SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

LATIGO RANCH SUBDIVISION

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

This Second Amended and Restated Declaration of Covenants, Conditions and Restrictions Latigo Ranch Subdivision ("Restated Declaration") is made by the Latigo, Unit #1, Property Owners Association ("Association") for the purpose of amending and restating the covenants, conditions and restrictions contained in the Declaration of Covenants, Conditions and Restrictions Latigo Ranch Subdivision, made on July 6, 2007 and recorded in Volume 788, Page 385 of the Official Public Records of Bandera County, Texas ("Original Declaration") by 567 Latigo Ranch I, LP, 567 Latigo Ranch III, LP, 567 Latigo Ranch III, LP, and 567 Latigo Ranch IV, LP, all Texas limited partnerships, the Declarants therein ("Original Declarants").

WITNESSETH:

WHEREAS, Original Declarants heretofore filed of record the Original Declaration for the purpose of establishing Latigo Ranch Subdivision Unit 1, a subdivision originally proposed to include approximately 572.6214 acres of land situated in Bandera County, Texas but ultimately reduced to a 165.624 acre tract according to the plat recorded in Volume 7, Pages 1-9, Plat Records of Bandera County, Texas; and

WHEREAS, the Original Declaration in Article V, Section 5.01 caused each owner of a Tract in Latigo Ranch Subdivision to be a mandatory member of the Latigo Ranch Property Owners' Association, Inc. ("Original Association") with an obligation to pay assessments pursuant to Article VI, Section 6.01 and secured by a lien on each Tract pursuant to Article VI, Section 6.03; and

WHEREAS, Original Declarants' interest in the approximately 572.6214 acres of land situated in Bandera County, Texas was foreclosed by Security State Bank and Trust ("Beneficiary"), as evidenced by the following:

- (a) Substitute Trustee's Deed by Beneficiary, to Security State Bank and Trust ("Grantee") dated November 3, 2009, and recorded on November 3, 2009 as Document 00181438, in Volume 864, Page 471 of the Official Public Records of Bandera County, Texas [conveys Tract I being a 105.731 acre tract; Tract II being a 166.624 acre tract, SAVE AND EXCEPT Lots No. 6, 7, 8, 9, 10, 14, 15, 16, 18, 19, 20, 21, 22, 23, 29, 89, 92, 93, 95, 96, 99, 100, 101, 102, 103, 104, 108, 109, 112, 113 and 114, Latigo Ranch Subdivision Unit 1];
- (b) Substitute Trustee's Deed by Beneficiary, to Security State Bank and Trust ("Grantee") dated November 3, 2009, and recorded on November 3, 2009 as Document 00181439, in Volume 864, Page 472 of the Official Public Records of Bandera County, Texas [conveys 71.338 acres of land, more or less]:

- (c) Substitute Trustee's Deed by Beneficiary, to Security State Bank and Trust ("Grantee") dated November 3, 2009, and recorded on November 3, 2009 as Document 00181440, in Volume 864, Page 494 of the Official Public Records of Bandera County, Texas [conveys 143.000 acres of land, more or less]; and
- (d) Substitute Trustee's Deed by Beneficiary, to Security State Bank and Trust ("Grantee") dated November 3, 2009, and recorded on November 3, 2009 as Document 00181441, in Volume 864, Page 516 of the Official Public Records of Bandera County, Texas [conveys 85.179 acres of land, more or less]; and

WHEREAS, by Special Warranty Deed dated October 11, 2012, recorded in Volume 941, Page 390, Official Public Records of Bandera County, Texas, and corrected by Correction Special Warranty Deed dated October 11, 2012, recorded in Volume 942, Page 36, Official Public Records of Bandera County, Texas, Security State Bank & Trust, also known as Security State Bank and Trust and formerly known as Security State Bank and Trust, Fredericksburg, Texas, as successor in interest to Original Declarants according to Trustee's Deeds referenced above, conveyed to TXKADA, LTD. ("Successor Declarant") the following described property:

Being Latigo Ranch Subdivision Unit 1, a subdivision in Bandera County, Texas, according to the map or plat of record in Volume 7, Pages 1-9, Plat Records, Bandera County, Texas, SAVE AND EXCEPT the following lots: 6, 7, 8, 9, 10, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 29, 89, 92, 93, 95, 96, 97, 99, 100, 101, 102, 103, 104, 108, 109, 112, 113 and 114, Latigo Ranch Subdivision, Unit 1, a subdivision in Bandera County, Texas, according to the map or plat of record in Volume 7, Pages 1-9, Plat Records, Bandera County, Texas; and

WHEREAS, Successor Declarant filed of record that certain Modification of Declaration of Covenants, Conditions and Restrictions Latigo Ranch Subdivision – October 22, 2012, recorded in Volume 942, Page 267 of the Official Public Records of Bandera County, Texas; and

WHEREAS, by Transfer of Control – Latigo Ranch Subdivision Unit 1, dated July 1, 2013, recorded in Volume 962, Page 650 of the Official Public Records of Bandera County, Texas, Successor Declarant transferred and assigned Successor Declarant's rights to Latigo, Unit #1, Property Owners Association, and

WHEREAS, Latigo, Unit #1, Property Owners Association is the successor association to the Original Association, whose entity status was forfeited on January 28, 2011, and was subsequently reinstated and amended its name by Certificate of Amendment effective July 24, 2018 and was merged with the Association by Certificate of Merger between Latigo Ranch, Unit #1, Property Owners Association and the Original Association; and

WHEREAS, the Association is charged with maintaining and administering the common areas, administering and enforcing the covenants and restrictions, addressing architectural and construction issues, collecting and disbursing assessments and charges and the preservation of the values and amenities in the Latigo Ranch Subdivision for the benefit of both the present and future owners of Tracts in Latigo Ranch Subdivision; and

WHEREAS, this Restated Declaration conforms with the authority of Article IX Section 9.02 of the Original Declaration, which grants the Members the absolute right to amend, modify and supplement

the Original Declaration upon the express written consent of at least two-thirds (2/3) of all votes of the Members of the Original Association; and

WHEREAS, the Association has determined it is in the best interest of the Members of the Association to amend the covenants, conditions and restrictions in the Original Declaration and the Modification; and

WHEREAS, at a Special Called Meeting convened on _______, 2019, a quorum was present or represented by proxy, absentee or electronic ballot and by a vote greater than two-thirds (2/3) of the Members, this Restated Declaration was approved.

NOW, THEREFORE, for good and valuable consideration, including the promises, covenants and agreements herein contained, Association hereby restates and agrees that this Restated Declaration shall replace and supersede the Original Declaration and the Modification. This Restated Declaration shall be amended and restated as set forth herein and the Property and all property annexed hereto, shall be held, transferred, sold, conveyed, leased, encumbered, used and occupied subject to the following restrictions, terms and conditions, covenants and easements, all of which shall run with the Property, (i) shall be binding on all parties having any right, title, or interest in or to the Property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each such party; and (ii) that each contract or deed which may hereafter be executed with regard to the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to the collective easements, covenants, conditions and restrictions, regardless of whether or not the same are set forth or referred to in said contract or deed, provided that in the event of any discrepancy between the terms of this Restated Declaration and any terms of the Original Declaration and Modification, this Restated Declaration shall govern and prevail.

