstanding the foregoing, the ACC is empowered to waive this restriction, in its sole discretion, if such waiver is advisable in order to accommodate a unique or advanced building concept, design or material and the resulting structure will not detract from the general appearance of the neighborhood.

4.7. Fences, Walls, and Hedges. No fence, wall or hedge shall be built or maintained forward of the front wall line of the main structure, not including decorative walls or fences which are part of the architectural design of the main structure, and which are not to be built or maintained nearer than the building setback line of any lot. An exception shall be made in the case of retaining walls not to exceed twenty-four inches (24") above ground.

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

No chain link fence may be built or maintained on any property.

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

In Unit 3, all wing walls and front yard fences (*i.e.*, running from the side of the house to the side property line) shall be of the same masonry as the residence building, or if wrought iron or a combination of wrought iron and masonry, and shall be subject to ACC approval.

4.8. Driveways and Sidewalks. All driveways shall be surfaced with pea gravel brushed concrete, or other similar hard surface material. No asphalt driveways are permitted. All street sidewalks must be composed of pea gravel brushed concrete or other material approved by ACC. Driveways should not be cracked and shall be kept in good repair.

4.9. Temporary Structures. No structure of a temporary character, trailer, tent, shack, garage, barn or other outbuildings, shall be used on any lot or property at any time as a residence, either temporarily or permanently. No trailer, camper or similar vehicle shall at any time be connected to utilities situated within a lot or property. No dwelling previously constructed elsewhere may be moved on any lot to HCN controlled by these covenants. This covenant specifically includes the use of a mobile home in which the axle and wheels have been removed and placed upon a concrete slab, which said mobile home is hereby specifically prohibited as a residence, either temporarily or permanently, and further, specifically includes a mobile home which wheels have been left attached.

4.10. Signs. A lot may contain only one (1) professional sign of not more than nine square feet (9 sq. ft.) advertising the property for sale or rent. Political signs advertising a political candidate or ballot item for an election may be placed on a lot on or after the ninetieth (90th) date before the date of the vote or election to which the sign relates and must be removed before the tenth (10th) day after the vote or election date. Only one (1) sign is permitted for each candidate or ballot item. School signs may be posted within five (5) feet of the home's foundation. All signs must be ground mounted.

4.11. Exterior Property Maintenance. All lots including, but not limited to, roofs, walls, doors, windows, garage doors, finishes, paint, fences, driveways, sidewalks, lawns and landscaping, must be properly maintained to obtain a neat, attractive appearance. Diseased or dead trees, shrubs, plants, and/or vines shall be removed from the property promptly. Fences must be maintained and in compliance with the City of San Antonio Code of Ordinance. Any damaged wood or peeling paint must be repaired.

4.12. Oak Wilt Precautions. The aesthetics and home property values in HCN are intimately linked to the natural vegetation including its numerous oak trees. The loss of these trees to oak wilt would have serious adverse effect on the neighborhood. HCN is located within the City of San Antonio; therefore, all residents are subject to city ordinances and guidelines regarding landscape and tree preservation. In addition:

- Owners may hire only licensed tree pruners who have a tree maintenance license issued by the City of San Antonio.
- Owners must avoid pruning or wounding oaks within HCN between February 1 and June 30, which includes ball moss removal that results in tree wounds.
- Owners must paint all wounds on oaks within HCN immediately with exterior oil or latex based paint. The paint minimizes exposure to beetles.
- Owners must disinfect pruning tools prior to cutting. Use all-purpose household disinfectant or denatured methyl/isopropyl alcohol.
- Owners must not possess unseasoned firewood within HCN.

Failure to comply with these standards places all homeowners in HCN at risk of an Oak Wilt infestation. Noncompliance with these tree standards may result in a fine assessment of Five Hundred and No/100 Dollars (\$500.00).

4.13. Utility Easements. Easement for installation and maintenance of utilities are reserved as shown on the recorded plats for HCN. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities. The easement area of each lot, if any, and all improvements in such area, shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible. Neither the Association nor any utility company using the easements herein referred to shall be liable for any damage done by them or their assigns, agents, employees, or servants to shrubbery, street, trees, or flowers or other property of the owners situated on the land covered by said easements

4.14. Drainage Easements. Easements for drainage throughout HCN are reserved as shown on the recorded plats for HCN, such easements being depicted thereon as “drainage easements.” No owner of any lot in HCN may perform or cause to be performed any act which would alter or change the course of such drainage easements in a manner that would divert, increase, accelerate or impede the natural flow of water over and across such easements. More specifically, and without limitation, no owner may:

- Alter, change or modify the existing natural vegetation of the drainage easements in a manner that changes the character of the original environment of such easements;
- Alter, change or modify the existing configuration of the drainage easements, or fill, excavate or terrace such easements or remove trees or other vegetation therefrom without the prior written approval of the ACC and the City of San Antonio drainage engineer;
- Construct, erect or install a fence or other structure of any type or nature within or upon such drainage easements in a manner which would alter or change the course of such drainage easements so as to divert, increase, accelerate or impede the natural flow of

- water over and across such easements;
- Permit storage, either temporary or permanent, of any type upon or within such drainage easements; or
 - Place, store or permit to accumulate trash, garbage, leaves, limbs or other debris within or upon the drainage easements, either on a temporary or permanent basis.

The failure of any owner to comply with the drainage easement provisions herein shall in no event be deemed or construed to impose liability of any nature on the ACC and/or Association, and such ACC and/or Association shall not be charged with any affirmative duty to police, control or enforce such provisions. The drainage easements provided for in this section shall in no way affect any other recorded easement in HCN.

