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DECLARATION  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
BEACON HILL AT CEDAR CREEK LAKE

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### Plat of Beacon Hill

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## EXHIBIT B

### Building Setbacks, Height and Elevation Restrictions

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### Building Setbacks, Height and Elevation Restrictions (con't)

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### Figure 1 Sight Restriction

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### Figure 2 Typical Lot

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### Figure 2 Typical Lot

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### Figure 4 Typical Lot

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### Figure 5 Typical Lot

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### Figure 6 Typical Lot

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### Figure 7 Typical Lot

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### Figure 7 Typical Lot

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### Figure 8 Typical Lot

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### Figure 9 Typical Lot

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## EXHIBIT C

### Bylaws of Beacon Hill

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## EXHIBIT D

### Certificate of Incorporation of Beacon Hill

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## INTRODUCTION

### SECTION 1.1 RECITALS:

WHEREAS, Declarant is the owner and developer of certain real property located in Kaufman County, Texas more particularly described in Exhibit "A" attached hereto, which has been incorporated into a final plat of Beacon Hill, an Addition to the City of Kemp (the "City"), Texas, according to the Plat thereof (the "Plat") recorded in cabinet #3, Sleeve #85 of the Map Records of Kaufman County, Texas (the "County") and made a part hereof for all purposes (the "Property").

Except for Lot 103 of Block A (the "Commercial Tract") which is planned for commercial use, Declarant has subdivided the Property into single-family lots and common areas as shown on the Plat. As used herein, "lot" and "lots" shall refer only to the numbered lots shown on the Plat and shall not refer to the common area, public areas, parks, tracts owned or subsequently acquired by any public body or to the Commercial Tract.

WHEREAS, Declarant desires to place certain covenants, conditions and restrictions upon the Property in order to establish a uniform plan for the development, improvement and sale of the Property and all additional property which may hereafter be added and/or subjected to the provisions of this Declaration, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of the Property and all additional property which may hereafter be added and/or subjected to the provisions of this Declaration:

A. Declarant desires to create on that certain real Property in Kaufman County; a residential community with residential lots, open spaces and other common facilities, and to provide for the preservation of the values and amenities in said community and for the maintenance of the open spaces and other common facilities appurtenant thereto;

B. Declarant has deemed it desirable for the efficient preservation of the values and amenities in said community (i) to impose the covenants, conditions, restrictions, easements, charges, and liens hereinafter set forth on the Property, and (ii) to create a homeowners' association to own and maintain the Common Area referred to in Section 2.19 (the "Common Area") and to which would be delegated and assigned the powers of administering and enforcing the covenants, conditions, and restrictions contained herein and collecting and disbursing the assessments and charges hereinafter created;

C. Declarant has caused such homeowners' association to be incorporated under the Texas Non-Profit Corporation Act, under the name of BEACON HILL HOMEOWNERS ASSOCIATION (the "Association") and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant, hereby declares that the Property is and shall be owned, held, mortgaged, transferred, sold, conveyed, and occupied subject to the covenants, conditions, restrictions, easements, charges, and liens

(collectively referred to as "Covenants, Conditions, and Restrictions") hereinafter set forth.

## SECTION1.2 PROPERTY SUBJECT TO THIS DECLARATION

1. Existing Property. The Property is now and shall in all events, be held, transferred, sold, conveyed, and occupied subject to this Declaration.

2. Additions to the Property. Additional property(ies) may become subject to this Declaration and comprise a part of the Property, in the manner described in Section 3.2.

## ARTICLE II DEFINITIONS

The following words, when used in this Declaration or in any amended or supplementary Declaration (unless the context shall otherwise clearly indicate or prohibit) shall have the following respective meanings.

Section 2.1 "Amended Declaration" shall mean and refer to each and every instrument recorded in the Records which amends, supplements, modifies, clarifies or restates some or all of the terms and provisions of this Declaration.

Section 2.2 "Articles" shall mean and refer to the Certificate of Incorporation of the Association, attached hereto as Exhibit "D" and made a part hereof for all purposes, which Articles have been filed with the Secretary of State of the State of Texas, as amended from time to time.

Section 2.3 "Assessment" or "Assessments" shall mean and refer individually or collectively to the assessments as set forth in Section VI.

Section 2.4 "Assessment Lien" shall mean and refer to the liens described in Article VI of this Declaration.

Section 2.5 "Association" shall mean and refer to Beacon Hill Homeowners Association, Inc., a Texas nonprofit corporation, its successors and assigns, which shall have the power, duty and responsibility of maintaining and administering certain portions of the Property and all of the Common Property, administering and enforcing the Covenants and otherwise maintaining and enhancing the quality of life within the Property.

Section 2.6 "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association.

Section 2.7 "Builder" shall mean any Person, other than the Declarant, that purchases one or more Lots within the Property for the purpose of constructing Structures or Improvements thereon for later sale to consumers, or who purchases two or more Lots

of land within the Property for further subdivision, development or resale in the ordinary course of such Person's business. A Builder may reduce the number of Lots (from three to two, etc.), but may not add to the number of Lots (divide two Lots into three).