ARTICLE I DEFINITIONS

- 1.1 "Architectural Control Committee" shall mean and refer to the Architectural Control Committee created herein that is vested with the power, authority and duties more fully described in this Restated Declaration.
- 1.2 "Assessments" shall mean and refer to those charges established by the Original Declaration and restated in this Restated Declaration to be charged to the Members, including but not limited to, annual maintenance assessments, special assessments, specific assessments and Charges as defined herein.
- 1.3 "Association" shall mean and refer to the Latigo, Unit #1, Property Owners Association, and its successors and assigns, the surviving entity pursuant to the Certificate of Merger between Latigo, Unit #1, Property Owners Association and Latigo Ranch of Bandera County Property Owners' Association, Inc., formerly known as Latigo Ranch Property Owners' Association, Inc., dated contemporaneously with this Restated Declaration, to be filed with the Secretary of State of the State of Texas and recorded in the Official Public Records of Bandera County, Texas.
 - 1.4 "Board of Directors" shall mean and refer to the Board of Directors of the Association.

- 1.5 "Charges" shall mean and refer to those expenses, fees, fines, interest, late fees and charges as set forth in Article VI herein.
- 1.6 "Common Area" shall mean all real property (including the improvements thereto) within the Property owned by the Association for the common use and enjoyment of the Owners.
- 1.7 "Governing Documents" shall mean all documents adopted and filed of record in the Official Public Records of Bandera County, Texas, or filed in the Office of the Secretary of State of the State of Texas, as applicable, that govern the establishment, maintenance or operation of Latigo Ranch Subdivision and the Association, including, without limitation, the Restated Certificate of Formation, Certificate of Merger, Restated Bylaws, this Restated Declaration and any rules, regulations, policies and procedures of the Association, as each may be amended, restated or supplemented from time to time.
- 1.8 "Improvement" shall mean every structure and all appurtenances thereto of every type and kind, whether temporary or permanent, including, but not limited to, buildings, outbuildings, storage sheds, guest quarters, gazebos, patios, driveways, walkways and other paved areas, tennis courts, large barbecue units, green houses, barns, swimming pools and equipment, garages, fences, screening walls, retaining walls, stairs, decks, poles, signs, mailboxes, exterior air conditioning, exterior water softener fixtures or equipment, and pumps, tanks, pipes, lines, meters, antennas, satellite dishes, towers, playground equipment, generators, flag poles, and solar panels.
- 1.9 "Modification" shall mean and refer to the Modification of Declaration of Covenants, Conditions and Restrictions Latigo Ranch Subdivision October 22, 2012 executed by the Successor Declarant and recorded in Volume 942, Page 267 of the Official Public Records of Bandera County, Texas.
- 1.10 "Plat" shall mean and refer to the 165.624 acre tract platted as Latigo Ranch Subdivision, Unit 1, Bandera County, Texas, according to the Plat recorded in Volume 7, Pages 1-9, Plat Records of Bandera County, Texas.
- 1.11 "Tract" or "Lot" shall mean and refer to any Tract of land identified as a tract or home site on the Plats. For purposes of this instrument, "Tract" or "Lot" shall not be deemed to include any portion of the "Common Areas" or "Unrestricted Reserves", (defined herein as any Common Areas and Unrestricted Reserves shown on the Plats) in Latigo Ranch Subdivision.
- 1.12 "Member" shall mean and refer to every person or entity that owns a Tract in Latigo Ranch Subdivision and who holds a mandatory membership in the Association.
- 1.13 "Owner" shall mean and refer to the record owner, whether one (1) or more persons or entities, of fee simple title to any Tract which is a part of the Latigo Ranch Subdivision, including (i) contract buyers (a buyer under a Contract-for-Deed), but excluding those having such interest merely a security for the performance of an obligation and (ii) Builders.
- 1.14 "Property" shall mean and refer to the property platted as Latigo Ranch Subdivision Unit 1, Bandera County, Texas, said Property being referred to herein interchangeable as "Latigo Ranch Subdivision" or "Latigo Ranch Subdivision Unit 1".
- 1.15 "Related User" shall mean persons related to Owner within the second degree of consanguinity or affinity and all guests, invitees, agents, servants and employees of owner.

- 1.16 "Restated Bylaws" shall mean and refer to the Restated Bylaws of the Association.
- 1.17 "Restated Certificate of Formation" shall mean the Restated Certificate of Formation of the Association.
- 1.18 "Restated Declaration" shall mean and refer to this Second Amended and Restated Declaration of Covenants, Conditions and Restrictions Latigo Ranch Subdivision.
- 1.19 "Single-Family" shall mean and refer to a group related by blood, adoption (including foster children), or marriage, or two (2) unrelated partners living together as a family unit, which may include their parents, children, brothers or sisters, aunts, uncles and grandparents.

ARTICLE II RESERVATIONS. EXCEPTIONS AND DEDICATIONS

- 2.1 Recorded Subdivision Map of the Property. The Plat dedicates for use as such, subject to the limitations as set forth therein, the roads, streets and easements shown thereon. The Plat further establishes certain restrictions applicable to the Property. All dedications, restrictions and reservations created herein or shown on the Plat, replats or amendments of the Property recorded or hereafter recorded shall be construed as being included in each contract, deed, or conveyance executed or to be executed by or on behalf of Original Declarants and/or the Successor Declarant, and all subsequent transfers by owners thereafter, whether specifically referred to therein or not.
- 2.2 Easements. Original Declarants and/or the Successor Declarant reserved for public use the utility easements hereafter referred to as "general easement" shown on the Plat or that have been created by separate instrument recorded in the Official Public Records of Bandera County, Texas, for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, storm surface drainage, cable television, or any other utility. All utility easements in the Latigo Ranch Subdivision may be used for the construction of drainage swales in order to provide for improved surface drainage of the Reserves, Common Area and/or Tracts. Should any utility company furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Association, without the joinder of any other Owner, shall have the right to grant such easement on said Property owned or controlled by the Association without conflicting with the terms hereof. Any utility company serving the Latigo Ranch Subdivision shall have the right to enter upon any utility easement for the purpose of installation, repair and maintenance of their respective facilities. Neither the Association nor any utility company, political subdivision or other authorized entity using easements herein referred to shall be liable for any damages done by them or their assigns, agents, employees, or servants, to fences, shrubbery, trees and lawns or any other property of the Owner on the Property covered by said easements.
- 2.3 <u>Title Subject to Easements and Reservations</u>. It is expressly agreed and understood that the title conveyed by the Original Declarants and/or the Successor Declarant to any of the Tracts by contract deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, electric lighting, electric power, telegraph or telephone purposes and other easements hereafter granted affecting the Tracts as well as any reservations by Original Declarants or Successor Declarant to any mineral interest or water rights belonging to the Tracts. The Owners of the respective Tracts shall not be deemed to own pipes, wires, conduits or other service lines running through their Tracts which are utilized for or service other Tracts, but each Owner shall have an easement in and to the aforesaid facilities as shall be necessary for the use, maintenance and enjoyment of Owner's Tract. Likewise, the Owners of the respective Tracts shall not be deemed to have any ownership interest in any water or mineral rights located beneath the surface

of their respective Tracts. The Association may convey title to said easements or reservations to a public or private utility company.

2.4 <u>Utility Easements</u>.

- A. Utility ground and aerial easements have been dedicated in accordance with the Plats and/or by separate recorded easement documents.
- B. No building shall be located over, under, upon or across any portion of any utility easement. The Owner of each Tract shall have the right to construct, keep and maintain concrete drives, fences, and similar improvements across any utility easement, and shall be entitled to cross such easements at all times for purposes of gaining access to and from such Tracts, provided, however, any concrete drive, fence or similar improvement placed upon such Utility Easement by the Owner shall be constructed, maintained and used at Owner's risk and, as such, the Owner of each Tract subject to said Utility Easements shall be responsible for (i) any and all repairs to the concrete drives, fences and similar improvements which cross or are located upon such Utility Easements and (ii) repairing any damage to said Improvements caused by the Utility District or any public utility in the course of installing, operating, maintaining, repairing, or removing its facilities located within the Utility Easements.