4.15. Vehicles. No trailer, recreational vehicle, tent, boat, deer blind, or stripped down, wrecked, junked, or wholly inoperable vehicle shall be kept, parked, stored, or maintained on any portion of the street, driveway or front yard, in front of the building line of the permanent structure and the same shall be kept, parked, stored or maintained on other portions of a lot only within an enclosed structure or a screened area which prevents the view thereof from adjacent properties or the street. No dismantling or assembling of motor vehicles, boats, trailers; recreational vehicles, or other machinery or equipment shall be permitted in any driveway or yard adjacent to or on a street. No commercial vehicle bearing commercial insignia or names shall be parked on any lot except within an enclosed structure or a screened area which prevents such view thereof from the adjacent property and street, unless such vehicle is temporarily parked for the purpose of serving such property.

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

No owner shall do any act or work that will impair the structural soundness or integrity of another residence or impair any easement or hereditament, or any act or allow any condition to exist which will adversely affect the other residences or their owners.

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

No exterior speakers, horns, whistles, bells or other sound devices shall be installed or maintained on a property where the sound is a nuisance to neighborhood property (except security devices such as entry door and patio intercoms used exclusively to protect the property and improvements situated thereon).

4.17. Garbage and Refuse Disposal. Waste, recycle and organic bins should be placed on the curbside no earlier than the day prior to collection day and must be removed from the curb on collection day. Bins, grass or paper leaf bags must be stored out of sight until scheduled pickup. Bins must be stored inside the garage or in screened or similar areas so that they are not visible from any street or the adjoining property. Firewood, building materials, equipment, etc. must also

be stored inside the garage or in screened or similar areas.

4.18. Pets and Animal Nuisances. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except for cats, dogs, or other generally recognized household pets of a reasonable number, provided that they are not kept, bred or maintained for any commercial purpose; and provided further, that no more than three (3) adult dogs and two (2) adult cats may be kept on a single property. The owner of any animal is responsible for the behavior and conduct of that animal at all times and must prevent the creation of a public nuisance. Violations of the following requirements are public nuisances:

- The owner or keeper shall keep the animal restrained at all times when outside of the owner's dwelling or fenced-in yard and insure that the animal does not roam or run at large at will.
- The owner or keeper shall not keep any dog which barks or whines in such a manner, with such intensity, or with such continued duration, or keep any other animal, fowl, or bird, which makes frequent or continued noise, so as to annoy, distress or disturb the quiet comfort or repose of persons of normal nervous sensibilities within the vicinity of hearing thereof.
- The owner or keeper shall prevent her or his animal from biting or injuring without provocation any animal or person.
- The owner or keeper shall prevent his or her animal from damaging or destroying public property or property other than its owner's private property.
- Owners or keepers walking their pets must not allow their animals to defecate within or around the HCN landscaped areas, on sidewalks, or streets, on property of other homeowners or the Queens Forest Swim & Tennis Club. Should this occur, the pet owners or keepers must remove and properly dispose of the feces. Pet owners or keepers walking their pets are required to carry plastic bags to remove the solid waste from the common property and property of other owners.
- An owner or keeper creates an animal nuisance by the keeping, frequent feeding or harboring of any poisonous or inherently dangerous or prohibited animal.
- All such animals shall be kept in strict adherence with all city codes and ordinances, including leash laws and microchip requirements.

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

4.20. Radio and TV Antenna. No radio or television aerial wires or antenna shall be maintained on any portion of any property forward of the front building line of said property. Furthermore, no radio or television aerial wires or antenna shall be placed or maintained on any property which extends more than ten feet (10') above the highest part of the roof of the main residence on said property. This section shall be interpreted to be as restrictive as possible while not violating the Telecommunications Act of 1996.

4.21. Mail Boxes. Mail boxes shall be erected and maintained upon each property on which a residence is situated in accordance with the current U.S. Postal Service standards and the approval of the ACC. All mail boxes will be made of brick or other masonry which is the same or

very similar to the main residence.

4.22. Athletic Equipment and Structures. No basketball goals or backboards or any other similar sporting equipment of either a permanent or temporary nature shall be placed within fifteen feet (15') from the front property line of any lot in HCN without the prior written consent of the ACC. Basketball goals or backboards shall not be placed on the street or sidewalk.

4.23. Garages. An enclosed garage able to accommodate at least two (2) automobiles must be constructed and maintained for each residence. The opening of such garage must be situated at least twenty feet (20') from the front property line or in the case of corner lots, from the side property line.

4.24. Setback Lines. All buildings or other structures, permanent or temporary, habitable or not, must be constructed, placed and maintained in conformity with platted setback lines, and in no event shall any such building or other structure be constructed, placed or maintained within twenty feet (20') of the front property line, within five feet (5') of the side property line, or within twenty feet (20') of the rear property line, except that in respect to cul-de-sac lots or lots having irregular shapes, such structure must be situated at a mean distance of at least five feet (5') from both side property lines of such lot, but in no event closer at any one (1) point than three feet (3') from such side property lines. Furthermore, on such cul-de-sac lots or lots having irregular shapes, such structure may be constructed as near as fifteen feet (15') from the rear of the lot; provided, further, however, that detached garages and temporary structures may be situated as near as five feet (5') to the rear of any such lot.

