be responsible for disposing of all of his trash, garbage and rubbish in a sanitary manner and in a location provided for that purpose by a local governmental authority.

17. SIGNS

No sign shall be displayed on any lot except one sign not more than five square feet, used by the Developer or builders to advertise the property during the construction and sales. Signs permitted in this section must be approved by the Architectural Committee.

18. NUISANCES

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

19. **DRIVEWAYS**

Driveways shall be constructed of asphalt, concrete, brick, stone or pavers of concrete, brick material or other material, if same is approved by the Architectural Committee. Each lot owner is responsible for installing a culvert between the County road and their driveway, in compliance with current Bastrop County regulations.

20. MAILBOXES

Because curbside mail boxes are required for mail delivery by the U.S. Postal Service, attractive individual designs for mail box holders shall be required by the Architectural Committee. Within the scope of postal service requirements, the mail box holders shall be designed and constructed utilizing the masonry materials used in constructing the residence, and the standard rural mail box installation on a single post is not permitted. Designs must be submitted to the Architectural Committee for approval and boxes may not be constructed or erected without the Architectural Committee's approval. The face of the mailbox and the mailbox holder shall set back 2-1/2 feet from the edge of pavement.

21. GREENBELT AND COMMON AREAS

Greenbelt and common areas shall be any landscaped areas, medians, or entry walls including lighting, irrigation and other features that are either located within public right-of-way or other dedicated easements, or areas specifically designated through easement or conveyed fee simple to and maintained by The Arbors Improvement Association or if located in a public right-of-way or other dedicated easements will not be conveyed but will nevertheless be maintained by The Arbors Improvement Association for the benefit of its members.

22. THE ARBORS IMPROVEMENT ASSOCIATION

- (a) Membership of Association. Each and every owner of a lot (under a Contract for Deed or a Deed) in the Subdivision shall be a member of The Arbors Improvement Association (the "Association"). The Association may be a non-Profit corporations or an unincorporated association.
- (a) Voting Rights. Each member shall be entitled to one (1) vote for each lot in which they hold the interest required for membership. When more than one (1) person holds such interest or interests in any lot, all such persons shall be members, and the vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot.
- (c) <u>Notice and Voting Requirements</u>. Any and all elections of the Association shall be governed by the following rules:
 - (1) Written notice of any election shall be given to all members by certified mail return receipt required at least fourteen (14) days prior to the date of such election.
 - (2) Votes shall be by written ballot and the ballot shall be retained for at least one year after the election.
 - (3) Any election shall be determined by a simple majority of the members voting in such election.

23. THE ARBORS IMPROVEMENT COMMITTEE

- (a) <u>Formation</u>. The Arbors Improvement Committee (the "Improvement Committee") shall be the governing body of the Association. The Improvement Committee shall be composed initially of Jim Brasse, Steve Mills and Gene Foy.
- (b) Election. After seventy-five (75%) of the lots in the Subdivision, including any And all lots which may be added to the Subdivision pursuant to Section 26 hereof, have been conveyed by Contract for Deed or Deed and Developer has not intention of adding any additional lots or sections to the Subdivision, the initial members of the Committee shall arrange for an election of the members to elect three members of the Association to replace them on the Improvement Committee. The election shall be in accordance with Section 22 hereof.
- (a) <u>Powers and Functions</u>. The Improvement Committee shall have the following powers and functions:
 - (1) Collect and expend, in the interest of the Subdivision, the Maintenance

and Recreation Fund.

- (2) Enforce these covenants and restrictions by appropriate proceedings (but this power shall not be exclusive and may also be exercised by any lot owner in the Subdivision).
- (3) Serve as the Architectural Control Committee after the initial Architectural Control Committee is terminated pursuant to Section 2 hereof.

24. ASSESSMENTS

- (a) Annual Assessment. Each owner of any lot by acceptance of a Deed or Contract For Deed thereto, whether or not it shall be so expressed in a Deed or other conveyance, is deemed to covenant and agree to pay the Association the annual assessments which shall be hereafter from time to time be fixed, established and collected by the Committee. The amount of the annual assessment shall be determined by the Committee based on the estimated costs of performing the services set forth in Subparagraph (c) of this section. The initial annual assessment is set at \$300.00 for each lot in the Subdivision. If the basic annual assessment estimated by the Committee is insufficient to cover the cost of the services to be rendered, the Committee may increase the assessment by an amount up to 10% at any time after July 1 of a year without approval of the members. Developer is not hereby obligated to pay such assessments, but may elect to do so. The annual assessments, together with such interest thereon and costs of collection thereof, shall be a charge on the land affected thereby and shall be secured by a continuing lien which is hereby reserved in favor of the Association upon each lot against which each such assessment is made, to the same extent as if retained by Developer and expressly assigned to the Association. Each such annual assessment shall also be the personal obligation of the person who was the owner of the lot at the time when each such assessment became due and payable.
- (b) <u>Capital Assessment</u>. In addition to annual assessments, the Association may levy a capital assessment for capital improvements to the Common Property which are approved by the members of the Association.
- (c) <u>Purpose of Assessments</u>. The annual assessments levied by the Improvement Committee shall be used exclusively for the purpose of creating a fund for the improvement and maintenance of the Subdivision (the "Maintenance and Recreation Fund"). The Improvement Committee shall use the Maintenance and Recreation Fund for expenses incurred for any of the following reasons: to promote the recreation, health, safety and welfare of the Subdivision and in particular, to improve and maintain common properties and facilities and to provide essential services, including without limitation improving and maintaining recreation facilities, electricity and water bills that pertain to common