ARTICLE III USE RESTRICTIONS

3.1

- No building, fence or other structure or Improvement of any character, including but not limited to, residences, garages, outbuildings, swimming pools, driveways, sidewalks, walkways, statuary, outdoor lighting and signs shall be erected, placed, added to, removed, demolished, modified or altered on any Tract until the building plans and specifications, including dimensions, exterior elevations and exterior colors and all exterior materials therefor and the location of the proposed Improvement, structure, pavement, fences, driveways, swimming pools, outbuildings, and sidewalks have been submitted to and approved by the Architectural Control Committee as being in compliance with this Restated Declaration as to use, quality of workmanship and materials, nature of materials, harmony of external design and external colors with existing and proposed structures in Latigo Ranch Subdivision, and location of Improvements with respect to topography, finished grade elevation, boundary lines and building lines. Provided however, satellite dishes one meter or less, e.g. DirectTV or Dish satellite dishes are permitted and may be installed on the back-half of each side or the back of the residence without Architectural Control Committee approval. The Architectural Control Committee shall have the power to employ professional consultants to assist it in discharging its duties. The decision of the Architectural Control Committee shall be final, conclusive, and binding upon the applicant.
- B. Except as otherwise expressly provided herein, no building shall be erected, altered, placed or permitted to remain on any Tract other than one (1) main dwelling unit per each Tract to be used for single-family residential purposes. The term "single-family" as used herein shall refer not only to the architectural design of the Dwelling but also to the permitted number of inhabitants, which shall be limited to a single-family, as defined above. One (1) guest/servants house may be built provided said guest/servants house must contain a minimum of 500 square feet and a maximum of 800 square feet and be built after or while the main dwelling is being built and must be of the same general construction and architectural style as the main dwelling and be approved by the Architectural Control Committee. Detached garages

and workshops may not be constructed on Owner's Tract prior to the main dwelling being built, and if constructed must be of the same general construction and architectural style as the main dwelling. Barns and/or storage buildings may not be constructed on Owner's Tract prior to the main dwelling being built. Barns and/or storage buildings shall be built with new construction material, approved in writing by the Architectural Control Committee prior to being erected, altered or placed on Owner's Tract and placed behind the constructed dwelling or at least one hundred twenty-five feet (125') from the front street, whichever is further. The term "dwelling" does not include barndominiums, structures with metal siding, single or double wide mobile homes or modular or premanufactured homes, regardless, whether the same are placed upon permanent foundations, and said structures are strictly prohibited. All dwellings must have at least 1,800 square feet of air-conditioned living area for one-story homes and 2,000 square feet of air-conditioned living area for two-story homes, with at least 1,200 square feet of air-conditioned living area on the ground floor, excluding garages and porches, and be built with new construction material on a concrete foundation. Any building, structure or Improvement, including but not limited to, driveways, flatwork, slabs or septic systems, commenced on any Tract shall be completed as to exterior finish and appearance within nine (9) months from the commencement date. All carports and garages will be of the same general construction and architectural style as the main dwelling and located on the Tract according to the Architectural Control Committee approved building site plan. The roof surfaces of all buildings, including dwellings, garages or other approved buildings on the Tract shall be of roofing material that has at a minimum thirty (30) year or more guarantee. All roofing materials shall be approved by the Architectural Control Committee who shall have sole and absolute discretion to approve the proposed roofing material, including the discretion to approve other roof treatments and materials if said treatment and/or material will be

harmonious with the surrounding homes in Latigo Ranch Subdivision.

For the purposes herein, each dwelling shall be used for single-family residential purposes only. The term "single-family residential purposes" as used herein shall be held and construed to exclude any business, commercial, industrial, apartment house, boarding house, Bed & Breakfast, Airbnb, vacation rentals by owner, HomeLink, HomeExchange, Intervac, Love Home Swap, CasaHop or any similar companies advertising on social media for short-term rentals, weekend or special events rentals, hospital clinic, professional uses and half-way house. Such excluded uses are hereby expressly prohibited except an Owner or occupant of a Tract and dwelling may conduct business activities on or within a Tract and dwelling so long as: (i) such activity complies with all the applicable zoning ordinances (if any); (ii) the business activity is conducted without the employment of persons other than the residents of the dwelling constructed on the Tract; (iii) the existence or operation of the business activity is not in any way visible, apparent or detectable by sight, (i.e., no sign may be erected advertising the business on any tract; no visible storage of materials), sound, or smell from outside the dwelling; (iv) the business activity does not involve door-to-door solicitation of residents within the Property; (v) the business does not, in the Board of Directors' judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles parked within the Property which is noticeably greater than that which is typical of dwelling in which no business activity is being conducted; (vi) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Property as may be determined in the sole discretion of the Board of Directors; and (vii) the business does not require the installation of any machinery or equipment other than that customary to normal household operations. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves

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the provision of goods or services to persons other than the provider's family, regardless of whether or not the provider receives a fee, compensation, or other form of consideration, regardless of whether such activity engaged in is full or part-time; is intended to or does generate a profit; or a license is required. This restriction shall not, however, prevent the inclusion of permanent living quarters for domestic servants or to allow domestic servants to be domiciled with an Owner or resident.

Notwithstanding the preceding restriction for use of a Tract and/or dwelling as singlefamily residential purposes only as defined, this restriction shall not exclude from a Tract any individual who is authorized to so remain by any state or federal law, i.e. Fair Housing Act of 1988, Section 1, 42 U.S.C.A. Section 3601 et seq. or Texas Fair Housing Act, TEX. PROP. CODE Ann., Section 301.023 (Vernon 1995, sup. 2001).

D. Leasing or exchanging of a Tract and/or dwelling (collectively "Leasing") for a period of six (6) months or longer or temporary lease between Seller and Buyer of a Tract and/or dwelling shall not be considered a business or trade within the meaning of Article III Section 3.1 C above. Rental, Leasing, sub-leasing or exchanging of a Tract and/or dwelling or any part thereof for a period less than three (3 months) other than a temporary lease as stated in the preceding shall be considered a short-term rental or exchange and shall be strictly prohibited, including but not limited to, apartment house, boarding house, Bed & Breakfast, Airbnb, vacation rentals by Owner, HomeLink, HomeExchange, Intervac, Love Home Swap, CasaHop or any similar companies advertising on social media for short-term rentals, weekend or special events rentals or home exchanges.

All leases or exchange agreements (collectively "Lease") shall require, without limitation, that the tenant or lessee acknowledge receipt of a copy of the Restated Declaration, any applicable Supplemental Declaration and all duly adopted rules, regulations, and policies of the Association. The Lease shall also obligate and bind the tenant and occupants to comply with the foregoing Governing Documents. Other than as stated in the preceding, any Lease that contains a termination provision that allows the tenant to terminate with notice within the first six (6) months shall be considered a short-term Lease and is prohibited. The Owner shall be responsible and held accountable for the tenant, lessee and occupant and their compliance with this Article III and all other terms and conditions contained in this Restated Declaration and other Governing Documents. The Owner shall provide the Association a signed copy of the Lease within five (5) days of execution by the parties. Failure to do so shall be a violation of this Restated Declaration or other Governing Documents. In the event a tenant, lessee or occupant violates any of the terms and conditions of this Restated Declaration or other Governing Documents of the Association, Owner, after receipt of notice from the Association, shall take such necessary action to cause the tenant, lessee or occupant to comply with and conform to the applicable restrictions, rules, regulations and policies contained in the Governing Documents of the Association. If Owner fails to do so, the Association may elect to proceed with enforcement remedies and Owner shall indemnify the Association for all costs, including reasonable attorney's fees, incurred by the Association in connection with the enforcement action. The costs shall be assessed and charged as a Specific Assessment to the Owner's property subject to the enforcement action.