4.25. Roofs. There are no roof material restrictions for Unit 1. For Unit 2 and Unit 3 the roofs of the main residence and any accessory buildings constructed on any lot located in HCN Unit 2 and Unit 3 shall be of wood shingles (shake or perfection), standing seam metal, tile, concrete tile or slate. Prior to any improvement, modification or improvement on the roof, the ACC must review and grant approval therefor. All flat roofs must be built up. At the discretion of the ACC, other types of roofs meeting the appearance of the above specified roofs may be approved.

4.26. Rainwater Recovery Systems. Rainwater recovery systems may be installed with advance, written approval of the ACC subject hereto. All systems must be installed on land owned by the property owner. No portion of the system may encroach onto any adjacent property or common area. Other than gutters and downspouts conventionally attached to a dwelling or appurtenant structure, all components of the system, such as tanks, barrels, filters, pumps, motors, pressure tanks, pipes and hoses, must be substantially screened from public view from any street or common area. Screening may be accomplished by: (i) placement behind a solid fence, a structure or vegetation; (ii) burying the tanks or barrels; or (iii) placement of equipment in an outbuilding otherwise approved by the ACC.

A rain barrel may be placed in a location visible to public view from any common area only if the configuration of the guttering system on the structure precluded screening as described above the following restrictions: (i) the barrel must not exceed 55 gallons; (ii) the barrel must be installed in close proximity to the structure on a level base with the guttering downspouts leading

directly to the barrel inlet at a substantially vertical angle; (iii) the barrel must be fully painted in a single color to blend with the adjacent home or vegetation; and (iv) any hose attached to the barrel discharge must be neatly coiled and stored behind or beside the rain barrel in the least visible position when not in use. Overflow lines from the system must not be directed onto or adversely affect adjacent properties or common areas. Inlet, ports, vents, and other openings must be sealed or protected with mesh to prevent children, animals, insects and debris from entering the barrels, tanks or other storage devices. Open top storage containers are not allowed; however, where space allows and where appropriate, the ACC approved ponds may be used for water storage. Harvested water must be used and not allowed to become stagnant or a threat to health. All systems must be maintained in good repair. Unused systems must be drained and disconnected from the gutters. Any unused system in public view must be removed from such view, and from view to any common street or common area.

4.27. Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot. No tank for the storage of oil or other fluid may be maintained on any of the lots.

5. ENFORCEMENT

The Association or any owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed herein or by any Governing Document of the Association, either to prevent the violator from so doing, to prevent future violations, or to recover damages for such violations. Failure by the Association or by any owner to enforce any covenant or restriction herein or in the Association's bylaws or rules shall in no event be deemed a waiver of the right to do so thereafter. Each day the violation continues may be considered a separate violation. The failure of any owner or tenant to comply with any restriction or covenant will result in irreparable damage to the Association and other owners of property in HCN. Thus the breach of any provision of these Covenants may not only give rise to an action for damages at law, but also may be made the subject of an action for injunctive relief and/or specific performance in equity in any court of competent jurisdiction.

These Covenants are legally enforceable, however, the Board has latitude to operate on a case-by-case basis, and may choose not to enforce these Covenants in any case. Should the Board choose not to enforce the Covenants, such decision will be documented, and such documentation may include the reason for such decision, and the time period for suspending enforcement, if any.

5.1. Remedies. In addition to the remedies for enforcement provided for elsewhere in these Covenants, the violation or attempted violation of the provisions of these Covenants, or any amendment hereto, or Governing Document of the Association by an owner, his or her family, guests, lessees or licensees shall authorize the Board (in the case of all of the following remedies), to avail itself of any one (1) or more of the following remedies:

- *Lawsuit.* The Association and/or the ACC has authority (but no obligation) to bring an action against the owner who is liable, at law or in equity, to recover sums due, for damages, for injunctive relief, and/or for any other remedy available.
- *Fine.* The imposition of a special charge.
- *Suspension.* The Association may suspend the right of owners and residents to use common areas for any period during which the owner or resident, or the owner or resident's family, guests, employees, agents, tenants, or contractors violate the Governing Documents of the Association.
- *Cure.* The right to cure or abate such violation, including the right to enter any lot upon which violation exists without liability for trespass, and to charge the expense thereof, if any, to such owner, plus attorney's fees incurred by the Association Board with respect to the exercise of such remedy.
- *Relief.* The right to seek injunctive or any other relief provided or allowed by law against such violation and to recover all costs thereof including, but not limited to, attorney's fees and court costs.

The exercise of any of the above remedies does not constitute a waiver or discharge of the owner's obligations under the Governing Documents or prevent the Association from exercising any other remedy above. Owners are liable for, and the Association is entitled to, reasonable costs and attorneys' fees incurred by the Association and/or the ACC in obtaining compliance herewith or the Association's bylaws or other rules, whether or not a lawsuit is filed, a fine is imposed, or the self-help remedy is exercised. All costs incurred by the Association and/or the ACC in exercising any of the remedies set forth in this section shall be a personal obligation of the owner of the lot at the time the costs or attorneys' fees were incurred, a charge on the lot, shall be a continuing lien upon the lot and may be enforced as provided herein.