Section 2.8 "Building Area" shall mean the area within a Lot delineating the boundaries within which all Structures and Improvements may be located, subject to the prior written approval of the Design Review Committee.

Section 2.9 "Bylaws" shall mean and refer to Bylaws of the Association, attached hereto as Exhibit "C" and made a part hereof for all purposes, as amended from time to time.

Section 2.10 "Certificate of Occupancy" shall refer to a certificate or other similar document issued by the City, County or other applicable governmental authority certifying or authorizing a Structure for occupancy for its intended use.

Section 2.11 "Charges" shall mean and refer to charges imposed against an Owner delinquent in the payment of Assessments or the performance of obligations under Section 6.7.

Section 2.12 "City" shall mean and refer to the City of Kemp, Texas.

Section 2.13 "Class A Member" shall mean each Owner of a lot, as well as the Declarant if the Declarant chooses to become a Class A member, or automatically becomes a Class A member.

Section 2.14 "Class B Member" shall mean the Declarant.

Section 2.15 "Cluster Housing" shall include, by way of illustration, townhouse units, patio or zero lot line homes and other individual attached or detached single family residential dwelling units that are to be sold in fee simple under a separate lot/block designation. As originally platted, these lots are designated Lots 78-83.

Section 2.16 "Commercial Tract" shall mean a portion of the Property which has been designated as a Commercial Tract by Declarant on any instrument executed and recorded by Declarant in the Records.

Section 2.17 "Commercial Use" shall mean and refer to any governmental, professional, office, hotel, motel, business, commercial, retail, restaurant, financial, banking, insurance, research and development and medical uses and any other uses designated as a 'Commercial Use' by Declarant on any instrument executed and recorded by Declarant in the Records.

Section 2.18 "Common Expenses" shall mean the actual and estimated expenses incurred, or anticipated to be incurred by the Association for the general benefit of all Owners including any reserve as the Board may find to be necessary and appropriate pursuant to the Governing Documents.

Section 2.19 "Common Property" shall mean (a) those portions of the Property shown upon any Plat of the Property, or any part thereof, that are shown or designated as "Common Property", "Common Area" or by similar designation (reserving, however, unto Declarant the right to replat any of such areas as part of one (1) or more Lots), together with any and all Structures and Improvements constructed or to be constructed thereon; (b) such portions, if any, of the Property as are hereafter declared to be "Common Property", "Common Area" or similar designation by an instrument executed and recorded by Declarant or the Association in the Records, whether or not such areas comprise part or all of a Lot shown upon any Plat of the Property, together with any and all Structures and Improvements constructed or to be constructed thereon; (c) any other real property or improvements now or hereafter within or in the vicinity of the Property which Declarant and/or the Association have or may hereafter become obligated to maintain, improve or preserve; (d) any other real property or improvements, or interest therein, now or hereafter owned by the Association for the common use, enjoyment and benefit of the Owners, including, without limitation, any community recreational facility now or hereafter constructed within or in the vicinity of the Property and the Pier Improvements; and (e) the Private Streets.

Section 2.20 "Condominium Parcel or Town Home Parcel" shall refer only to Lots 78 - 83 and means a parcel of real property within the Property that may be subjected to a Condominium or Town Home regime pursuant to the Texas Condominium Act, as the same may be amended or supplemented from time to time, improved with one or more structures.

Section 2.21 "Condominium Unit" shall mean a residential dwelling unit constructed on a Condominium Parcel, together with its undivided interest in and to the common elements of such condominium.

Section 2.22 "County" shall mean Kaufman County, Texas.

Section 2.23 "Covenants, Conditions and Restrictions" shall mean all covenants, conditions, restrictions, easements, charges and liens set forth within this Declaration, any Amended Declaration or any Supplemental Declaration.

Section 2.24 "Declarant" shall mean KEMP LAKESIDE INVESTORS, LLC., a Texas limited liability company, and any Person to whom KEMP LAKESIDE INVESTORS, LLC. assigns, by specific reference, all of its rights under this Declaration; provided however, no Person merely purchasing one or more Lots from KEMP LAKESIDE INVESTORS, LLC. or its successor or assigns shall be considered a "Declarant"

Section 2.25 "Declaration" shall mean this instrument entitled "Declaration of Covenants, Conditions and Restrictions for Beacon Hill," together with any and all amendments or supplements hereto.

Section 2.26 "Deed" shall mean any deed, assignment, testamentary bequest, muniment of title or other instrument, or intestate inheritance and succession, conveying or transferring fee simple title or a leasehold interest or another legally recognized estate in a Lot.

Section 2.27 "Design Guidelines" shall mean those particular standards, restrictions, guidelines, recommendations and specifications applicable to most of the aspects of construction, placement, location, alteration, maintenance and design of any Structures or Improvements to or within the Property or portions thereof, and all amendments, bulletins, modifications, supplements and interpretations thereof.