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areas, greenbelts and street lights; and providing such services as are necessary to keep the Subdivision neat and in good order, paying of legal and other expenses incurred with the collection, enforcement and administration of assessments; enforcing of all covenants and restrictions for the Subdivision. The Improvement Committee's decisions shall be final as to the use of the Maintenance and Recreation Fund and the members of the Improvement Committee shall be free from liability for actions within the Improvement Committee's function, unless gross negligence is proven.

- (d) <u>Date of Commencement</u>. The annual assessments shall commence on the date Conveyance of any property subject to such assessment. The first annual assessment shall be for the balance of the calendar year and shall become due on the date fixed for commencement. After the first year, the assessment shall be made as of January 1 of a year on a calendar year basis and shall be paid annually in advance as billed by the Committee. Capital assessments shall be due thirty (30) days after notice thereof is given by the Committee.
- (e) Effect of Nonpayment. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date the assessment shall bear interest from the date due at the rate of eighteen per cent (18%) per annum, and the Association may bring an action at law against the owner personally obligated to pay or foreclose the lien against the lot and interest, costs, and reasonable attorney's fees, for any action shall be added to the amount of such assessment.
- (f) Term. Such assessments shall continue during the term of the Restrictions.

(g) Exterior Maintenance.

- (i) Obligation. Each owner of a lot with an improvement thereon shall be responsible to keep the same in good repair and perform such maintenance as will not cause the improvements to detract from the appearance or value of the subdivision. If the Committee considers that an owner is not in compliance with this provision, it may give him notice of such non-compliance. If such owner is not in compliance within thirty (30) days after such notice, the Association may provide exterior maintenance to the extent of paint, repair or replacing of roofs, gutters, downspouts, repair of exterior building surfaces, trees, shrubs, grass, walks and other exterior improvements.
- (ii) <u>Assessment</u>. The cost of such exterior maintenance shall be assessed against the lot or living unit upon which such maintenance is done and shall be added to and become a part of the annual assessment applicable to such lot or living unit and shall be a lien and obligation of the owner and become due and payable in all respects as any other assessment.

(iii) Access. For the purpose of performing the exterior maintenance required or authorized by this article, the Association, through its duly authorized agents or employees, shall have the right after reasonable notice to the owner to enter upon any lot or exterior of any living unit at reasonable hours on any day except Sunday.

25. **TERM**

These covenants and restrictions shall run with the land, and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date these covenants are recorded with the County Clerk of Bastrop County, Texas, after which time such covenants shall be extended automatically for successive periods of ten (10) years, unless and instrument signed by the majority of the then owners of the lots has been recorded, agreeing to change such covenants in whole or in part or to revoke them.

26. ADDITIONS TO EXISTING PROPERTY

The Developer may add or annex additional land to the Subdivision from time to time and at anytime, providing that the land so added shall at that time be bound by the terms of these Restrictions and any future modifications thereof, by filing of record a Supplementary Declaration of Covenants, Conditions, and Restrictions.

27. ENFORCEMENT

Enforcement of these covenants and restrictions may be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant or restriction either to restrain such violation or proposed violation or to recover damages. Such enforcement may be by the owner of any lot in the Subdivision, by the Developer or by the Improvement Committee. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

28. SEVERABILITY

Invalidation of any one of these covenants or restrictions by judgements or court order shall in no way affect any other provision, and all other provisions shall remain in full force and effect.

EXECUTED on this ___

__ day of ______, 1998

SABINE INVESTMENT COMPANY OF TEXAS, INC

James & Brasse President

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THE STATE OF TEXAS:

COUNTY OF ANGELINA:

This instrument was acknowledged before me on this Haday of 1998, by James E. Brasse, President, SABINE INVESTMENT COMPANY OF TEXAS, INC., a Texas corporation, on behalf of said corporation.

JUDY ELDRIDGE

Notary Public

STATE OF TEXAS

My Comm. Exp. 11-13-2001

Notary Public, State of Texas

FILED AND RECORDED

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BASTROP COUNTY, TEXAS

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