5.2. Fining. As noted above, the Association may assess fines against an owner for violations of any restriction set forth in these Covenants or any Governing Document which have been committed by an owner, an occupant of the owner's property or the Owner or occupant's family, guests, employees, contractors, agents or invitees. Any fine and/or charge for damages levied in accordance with this section shall be considered a separate violation if written notice is given to the owner. The Board may assess damage charges against an owner for pecuniary loss to the Association from property damage or destruction of common area or any facilities caused by the owner or the owner's family, guest, agents, occupants, or tenants. The Association Board shall have the authority to send notices to alleged violators, informing them of their violations and asking them to comply with the rules and/or informing them of potential or probable fines or damage assessments, all in accordance with applicable law. The Board may charge a fine not to exceed Two Hundred and No/100 Dollars (\$200.00), but may adjust such amount and may from time to time adopt and amend a schedule of fines without amendment hereto.

The payment of each fine and/or damage charge levied by the Board against the owner of a property is, together with interest hereof and all costs of collection, including attorneys' fees as herein provided, secured by the lien granted to the Association as provided for herein. Unless otherwise provided in these Covenants, the fine and/or damage charges shall be considered an Assessment, and shall be enforced in accordance with the terms and provisions governing the

enforcement or assessments pursuant to these Covenants.

5.3. Self-Help Remedy for Violations. The Association, the ACC and/or their agents/representatives have authority (but no obligation) to enter upon a Property to remedy a violation of these Covenants or any Governing Document, so long as: the owner was previously provided written notice of the violation and the violation continues for at least ten (10) days (whether or not consecutive). The Association, the ACC and their agents/representatives shall not be subject to any liability for trespass, other tort or damages in connection with or arising from exercise of this remedy. Any amount incurred by the Association hereunder must be reimbursed by the owner of such lot. The person or entity utilizing this self-help remedy may charge the violating owner with the costs of such remedy and any reasonable fees or costs associated therewith.

The payment of all costs incurred hereunder against the owner of a lot is, together with interest, any administrative charge the Board chooses to levy, and attorneys' fees or costs of collection thereof are secured by the continuing lien granted to the Association as provided for herein. Unless otherwise provided herein such costs shall be considered assessments for the purpose hereof, and may be enforced in accordance with the terms and provisions governing the enforcement of assessments pursuant hereto.

5.4. Written Notice. Before the Board invokes the remedies provided in this Section above, it shall give written notice of such alleged violation to owner, and shall provide the owner the opportunity to respond within ten (10) days. If, after the response, a violation is found to exist, the Board's right to proceed with the listed remedies shall become absolute. Each day a violation continues shall be deemed a separate violation. Failure of the Association Board or of any owner to take any action upon any breach or default with respect to any of the foregoing violations shall not be deemed a waiver of the right to take enforcement action thereafter or upon subsequent breach or default.

6. BOARD DUTIES

One of the objects of the Association shall be to promote the general interests of the homeowners in HCN, and in furtherance of such object, to engage in and conduct cooperative planning and organization and other joint endeavors in the general interests and for the general benefit of homeowners in the neighborhood. The Association shall be conducted as a non-profit organization and no part of the profits (if any) of the Association shall inure to the benefit of any member or other person. The Association is a joint Association of Unit 1, Unit 2, and Unit 3.

The Association's main purposes, at its sole discretion, are:

- a. To represent the property owners in Unit 1, Unit 2, and Unit 3, and ensure that property values are maintained by upholding the covenants through the Architectural Control Committee, thus protecting the architecture and appearance of the neighborhood and enhancing property values of each home.
- b. To provide maintenance services to all the common areas within HCN. To represent the

neighborhood concerning city issues that impact our community (*e.g.* zoning issues) and enforce the terms hereof and other Property development covenants that are held by the Association for properties along Huebner Road and maintain membership in Northside Neighborhoods for Organized Development.

- c. To collect assessments, manage the annual operating budget with concerted efforts of volunteers in a fiscally responsible manner, and to establish reserves.
- d. To disseminate timely communication regarding security and safety information, Association meetings, social and general information to members with signage, e-mail network, newsletter and website.
- e. To keep full and fair accounts of its transactions.

The Association has been incorporated under the laws of the State of Texas as a non-profit corporation for the purpose of exercising the functions aforesaid as to HCN, and such other real property as may be annexed thereto and become subject to the jurisdiction of said Association. All of the lots in HCN and the Owners are subjected to the jurisdictions of said Association. In order to preserve the values and amenities in HCN, the Association, acting through its Board, is delegated with and assigned the powers of maintaining and administrating the common area and administrating and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created.

7. BOARD POWERS

The business and affairs of the Association shall be managed by its Board. The Board may exercise all the powers of the Association, except those powers that are reserved to the membership by statute, the Articles of Incorporation, or herein. Moreover, the Association through the Board, and to the extent the Board deems appropriate for Association purposes, shall have the powers necessary for the administration of the Association's affairs, including but not limited to the following:

- a. Promulgating, implementing, imposing and collecting reasonable fines for violations of any Governing Document of the Association, which shall constitute a lien on the lot owned by the violating owner after notice and an opportunity to be heard, if same is required by law;
- b. Adopting and publishing guidelines rules and regulations governing the use of the common area of the Association and the personal conduct of the members and their guests thereon, and establishing reasonable penalties for the infraction thereof;
- c. Making, adopting and amending guidelines, rules and regulations that will, in the Board's sole discretion: (i) promote the welfare, health and/or safety of the members and/or the Association; (ii) promote the maintenance of the common area; and/or (iii) clarify a provision set forth in these Covenants or the Articles of Incorporation;