Section 2.28 "Design Review Committee" shall mean the Design Review Committee from time to time appointed or selected pursuant to Article VII of this Declaration.

Section 2.29 "Development Period" shall mean a period commencing on the date of the recording of this Declaration in the Records and continuing thereafter until and ending on the earlier of (a) 80% of all Lots are sold, or (b) the date the Declarant voluntarily converts its Class B Member status to Class A membership status by recording a written notice of such termination in the Records.

Section 2.30 "Director" shall mean and refer to any duly elected member of the Board.

Section 2.31 "Exempt Property" shall mean and refer to the following portions of the Property: (a) all land, Structures and Improvements owned by the United States of America, the State of Texas, the Tarrant Regional Water District, the City, the County or any instrumentality, political subdivision or agency of any such governmental entity acting in a governmental (rather than a proprietary) capacity; (b) all land, Structures and Improvements owned (including legal and beneficial ownership, whether now or in the future) by the Association or any Subdivision Association or constituting a portion of the Common Property; (c) all land, Structures and Improvements which are exempt from the payment of ad valorem real property taxes by Taxing Authorities and are exempt from the payment of any assessments hereunder as expressly determined by written resolution of the Declarant and/or the Board; (d) such other land, Structures and/or Improvements and/or Lots which are specifically exempted from the payment of Assessments in accordance with a special resolution of the Board.

Section 2.32 "Fiscal Year" shall mean each twelve (12) month period commencing on January 1 and ending on the following December 31, unless the Board shall otherwise select an alternative twelve (12) month period.

Section 2.33 "Governing Documents" shall refer to this Declaration, the Articles, the Bylaws, the Design Guidelines, and any rules and regulations promulgated thereunder.

Section 2.34 "Improvement" shall mean any physical change to raw land or to an existing Structure which alters the physical appearance, characteristics or properties of the land or Structure, including, but not limited to, landscaping, the new construction of a Structure or Structures and related amenities, adding or removing square footage area or space to or from a Structure, painting or repainting a Structure, or in any way altering the size, shape or physical appearance of any Structure, or any building or other improvement, temporary or permanent, located on any Lot, and will include, without limitation: (a) any swimming pool, play apparatus, fence, curbing, paving, wall or hedge,

signboard or other temporary or permanent improvement to any Lot (b) any excavation, fill, ditch, diversion dam or other thing or device which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across any Lot; (c) any enclosure or receptacle for the concealment, collection and/or disposal of refuse or mail, and (d) any change in the grade of any Lot which involves a change of more than three (3) inches from the existing grade initially approved by the Design Review Committee.

Section 2.35 "Individual Assessments" shall mean the assessments that may be from time to time imposed upon an Owner in accordance with the provisions of Section 6 of this Declaration.

Section 2.36 "Institutional Mortgage" shall mean any bona-fide mortgage lien or security interest held by a bank, trust company, savings and loan association or other recognized lending institution, or by an institutional or governmental purchaser of mortgage loans in the secondary market.

Section 2.37 "Limited Common Property" shall refer to a portion of the Common Property primarily benefitting one or more, but less than all Owners.

Section 2.38 "Lot" shall mean a portion of the Property, whether improved or unimproved, which is platted or set aside as a separate lot or parcel on any Plat or any document executed by the Declarant which is recorded in the Records. The term shall refer to the land, if any, that is part of the Lot, as well as any Structures or Improvements thereon. The term shall include within its meaning, by way of illustration but not limitation, a lot developed for Cluster Housing, a Condominium Parcel, a Commercial Tract, and/or a Lot developed for single family detached residences, as well as vacant land intended for development as such, but shall not include Common Property, Limited Common Property, or property dedicated to the public. Lots shall be further defined as follows:

- A. "Lake Front Lot" shall mean a Lot which abuts Cedar Creek Lake and is designated as a "Lake Front Lot" in any Deed, Plat or other recorded instrument executed by Declarant. These are originally platted as Lots 17-50.
- B. "Hillside Lots" shall mean those Lots situated off water and not adjacent to the Pond Area. These Lots are originally platted as Lots 51-102.
- C. "Pond Lots" shall mean those Lots adjacent to the Pond Area. These Lots are originally platted as Lots 1-16.

Section 2.39 "Managing Agent" shall mean and refer to any Person who has been designated or engaged by the Board to manage the affairs of the Association, to the extent the Board elects to make such designation.

Section 2.40 "Maximum Rate" shall mean the lesser of (a) the maximum rate of interest permitted to be charged from time to time for the use or forbearance of money by applicable law, or (b) eighteen per cent (18%) per annum.

Section 2.41 “Member” shall mean each Person subject to membership in the Association.

Section 2.42 “Owner” shall mean and refer to the holder(s) of record title to the fee simple interest of any Lot whether or not such holder(s) actually reside(s) on any part of the Lot.

Section 2.43 “Person” shall mean an individual, partnership, joint venture, corporation, limited liability company, joint stock company, trust (including a business trust), unincorporated association or other entity, or a government or any political subdivision or agency thereof.