No "time-share plan" or any similar plan of fragmented or interval ownership of said single-family dwelling shall be permitted.

E. No building material of any kind, debris, or items determined to be junk by the

Architectural Control Committee shall be placed or stored upon any Tract until the Owner thereof is ready to commence Improvements, and then, the material shall be placed within the property lines of the Tract upon which the Improvements are erected and shall not be placed on the street or between the curb and property line. Once construction is commenced, it shall be diligently pursued to the end so that the Improvements are not left in an unfinished condition any longer than nine (9) months from the commencement of construction of any Improvements on the Tract.

- The total exterior wall area ("Exterior Wall") of each single-family residential dwelling, except barns or outbuildings, constructed on a Tract shall not be less than fifty-percent (50%) stone, stone veneer, or other masonry material approved in writing by the Architectural Control Committee ("Masonry"), but not including hardiplank or material similar to hardiplank or other type of synthetic masonry. Windows, doors and other openings are excluded from calculation of total exterior wall area. No material on the exterior of any building or other improvement except wood or stucco, shall be stained or painted without the prior written approval of the Architectural Control Committee.
- Each single-family residential dwelling erected on any Tract shall have an enclosed garage suitable for parking a minimum of two (2) automobiles, which garage shall conform in design and materials with the main structure.
- H. All exterior colors of any structures must be natural or earth tones and must be harmonious with the color scheme of other structures within the Property. The Architectural Control Committee may, in its sole discretion, approve other color schemes so long as such colors compliment the Latigo Ranch Subdivision.
- 3.2 Composite Building Site. Subject to the limitations of TEX. PROP. CODE § 209.015 any Owner of one (1) or more adjoining Tracts (or portions thereof) may, with the prior written approval of the Architectural Control Committee, and with approval of the Bandera County Commissioner's Court, if required, consolidate such Tracts or portions into one (1) building site, with the privilege of placing or constructing Improvements on such resulting site, in which case the side setback lines shall be measured from the resulting side property lines rather than the Tract lines as indicated on the Plats.
- 3.3 Location of the Improvements upon Tract. No building of any kind shall be located on Tract nearer than twenty-five (25) feet to the side property line or nearer than seventy-five (75) feet to any public road or nearer than twenty-five feet (25') to the rear property line; provided however, as to any Tract, the Architectural Control Committee may waive or alter any such setback line, if the Architectural Control Committee in the exercise of the Architectural Control Committee's sole discretion, such waiver, or alteration is necessary to permit effective utilization of a Tract. Any such waiver or alteration must be in writing and recorded in the Official Public Records of Bandera County, Texas.
- 3.4 Use of Temporary Structures. No structure of a temporary or permanent character, whether trailer, motor home, mobile home, basement, tent, shack, garage, barn or other outbuilding shall be maintained or used on any Tract at any time as a residence, either temporarily or permanently. After the dwelling is complete, an RV camper or motor home may be stored on the Tract provided it is stored behind the main dwelling and not within twenty-five feet (25') of any side property line or twenty-five feet (25') of any rear property line.
 - Walls, Fences, and Mail Boxes. Walls and fences, if any, must be approved prior to 3.5

construction by the Architectural Control Committee and shall not be closer to front street property lines than the Tract boundary line and no closer than the Tract boundary line to side street lines. Side fences shall not exceed six feet (6) in height. Fences shall not exceed four feet (4') along the front boundary line or from the point on the side boundary line equal to the distance from the front street to the closest portion of the main dwelling. Chain link fencing is prohibited, except for dog runs so long as they are placed behind the main dwelling in a manner so as not to be offensive to neighbors.

- 3.6 Antennas, Towers, and Satellite Dish. Antennas, Towers, or Satellite Dishes of any kind shall not exceed twenty-five feet (25°) in height above the roof of the main dwelling or Accessory Building whichever is higher. Any Antenna, Tower, or Satellite Dish must be located to the side or rear of the main dwelling or Accessory Building and not within twenty-five feet (25°) of any side property line or twenty-five feet (25°) of any rear property line. The Association by promulgating this Section 3.6 is not attempting to violate the Telecommunications Act of 1996 (the "Act"), as may be amended from time to time. This Section 3.6 shall be interpreted to be as restrictive as possible while not violating the Act.
- 3.7 <u>Prohibition of Offensive Activities</u>. Except as permitted in Section 3.1 herein, no activity, whether for profit or not, shall be conducted on any Tract which is not related to single-family residential purposes. This restriction is waived in regard to the customary sales activities required to sell homes in the Latigo Ranch Subdivision. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance. Hunting of any kind, whether with a firearm or otherwise, is prohibited.
- 3.8 Garbage and Trash Disposal. Garbage and trash or other refuse accumulated in the Latigo Ranch Subdivision shall not be permitted to be dumped at any place upon adjoining land where a nuisance to any residence of the Latigo Ranch Subdivision is or may be created. No Tract shall be used or maintained as a dumping ground for rubbish, and trash, garbage or other waste shall not be allowed to accumulate, shall be kept in sanitary containers and shall be disposed of regularly. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. The burning of household waste is strictly prohibited.
- 3.9 <u>Commercial Vehicles and Recreational Vehicles</u>. No recreational vehicles, buses, motor homes, travel trailers, campers, pickup campers, boats, personal watercraft, wave runner, jet ski or other watercraft equipment, garden maintenance equipment, commercial vehicles larger than one (1 1/2) ton pickup truck or construction equipment or machinery, or wrecked, junked or otherwise inoperable vehicles may be parked or maintained in the front or side yard, if a corner Tract, of any Tract except as may be permitted by the Parking and Towing Policy of the Association.
- 3.10 <u>Tract Maintenance</u>. No Tract shall be used as a depository for abandoned or junked motor vehicles. No junk of any kind or character, or dilapidated structure or building of any kind or character, shall be kept on any Tract. Each Owner and occupant of each Tract shall at all times keep their individual Tract free of debris, junk and unsightly objects, and maintain the yards in a sanitary and attractive manner.
- 3.11 <u>Signs</u>. No signs, advertisement, billboards or advertising structure of any kind may be erected or maintained on any Tract without the consent in writing of the Architectural Control Committee, except the following shall be permitted: one (1) professionally made sign approved by Association not more than twenty-four inches (24") wide by thirty inches (30") long advertising an Owner's Tract for sale or rent or of the company performing construction on the Lot, during the time of construction; and one (1) professionally made sign, not more than twelve inches (12") wide by Page 10 of 21

Restated Declaration

twenty-four inches (24") long identifying the Tract Owner's name or names.