- d. Suspending a member's voting rights and rights to use the common area during any period in which such member is in default in the payment of any assessment levied by the Association or in violation of any other duty imposed under the Governing Documents after notice and an opportunity to be heard (if notice and an opportunity to be heard is required by law); provided, however, such rights may not be suspended for a period to exceed sixty (60) days for infraction of published rules and regulations and ingress and egress to or from a lot shall not be limited;
- e. Exercising for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the members by other provisions of the Governing Documents;
- f. Making assessments, establishing the means and methods of collecting such assessments, and establishing the payment schedule for special assessments;
- g. Collecting assessments, depositing the proceeds thereof in a bank depository that the Board has approved, and using the proceeds to operate the Association; provided, any reserve funds may be deposited, in the directors' best business judgment, in depositories other than banks;
- h. Opening bank accounts on the Association's behalf and designating the signatories required;
- i. Owning or disposing of any real and personal property, borrowing money for the purpose of maintenance, repair or restoration of the Common Area or for any other proper purpose without the approval of the Members, encumbering any real or personal property of the Association for the purpose of borrowing money or for any other purpose;
- j. Enforcing any provision of the Governing Documents: (i) self-help (including but not limited to towing vehicles that are in violation of parking rules and regulations and performing exterior maintenance); or (ii) bringing a lawsuit at law or in equity to enjoin any violation or to recover monetary damages or both.
- k. Preparing and adopting budgets;
- l. Providing for the operation, care, upkeep and maintenance of all common area, including but not limited to entering into a contract to provide for such operation, care, upkeep and maintenance;
- m. Making or contracting for the making of repairs, additions or improvements to or alterations of the common area in accordance with the other provisions of the Governing Documents after damage or destruction by fire or other casualty;
- n. Designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair, and replacement of its property and the common area and, where appropriate, provide for the compensation of such personnel

and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;

- o. Employing a manager, an independent contractor, or such other employees or contractors as the Board deems necessary, prescribing such manager's, independent contractor's, and/or other employee's duties including but not limited to check writing duties, and contracting for legal, accounting and other professional services;
- p. Obtaining and carrying insurance against casualties and liabilities with policy limits, coverage and deductibles as deemed reasonable by the Board and paying the premium costs thereof;
- q. Paying the cost of all services rendered to the Association or its members and not chargeable directly to specific owners;
- r. Keep books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;
- s. Maintaining a membership register reflecting the names, property addresses and mailing addresses of all members;
- t. Upon request for any proper purpose, making available to any prospective purchaser, owner, first mortgagee, or holder, insurer or guarantors of a first mortgage during normal business hours by advance appointment, copies of the Association records for a reasonable charge;
- u. Permitting utility suppliers to use portions of the common area reasonably necessary to the ongoing development or operation of the property; and
- v. Causing all officers or employees having fiscal responsibilities to be bonded, as the Board may deem appropriate
- w. Otherwise doing that which it believes necessary or prudent to carry out the terms of the Governing Documents or conducting the Association's business and affairs.

8. PERSONAL LIABILITY

No Director of the Board or any committee member of the Association, shall be personally liable to any owner, or any other party including the Association, for any damages, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Association, the Board or any other representative or employee of the Association; provided, however, such person has, upon the basis of such information as may be possessed by him/her, acted in good faith, without willful or intentional misconduct. To the fullest extent permitted by applicable law, Association shall and does hereby agree to indemnify, protect, hold harmless and defend its officers, directors, and committee members, hereinafter referred to as "Indemnitees"

from and against all claims, demands, damages, injuries, losses, liens, causes of action, suits, judgments, penalties, liabilities, debts, costs and expenses, including court costs and attorneys' fees (collectively, "Liabilities"), of any nature, kind or description, whether arising out of contract, tort, strict liability, misrepresentation, violation of applicable law and/or any cause whatsoever (including without limitation, claims for injuries to or death of any person, or damages to or loss of any property) of any person or entity to the maximum extent permitted by applicable law (including but not limited to Chapter 8 of the Texas Business Organizations Code). **THE OBLIGATIONS OF THE ASSOCIATION UNDER THIS SECTION SHALL APPLY TO LIABILITIES EVEN IF SUCH LIABILITIES ARE CAUSED IN WHOLE OR IN PART BY THE SOLE, JOINT OR CONCURRENT NEGLIGENCE, FAULT OR STRICT LIABILITY OF ANY INDEMNITEE AND WHETHER OR NOT SUCH SOLE OR CONCURRENT NEGLIGENCE, FAULT OR STRICT LIABILITY WAS ACTIVE OR PASSIVE.**

The Indemnitees shall promptly advise the Association in writing of any action, administrative or legal proceeding or investigation as to which indemnification may apply, and Association, at Association's expense, shall assume on behalf of Indemnitees and conduct with due diligence and in good faith the defense thereof with competent trial counsel provided, however, that Indemnitees shall have the right, at their own option, to be represented therein by advisory counsel of their own selection and at their own expense.

In the event of the failure by Association to fully perform its obligations in accordance with this Section, Indemnitees, at their option, and without relieving Association of its obligations hereunder, may so perform, but all costs and expenses so incurred by Indemnitees in that event shall be reimbursed by the Association to Indemnitees, together with interest, on the same from the date any such expense was paid by Indemnitees until reimbursed by the Association, at the highest lawful rate of interest allowed under applicable usury laws of the State of Texas (or if no maximum rate is applicable, at the rate of 18% per annum). The indemnification shall not be limited to damages, compensation or benefits payable under insurance policies. It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligations under this Section, such legal limitations are made a part of indemnification obligations and shall operate to amend the indemnification obligations to the minimum extent necessary to bring the provisions into conformity with the requirements of such limitations, and as so modified, the indemnification obligations shall continue in full force and effect.