Section 2.44 “Pier Area” shall mean either the (1) common pier of the subdivision, the (2) individual piers constructed by owners with Pond Lots or individual piers or boathouses constructed by owners of Lake Front Lots.

Section 2.45 “Pier Improvements” shall mean the pier and related Improvements constructed by Owners, the Declarant or the Association or with the consent of Declarant or the Association in any Pier Area.

Section 2.46 “Plat” shall mean and refer to the final subdivision plat or plats of the Property, which have been approved by the City, County or other appropriate governmental authority and filed and recorded in the Records. A Plat of Beacon Hill is attached as Exhibit A.

Section 2.47 “Private Streets” shall mean the right-of-way of all private streets, alleys and other private rights-of-way situated within the Property, which are designated as “Private Streets” on any Plat or an instrument executed and recorded by Declarant or the Association in the Records, together with all pavement, curbs, street lights, signs and related facilities thereon. The term “Private Streets” shall not include any street, alley or right-of-way which has been dedicated to or are owned by the City, County or any other governmental authority.

Section 2.48 “Property” shall mean and refer to the tracts or parcels of real property more particularly described in the Plat attached hereto and made a part hereof for all purposes, together with all and singular all easements in or upon or benefitting the Property, and all other rights and appurtenances belonging or in anywise pertaining thereto, which Property is initially subjected to this Declaration, together with such additional property as is hereafter subjected to this Declaration in accordance with Article III.

Section 2.49 “Street” shall mean the right-of-way of all streets, alleys and other rights-of-way situated within the Property which have been dedicated to or are owned by the City, County or any other governmental or quasi governmental authority or special district.

Section 2.50 “Records” shall mean the Land Records of Kaufman County, Texas including the Map and Plat Records of Kaufman County, Texas.

Section 2.51 “Residence” shall mean and refer to any Structure or portion of a structure situated upon the Property, including Cluster Homes, Condominium Units, and single family attached and detached housing, which is designed and intended for Residential Use.

Section 2.52 “Residential Use” shall mean and refer to the use and/or occupancy for residential purposes as defined in and permitted by applicable requirements of the City.

Section 2.53 “Structure” shall mean and refer to building, parking facility or area, garage, porch, shed, greenhouse or bathhouse, cabana, covered patio, temporary or permanent living quarters or other above ground improvement on any Lot.

Section 2.54 “Subdivision Association” shall mean an incorporated owners’ association, if any, having concurrent jurisdiction (subject to this Declaration) with the Association over any Subdivision.

Section 2.55 “Subdivision Expenses” shall mean the actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of Owners of Lots within a particular Subdivision, as may be authorized by this Declaration or in the Supplemental Declaration(s) applicable to such Subdivision. Subdivision Expenses may include a reasonable reserve as the Board may find to be necessary and appropriate pursuant to the Governing Documents.

Section 2.56 “Supplemental Declaration” shall mean an instrument recorded pursuant to Article II which subjects additional property to this Declaration, designates Subdivisions and/or imposes, expressly or by reference, additional restrictions and obligations on the land described therein.

Section 2.57 “Taxing Authorities” shall mean and refer to Kaufman County, the Kemp Independent School District, the City of Kemp, and the State of Texas and any and all other governmental entities or agencies which have, or may in the future have, the power and authority to impose and collect ad valorem taxes on real property estates, in accordance with the Texas Constitution and applicable statutes and codes.

### ARTICLE III PROPERTY SUBJECT TO THESE RESTRICTIONS

Section 3.1 Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration shall be the real property located within the Property.

Section 3.2 Annexation of Additional Land. Additional land may become subject to this Declaration, or the general scheme envisioned by this Declaration, as

follows:

(a) The Declarant shall have the right (without the joinder or consent of any Person), prior to the expiration of the Development Period, to add or annex real property within a two (2) mile radius of the Property to the scheme of this Declaration by filing of record a Supplemental Declaration, which Supplemental Declaration extends the scheme of the Covenants to such real property; provided, however, such Supplemental Declaration may contain such additions to and modifications of these Covenants as Declarant may deem appropriate in connection therewith. Any such Supplemental Declaration shall not require the consent of any other Person, but shall require the consent of the owner of such real property, if other than Declarant. Nothing in this Declaration shall be construed to require Declarant or any successor to subject additional property to this Declaration or to develop any of the additional property in any manner whatsoever.

(b) Any additional real property made subject to this Declaration, or the general scheme envisioned by this Declaration pursuant to this Section 3.2, when made, shall automatically extend the jurisdiction, functions, duties and membership of the Association to the real property added and correspondingly subject the real property added to the provisions of the applicable Supplemental Declaration.

Section 3.3 Withdrawal of Property. Declarant shall have the right, prior to the expiration of the Development Period, to amend this Declaration for the purpose of removing from the provisions of the Declaration any portion of the Property. Such amendment shall not require the consent of any Person other than the owner of the real property to be withdrawn, if such owner is not Declarant.