- Animal Husbandry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Tract except that one (1) large animal such as but not limited to horses, goats, donkeys, cows and steers; and five (5) chickens (no roosters or other noisy fowl) per acre may be kept if it does not become a nuisance or threat to other Owners. No pigs or hogs, except for one (1) pig or hog kept as a 4-H animal project will be permitted under any circumstances. All horses and 4-H animals raised by individual Tract Owners must be kept in a fenced area in the rear portion of the Owner's Tract behind their dwelling, Dogs, cats, or other common household pets may be kept on a Tract. Dogs must be kept in a kennel, dog run or fenced in area that confines said dog(s) to that area. Dogs will not be permitted to run loose in the Subdivision. Dogs and cats must be vaccinated for rabies according to State law and registered with Bandera County, Texas once a year. No animal of any kind shall be permitted within a radius of fifty feet (50') of any water well site. All pets must be on a leash when outside the Tract, including when walking on any streets or easements. The Association, in accordance with Section 8.10 herein, shall have the right to adopt further rules and restrictions regarding leashed pets and enforce those rules and restriction by imposing fines on pet owners who violate the restrictions as well as require the pet owner to remove the pet from the Subdivision in the event the pet owner continually or habitually violates the restrictions as determined by the Association or in the event the pet attacks a human or any other animal or is considered a dangerous animal by the Association.
- 3.13 <u>Mineral Development</u>. No commercial oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Tract. No derrick or other structures designed for the use of boring for oil or natural gas shall be erected, maintained or permitted upon any Tract.
- 3.14 <u>Drainage</u>. Natural established drainage patterns of streets, tracts or roadway ditches will not be impaired by any person or persons. Driveway culverts must be installed and will be of sufficient size to afford proper drainage of ditches without backing water up into ditch or diverting flow. Drainage culvert installation is subject to the inspection and approval of the Architectural Control Committee and to County requirements. Owners causing (either directly or indirectly) erosion or other incidental damage to personal or real property due to inadequate or defective grading or drainage measures on their own Tract, or because of excess runoff shall be liable to all such damaged parties for the replacement, repair and/or restoration of such damaged real or personal property. Owner shall be responsible for ensuring that all local, state and federal rules and regulations regarding drainage and run-off are met.
- 3.15 <u>Re-subdivision</u>. No tract shall be re-subdivided or split; unless approved by Bandera County and the Architectural Control Committee.
- 3.16 <u>Firearms and Fireworks</u>. Fireworks of any kind are not permitted on any part of the Latigo Ranch Subdivision property. Firearms are not allowed to be discharged on the Latigo Ranch Subdivision property.
- 3.17 <u>Utilities. Septic System</u>. Each residence situated on a Tract shall be connected to electricity and public water lines. All sewage disposal systems shall be connected to fully approved individual septic systems. Each Tract Owner shall be responsible for obtaining the approval of all appropriate governmental agencies regarding the design and construction of the septic system. The septic system shall be serviced and maintained as required by all applicable laws, and in accordance with all rules and regulation. No privy or cesspool shall be placed or maintained upon or in any Tract. However, portable toilets will be allowed Page 11 of 21

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during building construction.

- Light Pollution. Exterior lights such as those for security, safety, and decorative reasons are allowed provided all exterior lighting is hooded or the main beam of light is at no greater than thirtydegree (30°) angle from the ground and not pointed toward or directed at any street or common element.
- Noise Pollution. No exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security or public safety purposes) shall be located, used or placed on any Tract such that it becomes or will become clearly audible at the property line of adjoining Tract Owners.
- 3.20 Building Direction: Building Lines/Setbacks. All residences erected on any Tract shall face the street adjacent to the Tract as shown on the Plat or, with respect to corner Tracts, as required in writing by the Architectural Control Committee. No structure of any kind whatsoever shall be located within any easement as shown on the Plat, except driveways, unless otherwise allowed by the Architectural Control Committee.
- Landscaping, Lawns and Irrigation. Grass and other landscaping shall be maintained in a 3.21 neat and attractive manner.
- Pools and Pool Equipment. Above-ground pools are expressly prohibited, except above 3.22 ground hot tubs/swim spas. All pool service equipment shall be either screened with shrubbery or fenced and located in either (a) a side yard between the front and rear boundaries of the main dwelling or (b) in the rear yard adjacent to the main dwelling and shall not be visible from any residential street.
- Driveways. All driveways must be surfaced with concrete, concrete pavers, asphalt, chip 3.23 seal or any combination thereof. Driveways must be surfaced upon completion of the main dwelling.

ARTICLE IV ARCHITECTURAL CONTROL COMMITTEE

4.1 Basic Control.

- No building or other Improvements of any character shall be erected or placed, or A. the erection or placing thereof commenced or changes made in the design or exterior appearance thereof (excluding, without limitation, painting, staining or siding), or any addition or exterior alteration made thereto after original construction or demolition or destruction by voluntary action made thereto after originally constructed, on any Tract until the obtaining of the necessary approval (as hereinafter provided) from the Architectural Control Committee of the construction plans and specification for the construction or alteration of such Improvements or demolition or destruction of existing Improvements by voluntary action. Approval shall be granted or withheld based on matters of compliance with the provisions of this Restated Declaration.
- Each application made to the Architectural Control Committee, or to the Board of Directors, shall be accompanied by two (2) sets of plans and specifications for all proposed construction (initial or alteration) to be done on such Tract, including Tract plans showing location on the tract.

- 4.2 <u>Architectural Control Committee</u>. The authority to grant or withhold architectural control approval as referred to above is vested in the Association. Annually, the Association shall elect a committee of not less than three (3) members to be known as the Latigo Ranch Subdivision Architectural Control Committee. Each member of the Architectural Control Committee must be an Owner of property in Latigo Ranch Subdivision.
- 4.3 <u>Effect of Inaction</u>. Approval or disapproval as to architectural control matters as set forth in the preceding provisions of this Restated Declaration shall be in writing. In the event that the authority exercising the prerogative of approval or disapproval fails to approve or disapprove in writing any plans and specifications and Tract plans received by it in compliance with the preceding provisions within thirty (30) days following such submissions, such plans and specifications and Tract plan shall be deemed approved and the construction of any such building and other Improvements may be commenced and proceeded with in compliance with all such plans and specifications and Tract plan and all of the other terms and provisions hereof
- 4.4 <u>Effect of Approval</u>. The granting of the aforesaid approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the Architectural Control Committee that the terms and provisions hereof shall be complied with if the building and/or other Improvements are erected in accordance with said plans and specifications and Tract plan; and such approval shall not constitute any nature of waiver or estoppel either as to the persons expressing such approval or any other person in the event that such building and/or Improvements are not constructed in accordance with such plans and specifications and Tract plan, but, nevertheless, fail to comply with the provisions hereof. Further, no person exercising any prerogative of approval or disapproval shall incur any liability by reasons of the good faith exercise thereof.
- 4.5 <u>Variance</u>. The Architectural Control Committee may authorize variances from compliance with any of the provisions of this Restated Declaration or minimum acceptable construction standards or regulations and requirements as promulgated from time to time by the Architectural Control Committee, when circumstances such as topography, natural obstructions, Tract configuration, Tract size, hardship, aesthetic or environmental considerations require a variance. The Architectural Control Committee reserves the right to grant variances as to building setback lines. Such variances must be evidenced in writing and shall become effective when signed by at least a majority of the members of the Architectural Control Committee. If any such variances are granted, no violation of the provisions of this Restated Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Restated Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the Owner's obligation to comply with the Plats, all governmental laws, and regulations affecting the property concerned.