9. MEMBERSHIP AND VOTING

Each owner (whether one (1) or more persons or entities) of a lot upon and by virtue of becoming such an owner shall automatically become a member of the Association and shall remain a member thereof until such ownership ceases for any reason, at which time membership in the Association shall automatically follow, and may not be separated from, the legal ownership of each lot. It shall not be necessary for any instrument to provide for transfer of membership in the Association.

The number of votes each member has at any time is equal to the number of lots owned at such

time (*i.e.* one (1) vote per lot). If record title to a particular lot is in the name of two (2) or more persons, all of those co-owners together shall be considered a member and any and all of the co-owners may attend any meeting of the Association but the voting rights appurtenant to each such lot may not be divided and fractional votes shall not be allowed. Any one (1) of said co-owners may exercise the vote appurtenant to each such lot so owned at any meeting of the members and such vote shall be binding and conclusive on all of the other co-owners of said lot who are not present; provided, if one (1) of the non-attending co-owners has given the Association written notice of objection to the attending co-owner's vote, no vote shall be cast for said lot on such measure except with written notice of unanimous consent by all such co-owners being given to the Association. In the event more than one (1) vote is cast for a single lot, none of the votes so cast shall be counted and all such votes shall be deemed void. The other rights and powers of member and the procedures regarding notice, quorum and holding of membership meeting shall be otherwise set out in this document.

10. MEMBERSHIP MEETINGS

10.1. Annual Meetings. The Association shall hold each year, commencing with the year 1990, an annual meeting of the members for the election of directors and the transaction of any business within the powers of the Association in November. Any business of the Association may be transacted at an annual meeting without being specially designated in the notice, except such business as is specifically required by statute or by the Covenants or bylaws to be stated in the notice. Failure to hold an annual meeting at the designated time shall not, however, invalidate the corporate existence of the Association or affect otherwise valid corporate acts. The newly elected Board shall begin on January of the following year. The fiscal year shall run from January 1 through December 31.

At the Annual Meeting the following business will take place:

- Voting for the Board of Directors and the President of the Board
- Presentation of the annual finances and budget of the Association including a detailed listing of the various items that make up the budget
- Discussion of business items currently active before the Association, or anticipated to be within the next year
- Solicitation of input from the members as discussion topics relevant to the Association business
- A summary of the previous year's activities of interest to the members may, but is not required, be presented at the annual meeting.

10.2. Semi-Annual Meetings. The Association may hold regular semi-annual meetings if, in the discretion of the Board, such meeting is required. Any business of the Association may be transacted at a semi-annual meeting without being specifically designated in the notice, except such business as is specifically required by statute or by these Covenants to be stated in the notice. Failure to hold semi-annual meetings shall not, however, invalidate the corporate existence of the Association or affect otherwise valid corporate acts.

10.3. Special Meetings. At any time in the interval between annual meetings and regular semi-annual meetings, special meetings of the members may be called by the President or by a

majority of the Board or by any ten (10) members by vote at a meeting or in writing with or without a meeting. Notice of the date, hour and general subject of the meeting or such other business as specifically required by statute of state law or by charter to be contained in the notice and notice shall be given as specified herein.

10.4. Regular Meetings. Regular meetings of the Board shall be held on such dates and at such places within Bexar County, Texas as may be designated from time-to-time by the Board. Typically, but not necessarily, meetings are held on a monthly basis to conduct Association business. Notice of such meetings will be provided to the members as described herein.

10.5. Place of Meetings. The meetings of the members shall be held at such place designated by the Board and described in the notice, but all such meetings shall be held within Bexar County, Texas and generally, but not necessarily, within or close to HCN.

10.6. Notice of Meetings. Notice of the place, day and hour of every regular and special meeting of the Board shall be given to each director seven (7) days (or more) before the meeting, by delivering the same to the each director personally, or by sending the same to each director by mail or email addressed to such director at his or her last known address, according to the records of the Association. Notice of each meeting will also be given to all members through their email account on record with the Association, and will be posted on the Association website, at least seven (7) days before said meeting. Such notices will state the business to be transacted thereat. No notice of any meeting of the Board of Directors need be given to any director who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives such notice. Any meeting of the Board, regular or special, may adjourn from time to time to reconvene at the same or some other place, and no notice need be given of any such adjourned meeting other than by announcement.

10.7. Quorums. Unless otherwise provided in these Covenants, at any meeting of the members, a majority of owners of lots present in person or by proxy and entitled to cast a vote thereat shall constitute a quorum. In the event a fifty-one percent (51%) quorum is not obtained, the meeting may be adjourned and a subsequent meeting called within sixty (60) days and by written notice for the same purpose, provided that at such subsequent meeting, the required quorum for a binding vote shall be at least thirty percent (30%) of eligible votes present in person or by proxy.

At all meetings of the Board a majority of the Board shall constitute a quorum for the transaction of business. Except in cases in which it is by statute or by the Governing Documents otherwise provided, the vote of a majority of such quorum at a duly constituted meeting shall be sufficient to elect and pass any measure. In the absence of a quorum, the directors present by majority vote and without notice other than by announcement may adjourn the meeting from time-to-time until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

10.8. Votes Required and Proxy. A majority of the votes cast at a meeting of members, duly called and at which a quorum is present, shall be sufficient to take or authorize action upon

any matter which may properly come before the meeting, unless more than a majority of votes cast is required by statute or by these Covenants.