Section 3.4 Additional Covenants and Easements. Declarant may subject any portion of the Property to additional covenants and easements without limitation. Such additional covenants and easements may be set forth in a Supplemental Declaration applicable to such real property. If the Declarant does not own such real property, then the written consent of the Owner of such real property shall be required. Any such Supplemental Declaration may supplement, create exceptions to or otherwise modify the terms of this Declaration as it applies to such real property in order to reflect the different character and intended use of such real property. No Person shall record any declaration of covenants, conditions and restrictions or singular instrument affecting any portion of the Property without Declarant's prior written consent. Any attempted recordation without compliance herewith shall result in such instrument being void and of no force and effect unless subsequently approved by the Declarant by a written consent recorded in the Records.

## ARTICLE IV

### RIGHTS OF ENJOYMENT IN THE COMMON PROPERTY

#### Section 4.1 Easements

(a) Subject to the provisions of this Declaration: (i) each and every Owner and Resident of a Lot in good standing with the Association shall have a non-transferable,

non-exclusive right and easement of enjoyment in and to the Common Property (expressly excluding the Owner's Piers on the Pond and Owner's piers and boathouses on Cedar Creek Lake unless otherwise provided herein), for so long as (i) any such Owner, Resident and the Lot owned by such Owner or in which such Resident resides is not in violation of any portion of these Covenants, the Design Guidelines applicable to the Owner, Resident or Lot, or any rule or regulation promulgated by the Board, and (ii) all Assessments or Charges assessed against the Lot levied, payable or collectible pursuant to the provisions of these Covenants, the Bylaws or any rule or regulation promulgated by the Board have been fully and timely paid. No Owner or Resident may erect, place or alter a Structure within any Pier Area or make any Improvement to any Pier Area or Pier Improvements without the prior approval of the Design Review Committee in accordance with this Declaration. Lake Front Lot owners must obtain all applicable permits required by the Tarrant Regional Water Authority before constructing any improvement over which the District maintains jurisdiction and control. Each Owner and Resident agrees to repair any damage caused to the Pier Improvements and/or Pier Area by such Owner, Resident and/or its invitees. Nothing shall be done or permitted within the Pier Area and/or in connection with the use of the Pier Improvements which would constitute a threat or hazard to the health and safety of any Owner or Resident, or which damages the Pier Improvements or any other Improvements. Any damage to a Lot caused by any Owner or Resident in the exercise of the easement rights granted in this Section shall be restored at the Owner's or Residents expense to at least the same condition as existed prior to such damage.

(b) The Declarant reserves the right to use, during the Development Period, portions of the Common Property for business matters directly and indirectly related to the Property.

(c) One or more portions of the Common Property may from time to time be reasonably limited to private functions for use of Owners and Residents and their guests and invitees with the prior approval of the Association.

(d) The Declarant shall be entitled to convey title to some or all of the Common Property to the Association if, as and when deemed appropriate by the Declarant or as may be required by governmental authorities, and the Declarant shall at all times have and retain the right to effect minor redesigns or minor reconfiguration of the Common Property, to execute any open space declarations applicable to the Common Property which may be permitted in order to reduce property taxes, and to take whatever steps may be appropriate to lawfully avoid or minimize the imposition of ad valorem taxes by the Taxing Authorities.

(e) The easements described herein shall not confer upon any Owner or Resident the right to make any Improvement to the Common Property.

(f) Any Owner or Resident may extend such Owner's or such Resident's right of use and enjoyment to the members of his or her family and social invitees, subject to any rule or regulation established by the Board and in accordance with procedures the Board may adopt.

Section 4.2 Extent of Easements. The easements created hereby with respect to the Common Property shall be subject to the following:

- (a) The right of the Declarant or Association to prescribe reasonable regulations and policies governing, and to charge fees and/or deposits (e.g., key and access card deposits) related to, the use, operation and maintenance of the Common Property;
- (b) Liens or mortgages placed against all or any portion of the Common Property with respect to monies borrowed by the Association to improve or maintain the Common Property;
- (c) The right of the Association to perform its obligations under this Declaration and to enter into and execute contracts with any party (including, without limitation, the Declarant or its affiliates) for the purpose of providing management, maintenance or such other materials or services consistent with the purposes of the Association and/or this Declaration;
- (d) The right of the Declarant or the Association to take such steps as are reasonably necessary to protect the Common Property against foreclosure;
- (e) The right of the Declarant or the Association to suspend the voting rights of any Member and to suspend the right of any Owner or Resident to use or enjoy any of the Common Property for any period during which any Assessment (including, without limitation, "fines") against a Lot owned by such Owner or in which such Resident resides remains unpaid, or during which non-compliance with this Declaration or the Design Guidelines applicable to the Lot in question exists, and otherwise for any period deemed reasonable by the Association for an infraction of the then-existing rules and regulations;
- (f) The right of the Declarant and/or the Association to dedicate or transfer all or any part of the Common Property to any municipal corporation, public agency, governmental authority, or utility for such purposes and upon such conditions as may be agreed to by the Declarant or the Board, including the right of the Declarant or the Association to enter into and execute contracts with the owner-operators of any utility system or other similar operations for the purpose of extending utility service on, over or under the Common Property to ultimately provide service to one or more of the Lots or to adjacent properties which are not owned by the Declarant;
- (g) The right of the Declarant and/or the Association to grant permits, licenses and easements over the Common Property for utilities and other purposes necessary for the proper development of the Property or for any other reason deemed prudent by the Board;
- (h) The right of the Declarant and/or the Association to permit use of any recreational facilities situated on the Common Property by persons other than Owners and Residents, whether or not upon payment of reasonable user fees established by the Board;