ARTICLE V LATIGO, UNIT #1, PROPERTY OWNERS ASSOCIATION

5.1 Membership. Every person or entity who is a record owner of any Tract which is subject to the Maintenance charge and other assessments provided herein, shall be a "Member" of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation or those having only an interest in the mineral estate. No Owner shall have more than one (1) membership for each Tract owned by such Member. Memberships shall be appurtenant to and may not be separated from the ownership of the Tracts. Regardless of the number of persons who Page 13 of 21

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may own a Tract (such as husband and wife, or joint tenants, etc.) there shall be but one (1) membership for each Tract. The Association shall be managed by the Board of Directors pursuant to the procedures set forth in the Association's Restated Certificate of Formation and Restated Bylaws, subject to this Restated Declaration. Ownership of the Tracts shall be the sole qualification for membership. The voting rights of the Members are set forth in the Restated Bylaws of the Association.

- Non-Profit Corporation. Latigo, Unit #1, Property Owners Association, a non-profit corporation, has been organized and is the successor association to Latigo Ranch Property Owners' Association, Inc., being the association referred to in the Original Declaration and whose entity status was forfeited on January 28, 2011, was subsequently re-instated and amended its name by Certificate of Amendment effective July 24, 2018 and was merged with the Association by Certificate of Merger between Latigo, Unit #1, Property Owners Association and Latigo Ranch of Bandera County Property Owners' Association, Inc. The Association shall be governed by the Restated Certificate of Formation and Restated Bylaws of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.
- 5.3 <u>Bylaws</u>. The Association has adopted whatever Bylaws it may choose to govern the organization or operation of the Latigo Ranch Subdivision and the use and enjoyment of the Tracts and Common Areas, provided that the same are not in conflict with the terms and provisions hereof.
- 5.4 Owner's Right of Enjoyment. Every Owner shall have a beneficial interest of use and enjoyment in and to the Common Areas and such right shall be appurtenant to and shall pass with the title to every assessed Tract, subject to the following provisions:
 - A. the right of the Association, with respect to the Common Areas, to limit the number of guests of Owners;
 - B. the right of the Association, in accordance with its Restated Certificate of Formation and Restated Bylaws, to (i) borrow money for the purpose of improving and maintaining the Common Areas and facilities (ii) mortgage said property, however, the rights of such mortgagee of said property shall be subordinate to the rights of the Owners hereunder, and (iii) to lease real estate, improvements and personal property for the benefit of the Association and Owners.
 - C. Subject to Tex. Prop. Code § 209.006, the right of the Association to suspend the Member's and "Related Users" right to use any recreational facilities within the Common Areas during any period in which the Maintenance Charge or any assessment against Owner's Tract remains unpaid.

ARTICLE VI MAINTENANCE FUND

Maintenance Fund Obligation. Each Owner of a Tract by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association an annual maintenance charge (the "Maintenance Charge"), and any other assessments or charges hereby levied. The Maintenance Charge and any other assessments or charges hereby levied, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the Tracts and shall be a continuing lien upon the property against which each such Maintenance Charge, other assessments and charges are made.

6.2 Basis of the Maintenance Charge.

- A. The Maintenance Charge referred to shall be used to create a fund to be known as the "Maintenance Fund", which shall be used as herein provided; and each such Maintenance Charge (except as otherwise hereinafter provided) shall be paid by the Owner of each Tract (or residential building site) to the Association. The Maintenance Charge for the year of purchase shall be pro-rated at closing and then shall be paid annually, in advance, on or before the first day of the first month of each calendar year. Provided, however if such Owner owns more than one (1) Tract in the Latigo Ranch Subdivision, such Owner shall pay only twice the assessment of one (1) tract no matter how many tracts are owned or in the event Owner obtains consent from the Architectural Control Committee for a composite building site pursuant to Section 3.2 hereof, such composite building site shall be considered for the Maintenance Charge of one (1) Tract beginning upon the completion of the Improvements thereon. The combining of two (2) or more Tracts shall be subject to the terms and conditions of Tex. Prop. Code § 209.015.
- B. Any Maintenance Charge not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) the rate of eighteen percent (18%) per annum or (ii) the maximum rate permitted by law. At the discretion of the Board of Directors, the Board of Directors may from time to time, without approval of the Membership, establish a reasonable late fee to be charged to a delinquent account. The late fee assessed shall be assessed on the first of the following month in which the assessments became delinquent. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the hereinafter-described lien against the Owner's Tract as provided in TEX. PROP. CODE § 209.0092, as amended. No Owner may waive or otherwise escape liability for the Maintenance Charge by the non-use of any Common Areas or recreational facilities available for use by Owners of the Latigo Ranch Subdivision or by the abandonment of Owner's Tract.
- C. The amount of the Maintenance Charge applicable to each Tract will be set by the Association, and due in advance, payable on January 1 of each year. All other matters relating to the Maintenance Charge and the collection, expenditures and administration of the Maintenance Fund shall be determined by the Board of Directors of the Association, subject to the provisions hereof.
- D. The Association shall have the further right at any time, with a majority vote of all Association Members, to adjust or alter said Maintenance Charge from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Association in order for the Association to carry out its duties hereunder.
- 6.3 <u>Creation of Lien and Personal Obligation</u>. In order to secure the payment of the Maintenance Charge, and other assessments and Charges hereby levied, each Owner of a Tract in the Latigo Ranch Subdivision, by such party's acceptance of a deed thereto, hereby grants to the Association a contractual lien on such Tract which may be foreclosed on by Expedited Order of Foreclosure, pursuant to the provision of Tex. Prop. Code § 51.002 and 209.0092 (and any successor statute); and each such Owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with an Expedited Order of Foreclosure pursuant to the provisions of Tex. Prop. Code § 51.002 and 209.0092 and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may

be changed at any time and from time to time by the Association by means of written instrument executed by the President or any Vice-President of the Association and filed for record in the Official Public Records of Bandera County, Texas. In the event the Association has determined to foreclose the lien provided herein pursuant to the provisions of Tex. Prop. Code § 51.002 and § 209.0092 and to exercise the power of sale hereby granted, the Association, or the Association's agent, shall give notice of foreclosure sale as provided by the Tex. Prop. Code § 51.002 as amended. Upon request by Association, the Trustee shall give any further notice of foreclosure sale as may be required by the Tex. Prop. Code as then amended and shall convey such Tract to the highest bidder for cash by Trustee's Deed.

Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Association in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount in default; and third, the remaining balance shall be paid to such Owner. Following any such foreclosure, each Owner of any such Tract foreclosed on and each occupant of any Improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder.

In the event of non-payment by any Owner of any Maintenance Charge or other assessment or charge levied hereunder, the Association may, in addition to foreclosing the lien hereby retained, and exercising the remedies provided herein, upon ten (10) days prior written notice thereof to such non-paying Owner, exercise all other rights and remedies available at law or in equity.

It is the intent of the provisions of this Section 6.3 to comply with the provisions of TEX. PROP. CODE § 51.002 and 209.0092 relating to foreclosure sales by power of sale and, in the event of the amendment of TEX. PROP. CODE § 51.002 and 209.0092 hereafter, the President or any Vice-President of the Association, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Restated Declaration filed in the Official Public Records of Bandera County, Texas, amend the provisions hereof so as to comply with said amendments to TEX. PROP. CODE § 51.002 or 209.0092.