Any member may vote either in person, or by a representative designated in writing by such member, or by a proxy form indicating the vote of the lot owner and signed and dated by the lot owner. Such proxy forms must be presented to a Board member prior to at the meeting and held by the Secretary who shall vote for the member unless otherwise designated.

10.9. Election of Directors. In all elections for directors, every member shall have the right to vote, in person or by proxy, or representative, for as many persons as there are directors to be elected and for whose election he has a right to vote. Unless so demanded or ordered by any member, no vote need be by ballot, and voting need not be conducted by inspectors, but all members must vote for as many directors as are to be elected.

At each annual meeting, the members shall elect directors to hold office until the next succeeding annual meeting or until their successors are elected and qualify.

10.10. Number of Directors. The Association shall have a Board of Directors composed of no fewer than five (5) members and no more than eleven (11), with a goal of having at least three (3) directors from each unit. By vote of a majority of the entire Board, the number of directors may be increased or decreased, from time-to-time, but shall not be less than five (5) nor more than eleven (11) directors.

10.11. Vacancies. Any vacancy occurring in the Board for any cause or reason, including an increase in the number of directors, may be filled by action of a majority of the remaining members of the Board, although such majority may be less than a quorum. A director elected by the Board to fill a vacancy shall be elected to hold office until the next annual meeting of members or until his successor is elected and qualified.

11. EXECUTIVE OFFICERS

The members of the Association shall elect a President from among the directors, and a Vice President, a Secretary and a Treasurer shall be elected by the Board from the Board. The Board may also, but is not required to, elect one (1) or more Vice Presidents, one (1) or more Assistant Secretaries and one (1) or more Assistant Treasurers, none of whom need be a director but shall be entitled to attend directors meeting ex-officio. Any two (2) of the above mentioned offices, except those of President and Vice President, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one (1) capacity if such instrument be required by statute, by thee Covenant, or by resolution of the Board to be executed, acknowledged or verified by any two (2) or more officers. Each such officer shall hold office until the annual meeting of members next succeeding his election, and until her or his successor shall have been duly elected and qualified, or until she or he shall have resigned or shall have been removed. Any vacancy in any of the above offices may be filled for the unexpired portion of the term by the Board.

11.1. President. The President: (i) shall preside at all meetings of the members and of the

Board at which he or she shall be present; (ii) shall have general charge and supervision of the business of the Association; (iii) may sign and execute, in the name of the Association, all authorized deeds, mortgages, bonds contracts or other instruments, except in cases in which the signing and execution thereof shall have been expressly delegated to some other officer or agent of the Association; and (iv) in general, shall perform all duties incident to the office of a President of a corporation, and such other duties as, from time to-time, may be assigned to the President by the Board.

11.2. Vice President. The Vice President or Vice Presidents, at the request of the President or in the President's absence or during the President's inability to act, shall perform the duties and exercise the functions of the President, and when so acting shall have the powers of the President. The Vice President or Vice Presidents shall have such other powers and perform such other duties as may be assigned to him, her or them by the Board or the President.

11.3. Secretary. The Secretary shall: (i) keep the minutes of the meetings of the members and of the Board of Directors in the books provided for the purpose; (ii) shall see that all notices are duly given in accordance with the provisions hereof or as required by law; (iii) shall be custodian of the records of the Association; (iv) shall see that the corporate seal is affixed to all documents the execution of which, on behalf of the Association, under its seal, is duly authorized and when so affixed, may attest the same; and (iv) in general, shall perform all duties incident to the office of a secretary of a corporation, and such other duties as, from time-to-time, may be assigned to the Secretary by the Board of Directors or the President.

11.4. Treasurer. The Treasurer shall: (i) have charge of and be responsible for all funds, securities, receipts and disbursements of the Association; (ii) shall deposit, or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks, other depositories as shall, from time-to-time be selected by the Board of Directors; (iii) shall render to the President and to the Board, whenever requested, an account of the financial condition of the Association, and (iv) in general, shall perform all the duties incident to the office of a treasurer of a corporation, and such other duties as may be assigned to the Treasurer by the Board or the President.

11.5. Assistant Officers. The Assistant officers shall have such duties as may from time-to-time be assigned to them by the Board or the Secretary. The Assistant Treasurers shall have such duties as may from time to time be assigned to them by the Board or the Treasurer.

11.6. Subordinate Officers. The Board may from time-to-time appoint such subordinate officers or committees as it may deem desirable. Each such officer or committee member shall hold office for such period and perform such duties as the Board or the President may prescribe. The Board may, from time to-time, authorize any committee or officer to appoint and remove subordinate officers and prescribe the duties thereof.

11.7. Past Presidents. The immediate past President willing to serve shall serve on the Board as an ex-officio member, provided such person notifies the Board in writing thereof.

11.8. Removal. Any officer or agent of the Association may be removed by the Board

whenever, in its judgment, the best interest of the Association will be served thereby. Removal requires a majority vote of the Board.

11.9. Checks, Drafts, Etc. All checks, drafts and orders for the payment of money, notes and other evidences of indebtedness, issued in the name of the Association, shall, unless otherwise provided by resolution of the Board of Directors, be signed by any two (2) of the following: President, a Vice President or Treasurer, who shall be bonded to the extent deemed necessary by the Board.

11.10. Annual Report. There shall be prepared annually a full and correct statement of the affairs of the Association, including a balance sheet and a financial statement of operations for the preceding fiscal year which shall be submitted at the annual meeting of the members, and filed within twenty (20) days thereafter at the principal office of the Association. Such statement shall be prepared by the officers of the Association as may be designated by the Board. If no other officer is so designated, it shall be the duty of the President to prepare such statement.