Section 4.3. Restricted Actions by Owners and Residents. No Owner or Resident shall permit anything to be done on or in the Common Property which would violate any applicable public law or the Plat or which would result in the cancellation of or the

increase of premiums for any insurance carried by the Association, or which would be in violation of any law or any rule or regulation promulgated by the Board.

Section 4.4. Damage to the Common Property. Each Owner and Resident shall be liable to the Association for any damage to any portion of the Common Property caused by the negligence or willful misconduct of the Owner or Resident or such Owner's or Resident's family, guests, invitees or employees.

Section 4.5. Rules of the Board. All Owners and Residents shall abide by any rules and regulations adopted by the Board. The Board shall have the power to enforce compliance with the rules and regulations established from time to time by the Board by all appropriate legal and equitable remedies, including, without limitation, the imposition of fines, and an Owner or Resident determined to have violated the Board's rules and regulations shall be liable to the Association for all damages and costs incurred by the Association as a result of such violation or in regard to the enforcement thereof, including reasonable attorneys' fees.

Section 4.6 Use of Common Property. The Board shall have the power and authority to prescribe rules and regulations which extend to and cover matters such as (but not limited to) smoking, the possession and consumption of alcoholic beverages, loud and obnoxious noises, dress and attire and the supervision by attending adults of children. No Person (excluding the Declarant) shall use any portion of the Common Property to (a) solicit, promote or conduct business, religious, political or propaganda matters, or (b) distribute handbills, newsletters, flyers, circulars or other printed materials, without the prior written consent of the Board.

## ARTICLE V

### MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 5.1 Membership. Each and every Owner of each and every Lot shall automatically be, and must at all times remain, a Member of the Association in good standing. Membership of an Owner in the Association shall be appurtenant to and may not be separated from the interest of such owner in and to any portion of a Lot. Ownership of any Lot shall be the sole qualification for being a Member; however a Member's rights and privileges may be regulated or suspended as provided in this Declaration, the Bylaws or the rules and regulations promulgated by the Board. Any Person who holds an interest in and to all or any part of a Lot merely as security for the performance of an obligation shall not be a Member. Each Owner other than the Declarant shall be a "Class A Member." During the Development Period, the Declarant shall be a "Class B Member" unless the Declarant elects to become a "Class A Member."

Section 5.2 Transfers The membership of an Owner may not be severed from or in any way transferred, pledged, mortgaged or alienated except upon the sale or assignment of such Owner's interest in all or any part of such Owner's Lot and then only to the purchaser or assignee as the new Owner of the Lot in question. Each Owner shall notify the Association of any transfer or assignment of the fee title to such Owner's Lot.

Such transfer shall automatically operate to transfer the membership to the new Owner thereof.

Section 5.3 Management of the Association. The Association shall be incorporated as a nonprofit corporation. The Association shall be managed by the Board pursuant to the procedures set forth in the Association's articles of incorporation and bylaws, subject to this Declaration. At the Board's discretion, the board may engage a professional management company to oversee day to day operations and delegate to them specific responsibilities as needed.

Section 5.4 Membership Voting, Elections, and Meetings Each Class A Member shall have one vote per Lot. Should an Owner re-plat multiple Lots into fewer Lots, the original number of Lots shall determine that Owner's number of votes. The Class B Member shall have four votes per Lot. At any time, the Class B Member may elect to become a Class A Member. There shall be at least one meeting of the membership each year. At that meeting, the Owners shall elect a Board consisting of five directors and vote on any other matters the Board chooses to place before the membership, and discuss any matter of Association business that the Board or any Owner wishes to bring before the entire membership. A decision of the membership or the Board shall be by majority vote. Notwithstanding anything to the contrary, Declarant shall constitute the Board until such time as 80% of the Lots are purchased and all remaining debt, if any, to the Declarant is paid in accordance with these Covenants. Until such time, no action may be taken by the membership of the Association without Declarant's consent.

Section 5.5 Eligibility and Suspension of Voting Rights. Any homeowner with an outstanding balance on any fee properly assessed by the Homeowner's associates is not eligible to vote until said balance is paid in full.