- Charge or other assessment and charges levied hereunder, the Association may file a claim or lien against the Tract of the delinquent Owner by recording a notice ("Notice of Lien") or similar named notice setting forth (a) the amount of the claim of delinquency, (b) the interest thereon and late fees assessed, (c) the costs of collection which have accrued thereon, (d) the legal description and street address of the Tract against which the lien is claimed, and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien shall continue until the amount secured thereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other charges and assessments which may have accrued subsequent to the filing of the Notice of Lien have been fully paid or satisfied, the Association shall execute and record a notice releasing the lien and/or evidencing payment upon payment by the Owner of a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.
- 6.5 <u>Liens Subordinate to Mortgages</u>. The lien described in this Article VI shall be deemed subordinate to a first lien or other liens of any bank, insurance company, savings and loan association, university, pension and profit sharing trusts or plans, or any other third party lender which may have heretofore or may hereafter lend money in good faith for the purchase or improvement of any Tract and any renewal, extension, rearrangement or refinancing thereof. Each such mortgagee of a mortgage

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encumbering a Tract who obtains title to such Tract pursuant to the remedies provided in the deed of trust or mortgage or by judicial or non-judicial foreclosure shall take title to the Tract free and clear of any claims for unpaid Maintenance Charges or other assessments or charges against such Tract which accrued prior to the time such holder acquired title to such Tract. No such sale or transfer shall relieve such holder from liability for any Maintenance Charge or other assessments or charges thereafter becoming due or from the lien thereof. Any other sale or transfer of a Tract shall not affect the Association's lien for Maintenance Charges or other assessments or charges.

- 6.6 Purpose of the Maintenance Charges. The Maintenance Charge levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the Owners of the Latigo Ranch Subdivision and to add, maintain, modify or replace Association property and/or improvements, which hereafter may become subject to the jurisdiction of the Association. In particular, the Maintenance Charge shall be used for any improvement or services in furtherance of these purposes and the performance of the Association's duties described in Article VIII, including the maintenance of any Common Areas, any Drainage Easements and the establishment and maintenance of a reserve fund for maintenance of any Common Areas. The Maintenance Fund may be expended by the Association for any purposes which, in the judgment of the Association, will tend to maintain the property values in the Latigo Ranch Subdivision, including, but not limited to, providing funds for the actual cost to the Association of all taxes, insurance, repairs, energy charges, replacement and maintenance of the Common Area as may from time to time be authorized by the Association. Except for the Association's use of the Maintenance Charge to perform its duties described in this Restated Declaration and in the Restated Bylaws, the use of the Maintenance Charge for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Association as to the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.
- 6.7 <u>Handling of Maintenance Charges</u>. The collection and management of the Maintenance Charge or other charge or assessment levied hereunder, shall be performed by the Association. The Association shall provide to the Owners annually all financial information pertaining to the continued operation of the Association.

ARTICLE VII DECLARANT'S RIGHTS AND RESERVATIONS INTENTIONALLY DELETED

ARTICLE VIII DUTIES AND POWERS OF THE HOMEOWNERS' ASSOCIATION

8.1 General Duties and Powers of the Association. The Association was founded to further the common interest of the Members. The Association, acting through the Board of Directors or through persons to whom the Board of Directors has delegated such powers (and subject to the provisions of the Restated Bylaws), shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interest of the Members, to maintain, improve and enhance the Common Areas and to improve and enhance the attractiveness, desirability and safety of the Latigo Ranch Subdivision. The Association shall have the authority to act as the agent to enter into any and all contracts on behalf of the Members in order to carry out the duties, powers and obligations of the Association as set forth in this Restated Declaration.

- 8.2 <u>Duty to Accept the Property and Facilities Transferred by Declarant</u>. Intentionally deleted.
- 8.3 <u>Duty to Manage and Care for the Common Area</u>. The Association shall manage, operate, care for, maintain and repair all Common Areas and keep the same in a safe, attractive and desirable condition for the use and enjoyment of the Members. The duty to operate, manage and maintain the Common Areas shall include, but not be limited to, the management, maintenance, repair and upkeep of the Latigo Ranch Subdivision entrances and other common areas.
- 8.4 Other Insurance Bonds. The Association shall obtain such insurance as may be required by law, including workmen's compensation and liability insurance, and shall have the power to obtain such other insurance and such fidelity, indemnity or other bonds as the Association shall deem necessary or desirable.
- 8.5 <u>Duty to Prepare Budgets</u>. The Association shall prepare budgets for the Association, which budgets shall include a reserve fund for the maintenance of all Common Areas.
- 8.6 <u>Duty to Levy and Collect the Maintenance Charge</u>. The Association shall levy, collect and enforce the Maintenance Charge and other charges and assessments as elsewhere provided in this Restated Declaration.
- 8.7 <u>Duty to Provide Annual Review</u>. The Association shall provide for an annual un-audited independent review of the accounts of the Association. Copies of the review shall be made available to any Member who requests a copy of the same upon payment by such Member of the reasonable cost of copying the same.
- 8.8 <u>Duties with Respect to Architectural Approvals</u>. The Association shall perform functions to assist the Architectural Control Committee as elsewhere provided in Article IV of this Restated Declaration.
- 8.9 Power to Acquire Property and Construct Improvements. The Association may acquire property or an interest in property (including leases) for the common benefit of Owners, including improvements and personal property. The Association may construct improvements on such property and may demolish existing improvements.
- 8.10 <u>Power to Adopt Rules and Regulations.</u> The Association may adopt, amend, repeal and enforce policies, rules and regulations ("Rules and Regulations"), fines, levies and enforcement provisions as may be deemed necessary or desirable with respect to the interpretation and implementation of this Restated Declaration, the operation of the Association, the use and enjoyment of the Common Areas, and the use of any other property, facilities or improvements owned or operated by the Association.
- 8.11 Power to Enforce Restrictions and Rules and Regulations. The Association or their designated agent (and any Owner with respect only to the remedies described in (ii) below) shall have the power to enforce the provisions of this Restated Declaration, the Rules and Regulations and all duly adopted policies and shall take such action as the Board of Directors deems necessary or desirable to cause such compliance by each Member and each Related User. Without limiting the generality of the foregoing, the Association shall have the power to enforce both the provisions of this Restated Declaration and the Rules and Regulations and all duly adopted policies of the Association by any one (1) or more of the following means: (i) By entry upon any property within the Latigo Ranch Subdivision after notice and hearing (unless

The Association shall comply with the TEX. PROP. CODE Chapter 209 when enforcing this Restated Declaration or the Rules and Regulations and all duly adopted policies. If, after the hearing, 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 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 their right to take enforcement action thereafter or upon a subsequent breach or default.

such violating Member(s), plus attorney's fees incurred by the Association with respect to exercising such remedy. Any payment due hereunder to the Association shall be payable the first day of the next calendar

- 8.12 <u>Power to Grant Easements</u>. In addition to any general easements described in this Restated Declaration, the Association shall have the power to grant access, utility, drainage, water facility and other such easements in, on, over or under the Common Area.
- 8.13 <u>Voting Rights.</u> The Association shall have one (1) class of voting membership. Members shall be entitled to one (1) vote for each Tract in which they hold the interest required for membership. If any Tract is owned by more than one (1) Owner, the number of votes attributable to such Tract still shall be one (1), and such one (1) vote may be cast only if all of the Owners owning such Tract, prior to the time of the vote in question, have delivered to the Association a written agreement as to how such vote is to be cast or a written designation of one (1) of such Owners to cast the vote attributable to such Tract. Any Owner, who is not an individual, must designate, upon request of the Board, a representative to act for such Owner in Association matters and to cast the vote of such Owner, such designation to be made in writing to the Board.