11.11. Bonds. The Board of Directors may require any officer, agent or employee of the Association to give a bond to the Association, conditioned upon the faithful discharge of his duties, with one (1) or more sureties and in such amount as may be satisfactory to the Board.

12. NOTICES AND COMMUNICATION

Unless otherwise provided herein, all notices under these Covenants to be given by the Association to an owner must be in writing and shall be deemed to be properly given when sent by: (i) email; (ii) facsimile; (iii) postage prepaid, registered, or certified mail with return receipt requested; (iii) hand delivery; or (iv) receipted overnight delivery service to the last address, email address, or facsimile number of the owner of the lot according to Association records, as applicable. Such notice shall be deemed to have been given on the date sent. An owner may change its address for notice purposes by written notice to the Association.

Additionally, announcements of meetings may be provided: (i) to the member's email addresses according to the records of the Association; (ii) through announcements placed on the Association website, whose address is currently (but may change if required over time to accommodate new providers or by other action of the Board of Directors): www.HuntersCreekNorth.com; or (iii) through formal mailing of announcements in the US mail.

The Board may also produce a bi-monthly newsletter to be mailed to all members and/or uploaded to the Association website. The newsletter may contain articles of interest to local residents, calendar of upcoming activities, listing of Board members, notices, and ad space sold by publisher(s) (*e.g.* Neighborhood News) to defray production costs.

The Association website may also contain the following information of use for the members. This information is dynamic and may be amended, updated, changed or removed as appropriate or at the discretion of the Board without amendment hereto:

- Listing of Board members and contact information

- Listing of committee members and contact information
- Listing of social groups and contacts
- Publicizing of upcoming meetings and events
- ACC request forms and contact information
- Annual budgets and financials
- Contact for the security officer, if any
- Out-of-town security request forms
- Online annual dues payment links
- Maps of HCN
- Governing Documents
- Homeowners monthly, annual and special meeting minutes
- Current issue of the bi-monthly neighborhood newsletter

13. TERM

The foregoing covenants are made and adopted to run with the land and shall be binding upon the owners until **February 1, 2017**, at which time said covenants shall automatically extend to successive periods of ten (10) years unless an instrument executed by a majority of the then owners of the lots in HCN controlled by these covenants has been recorded agreeing to change said covenants in whole or in part.

14. AMENDMENTS

Any and all provisions of these Covenants may be altered or restated at any annual meeting of the members, or at any special meeting called for that purpose. A written notice of a meeting for the purpose of amendments, and a description of that amendment, shall be given to all owners not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. In order for the action at such meeting to be binding, the following quorum requirement must be met, either: at least fifty-one percent (51%) of the eligible votes must be present in person or by proxy at the meeting; or in the event a fifty-one percent (51%) quorum is not obtained, the meeting shall be adjourned and a subsequent meeting called, within sixty (60) days and by written notice for the same purpose, provided that at such subsequent meeting, the required quorum for a binding vote shall be at least thirty percent (30%) of eligible votes present in person or by proxy. Approval of an adjustment to an annual assessment or by levying of a special assessment shall require a fifty-one percent (51%) or greater vote of the owners voting in person or by proxy at such meeting.

[SIGNATURE PAGE(S) TO FOLLOW]

IN WITNESS WHEREOF, the Association has caused these Covenants to be executed as of the date set forth above.

ASSOCIATION:

HUNTERS CREEK NORTH NEIGHBORHOOD ASSOCIATION, INC.,
a Texas nonprofit corporation

By: _____
Linda Lopez-George, President

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2017 personally appeared Linda Lopez-George, President of Hunters Creek North Neighborhood Association, Inc., a Texas nonprofit corporation known to me to be the person whose name is subscribed to the within instrument, and acknowledged that she or he executed the same for the purposes and consideration set forth therein.

Notary Public, State of Texas

I, Secretary of the Association, hereby confirm that this Amendment was properly voted on as specified herein.

_____, Secretary

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the ____ day of _____, 2017, by _____, Secretary of Hunters Creek North Neighborhood Association, Inc., a Texas nonprofit corporation known to me to be the person whose name is subscribed to the within instrument, and acknowledged that she or he executed the same for the purposes and consideration set forth therein.

Notary Public, State of Texas

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

ALL OF THE LOTS IN HUNTERS CREEK NORTH SUBDIVISION, UNIT 1, IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, ACCORDING TO MAP OR PLAT THEREOF RECORDED IN VOLUME 7900, PAGE 106, DEED AND PLAT RECORDS OF BEXAR COUNTY, TEXAS.

LOTS 10-39, INCLUSIVE, BLOCK 1; LOTS 16-49, INCLUSIVE, BLOCK 5; AND LOTS 1-11, INCLUSIVE, BLOCK 10; ALL SUCH LOTS IN HUNTERS CREEK NORTH SUBDIVISION, UNIT 2, IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, ACCORDING TO A PLAT THEREOF RECORDED IN VOLUME 9502, PAGE 39, OF THE DEED AND PLAT RECORDS OF BEXAR COUNTY, TEXAS.

ALL OF THE LOTS IN HUNTERS CREEK NORTH SUBDIVISION, UNIT 3, IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, ACCORDING TO THE PLAT OF SAID SUBDIVISION RECORDED IN VOLUME 8200, PAGES 215-216, OF THE DEED AND PLAT RECORDS OF BEXAR COUNTY, TEXAS.