## ARTICLE VI

### COVENANTS FOR ASSESSMENTS

#### Section 6.1 Definitions

(a) "Consideration" shall mean the gross consideration paid for the Real Property affected by the Transfer (see below) and shall include actual cash paid, the fair market value of real and personal property delivered or conveyed in exchange for the Transfer, or contracted to be so paid or delivered or conveyed, in return for the Transfer, and shall include the amount of any lien, mortgage, contract, indebtedness, or other encumbrance or debt, either given to secure the purchase price, or any part thereof, or remaining unpaid on the property at the time of the transfer. In the event that the Board determines that the consideration paid for a Transaction is a sham or attempt to intentionally devalue the property for the purpose of avoiding these covenants, the Board may have an appraisal done on the transferred property. The Board may then, in its discretion, use the appraised value as the value of Consideration for the Transfer. In the event the Transaction or Transfer is by lease agreement not specifically exempted in Section 6.4, the Consideration shall be deemed to be the ten times the annual rental rate.

In the event that the Lot is being resold after development by a commercial builder, the consideration shall be the difference between the purchase price of the Lot and the price of the Lot after the construction of improvements.

(b) "Person" means any individual, corporation, business trust, estate, trust, partnership, association or any other legal entity.

(c) "Purchaser" means any person to whom a Transfer of Real Property is made.

(d) "Real Property" shall mean real property as defined under the laws of the State of Texas.

(e) "Transfer" means and includes (1) any grant, assignment, transfer, exchange, conveyance or consummated sale of any ownership or title to Real Property situated in Beacon Hill; or (2) the leasing, letting, conveyance, assignment, transfer or consummated sale of a possessory interest in Real Property in Beacon Hill; subject to the exemptions in Section 6.4. This provision specifically includes an "Executory Contract for the Conveyance of Real Property." Such contract shall be treated as a lease under these provisions.

Section 6.2 Imposition of Land Transfer Assessment There is hereby imposed an assessment on all Transfers whether by deeds, instruments, writings, leases, or any other documents or otherwise by which any lands, tenements or other interests in Real Property located in Beacon Hill are sold, granted, let, assigned, transferred, exchanged or otherwise conveyed to or vested in a Purchaser, or Purchasers thereof, or any other Person or Persons, except as may be specifically exempted by this Covenant. Said assessments shall be due and payable at the time of any such Transfer and contemporaneously therewith as hereinafter specified.

Section 6.3 Amount of the Assessment The amount of the assessment shall be 3% of the consideration as defined above. Should the Real Property be owned by a corporation, partnership, or any other legal entity, and shares or interests in that legal entity are sold or transferred that do not equal the entirety of the stock or partnership interest, the assessment shall be divided by the percentage of the corporation or partnership transferred.

Section 6.4 Exceptions The above assessment imposed does not apply to:

- (a) Transactions wherein a governmental agency is the Grantee.
- (b) Any transfer of title by reason of death, pursuant to a will or intestate succession.
- (c) Transfers made pursuant to the reorganization of a partnership, corporation or other legal entity where the actual ownership does not change.
- (d) Transfers made by order of the U S Bankruptcy Code or through

receivership.

- (e) Transfer made that are incident to a previous transfer to confirm, correct or modify an underlying transaction. This section includes removing clouds of titles, easements, right-of-ways and licenses.
- (f) Transfers to secure a debt or other obligation, including transferring a lesser interest for the obtaining of financing.
- (g) Transfers from one legal entity to another as long as the underlying shareholders or partners of the entities are the same.
- (h) A transfer under a foreclosure as long as the purchaser at the sale held an underlying secured interest. However, any purchaser who does not have an underlying security interest must pay the assessment.
- (i) Transfers pursuant to a divorce, where the property is retained by one of the parties to the divorce.

**Section 6.5 Additional Assessments.** It is the intent of the Declarant that no assessments shall be charged other than the assessment as set forth in Section 6.2. However, the Class A Members may elect to impose an additional special, annual or monthly assessment upon Class A members if deemed necessary. Such assessment must be approved by a majority of the Class A Members. The Class B Member shall not have a vote to approve such an additional assessment as such additional assessment shall not be levied upon or apply to the Class B member. No assessment as set forth herein shall be binding or payable against the Declarant. There shall be other assessments and fines as set forth herein regarding construction and improvements to lots.

**Section 6.6 Liability** Each and every owner of a Lot in Beacon Hill is jointly and severally liable for the assessment.

**Section 6.7 Penalties** In the event that the Association is forced to litigate in order to receive the land transfer assessment, the assessment will increase to 4% of the consideration.

**Section 6.8 Other Real Property** In the event that a Lot in Beacon Hill is sold along with other Real Property not in Beacon Hill, only the fair market value of the property in Beacon Hill will be used to calculate the assessment.

**Section 6.9 Creation of the Lien and Personal Obligation of Assessments.** Each Owner of any Lot, by acceptance of a Deed therefore, whether or not reference to the Covenants shall be so expressed in any such Deed or other conveyance, shall be deemed to have covenanted and agreed (and such covenant and agreement shall be deemed to constitute a portion of the purchase money and consideration for acquisition of the Lot so as to have affected the purchase price) to pay to the Association.