ARTICLE IX GENERAL PROVISIONS

9.1 <u>Term.</u> The provisions hereof shall run with all property in Latigo Ranch Subdivision and shall be binding upon all Owners and all persons claiming under them for a period of forty (40) years from

month.

the date this Restated Declaration is recorded, after which time said Restated Declaration shall be automatically extended for successive periods often (10) years each, unless an instrument, signed by not less than two-thirds (2/3rds) of the Owners of the Tracts has been recorded agreeing to amend or change, in whole or in part, this Restated Declaration.

9.2 <u>Amendments</u>. This Restated Declaration may be amended or changed, in whole or in part, at any time within any given 365-day period by the written agreement of Members entitled to cast not less than two-thirds (2/3rds) of all votes of the Members of the Association.

Such amendment must be approved within three hundred sixty-five (365) days of the date the first Owner requests such amendment. Otherwise, such amendment shall fail. If the amendment is adopted by the required number of Members, this Restated Declaration shall bind and affect all tracts within Latigo Ranch. Although not mandatory, the date an Owner's signature is acknowledged shall constitute prima fascia evidence of the date of execution and adoption of said amendment by such Owner. Those Members entitled to cast not less than two-thirds (2/3rds) of all of the votes of the Members of the Association may also vote to amend this Restated Declaration, in person, or by proxy, at a meeting of the Members duly called for such purpose, written notice of which shall be given to all Owners at least ten (10) days and not more than sixty (60) days in advance and shall set forth the purpose of such meeting. Notwithstanding any provision contained in the Restated Bylaws to the contrary, a quorum, for purposes of such meeting, shall consist of not less than thirty percent (30%) of all the Members (in person or by proxy) entitled to vote. Any such amendment shall become effective when an instrument is filed for record in the Real Property Records of Bandera County, Texas, accompanied by a certificate, signed by a majority of the Board of Directors, stating that the required number of Members executed the instrument amending this Restated Declaration or cast a written vote, in person or by proxy, in favor of said amendment at the meeting called for such purpose. The Association for a period of not less than three (3) years after the date of filing of the amendment or termination shall retain copies of the written votes or proxies pertaining to such amendment.

- 9.3 <u>Amendments by the Declarant</u>. Intentionally Deleted
- 9.4 <u>Severability</u>. Each of the provisions of this Restated Declaration shall be deemed independent and severable and the invalidity or un-enforceability or partial invalidity or partial unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.
- 9.5 <u>Liberal interpretation</u>. The provisions of this Restated Declaration shall be liberally construed as a whole to effectuate the purpose of this Restated Declaration.
- 9.6 <u>Successors and Assigns</u>. The provisions hereof shall be binding upon and inure to the benefit of the Owners and the Association, and their respective heirs, legal representatives, executors, administrators, successors and assigns.
- 9.7 <u>Effect of Violations on Mortgages</u>. No violation of the provisions herein contained, or any portion thereof, shall affect the lien of any mortgage or deed of trust presently or hereafter placed of record or otherwise affect the rights of the mortgagee under any such mortgage, the holder of any such lien or beneficiary of any such deed of trust; and any such mortgage, lien or deed of trust may, nevertheless, be enforced in accordance with its terms, subject, nevertheless, to the provisions herein contained.
 - 9.8 Terminology. All personal pronouns used in this Restated Declaration and all exhibits

attached hereto, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. Title of Articles and Sections are for convenience only and neither limit nor amplify the provisions of this Restated Declaration itself. The terms "herein", "hereof" and similar terms, as used in this instrument refer to the entire agreement and are not limited to referring only to the specific paragraph, section or article in which such terms appear.

CERTIFICATE OF OFFICER

The undersigned certifies that the foregoing Second Amended and Restated Declaration of Covenants, Conditions and Restrictions Latigo Ranch Subdivision was duly approved and adopted by the Board of Directors of LATIGO, UNIT #1, PROPERTY OWNERS ASSOCIATION on the 72 day of proxy and adopted by more than two-thirds (2/3) of the vote of all members of LATIGO, UNIT #1, PROPERTY OWNERS ASSOCIATION on the 2 day of 100 da

Signed this 27 day of The E, 2019.

LATIGO, UNIT #1, PROPERTY OWNERS ASSOCIATION

By: DENNIS ZAFERIS

Title: President

COUNTY OF Bandra

2019.

Before me, the undersigned authority, on this day personally appeared DENNIS ZAFERIS, President of the LATIGO, UNIT #1, PROPERTY OWNERS ASSOCIATION, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed in the capacity therein stated and as the act in deed of said Corporation.

Given under my hand and seal of office on the <u>27th</u> day of <u>Jwc</u>

THEY ALL THEY AUGUST ANY AUGUST ANY AUGUST ANY AUGUST ANY AUGUST ANY AUGUST AND AUGUST A

Notary Public, State of Texas

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Latigo Ranch

AFFIDAVIT IN COMPLIANCE WITH TEX. PROP. CODE § 202.006

THE STATE OF TEXAS \$

COUNTY OF BANDERA \$

BEFORE ME, the undersigned authority, on this day personally appeared DENNIS ZAFERIS, who, being by me duly sworn according to law, stated the following under oath:

"My name is DENNIS ZAFERIS. I am fully competent to make this Affidavit. I have personal knowledge of the facts stated herein, and they are all true and correct.

I am the President of Latigo, Unit #1, Property Owners Association, a Texas nonprofit corporation (the "Association"). I am also a custodian of the records for the Association and I have been authorized by the Association's Board of Directors to sign this Affidavit.

The Association is a property owners' association as that term is defined in *Tex. Prop. Code* § 202.001. The Association's jurisdiction includes, but may not be limited to, the property in Bandera, County, Texas and described as:

That certain subdivision known as Latigo Ranch Subdivision, being the property identified and referenced in the Declaration of Covenants, Conditions and Restrictions Latigo Ranch Subdivision, recorded in Volume 788, Page 385 of the Official Public Records of Bandera County, Texas; as amended by Modification of Declaration of Covenants, Conditions and Restrictions Latigo Ranch Subdivision - October 22, 2012, recorded in Volume 942, Page 267 of the Official Public Records of Bandera County, Texas and restated by Second Amended and Restated Declaration of Covenants, Conditions and Restrictions, to be recorded in the Official Public Records of Bandera County, Texas.

Attached hereto are the originals of, or true and correct copies of, the following dedicatory instruments, including known amendments or supplements thereto, governing the Association, which instruments have not previously been recorded:

Latigo, Unit #1, Property Owners Association Statement of Policies

The documents attached hereto are subject to being supplemented, amended or changed by the Association. Any questions regarding the dedicatory instruments of the Association may be directed to the Association at:

Latigo, Unit #1, Property Owners Association
10655 State Highway 46
Pipe Creek, Texas 78063
Phone:
Fax:

Email: LATIGD_RANCH @ YAHOD, COM

LATIGO, UNIT #1, PROPERTY OWNERS ASSOCIATION

By:

DENNIS ZAFERIS

Its:

President

nec sagaips7

ACKNOWLEDGMENT

THE STATE OF TEXAS

COUNTY OF BANDERA

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BEFORE ME, the undersigned authority, on this day personally appeared DENNIS ZAFERIS, President of the LATIGO, UNIT #1, PROPERTY OWNERS ASSOCIATION, who, after being duly sworn, acknowledged and stated under oath that he has read the above and foregoing Affidavit and that every factual statement contained therein is within his personal knowledge and is true and correct.

ACKNOWLEDGED, SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public, on this the 2) day of Jinz, 2019.

NOTARY PUBLIC, STATE OF TEXAS

After Recording, Return To:

Michael B. Thurman Thurman & Phillips, P.C. 4093 De Zavala Road Shavano Park, Texas 78249