**Section 6.10 Purposes of Assessments; Improvement and Maintenance of the**

Common Property. The Assessments levied by the Association shall be used for the purposes of promoting the comfort, health, recreation, safety, convenience, welfare and quality of life of the Members of the Association and in supplementing some services and facilities normally provided by or associated with governmental or quasigovernmental entities, and, otherwise, for the improvement and maintenance of the Common Property and other properties, services and facilities devoted and related to the use and enjoyment of the Common Property and operation of the Association, including, but not limited to or for: (a) the payment of taxes on the Common Property and insurance in connection with the Common Property; (b) the payment for utilities and the repair, replacement and additions of various items within the Common Property; (c) paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of the Common Property; (d) carrying out the duties of the Board as set forth in Article IX of this Declaration; (e) carrying out the other various matters set forth or envisioned herein or in any Amended Declaration or Supplemental Declaration related hereto; (f) repairing and maintaining the rights of way, public parks, paths and trails in the vicinity of the Property as required by the City or as designated by the Declarant or the Association; (g) the construction, maintenance, repair and/or replacement of Pier improvements, and the payment of premiums for casualty and liability insurance with respect to the Pier Improvements; (h) payments to financial institutions or other Lenders under agreements for the construction of facilities or other modifications to the facilities located in the common area; and (i) for any matter or thing designated by the City and/or County in connection with any zoning, subdivision, platting, building, development or occupancy requirements. The items and areas described above are not intended to be exhaustive but merely illustrative.

Section 6.11 Budget Deficit and Surplus. To the extent that the amount of Annual Assessments required to be paid to the Association are insufficient to cover actual Common Expenses incurred by the Association, Declarant may, at its sole discretion, loan to the Association an amount equal to any excess actual Common Expenses, which amount, together with interest at a floating rate per annum equal to the highest prime rate published by *The Wall Street Journal*, shall be repaid by the Association to Declarant as follows; Any Budget Surplus of greater than 10% of the Association's operating budget shall be paid to the Declarant for either the interest on debt owed the Declarant, or if sufficient funds allow, for the retirement or partial retirement of such debt. Further, any amount paid by the Declarant for the construction of improvements in Beacon Hill shall be construed as a loan as set forth above.

Section 6.12 Effect of Non-Payment of Assessment; the Personal Obligation of the Owner; the Lien in Respect to a Lot: Remedies of Association.

(a) Effective as of, and from and after, the filing and recordation of this Declaration, there shall exist a self-executing and continuing Assessment Lien and equitable charge on each Lot to secure the full and timely payment of each and all Assessments and all other Charges and monetary amounts and performance obligations due hereunder in respect to the Lot. Such lien shall be at all times superior to any claim of homestead by or in any Owner of a Lot. If any Assessment or Charge or other monetary amount or any part thereof is not paid by the Owner of a Lot on the date(s) when due, then the unpaid amount of the Assessment or Charge or other monetary amount shall (after the passage of any stated grace period) be considered delinquent and shall, together

with any late charge and interest thereon at the Maximum Lawful Rate and costs of collection thereof, become a continuing debt secured by the self-executing Assessment Lien on the Lot of the non-paying Owner which shall bind such Lot in the hands of the Owner and Owner's heirs, executors, administrators, devisees, personal representatives, successors and assigns. The Association shall have the right to reject partial payments of an unpaid Assessment or other monetary obligation and demand the full payment thereof. The personal obligation of the then-existing Owner to pay such Assessment or other monetary obligation, however, shall remain the Owner's personal obligation and shall not pass to Owner's successors in title unless expressly assumed by them. However, the lien for unpaid Assessments or other monetary obligation shall be unaffected by any sale, conveyance or transfer of a Lot and shall continue in full force and effect.

(b) No Owner may waive or otherwise escape liability for any Assessment or other monetary obligation provided herein by non-use of the Common Property or abandonment of any Lot. No diminution or abatement of Assessments or other monetary obligation shall be claimed or allowed by reason of any alleged failure of the Association to take some action or to perform some function required to be taken or performed by the Association, or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay such Assessments or other monetary obligation being a separate and independent covenant on the part of each Owner.

(c) The Association may also give written notification to the holder(s) of any mortgage on the Lot of the non-paying Owner of such Owners default in paying any Assessment or Charge or other monetary obligation, particularly where the Association has theretofore been furnished in writing with the correct name and address of the holder(s) of such mortgage, and a written request to receive such notification.

(d) If any Assessment or Charge or other monetary obligation or part thereof is not paid when due, the Association shall have the right and option to impose a late charge (but only to the extent permitted by applicable law) to cover the additional administrative costs involved in handling the account. The unpaid amount of any such delinquent Assessment or Charge or other monetary obligation shall bear interest from and after the date when due at the Maximum Lawful Rate until fully paid. The Association may, at its election, retain the services of an attorney to review, monitor and/or collect unpaid Assessments or Charges and delinquent accounts, and there shall also be added to the amount of any unpaid Assessment or Charge or any delinquent account any and all reasonable attorneys' fees and other costs of collection incurred by the Association.

(e) The Association may, at its discretion but subject to all applicable debt collection statutes, prepare and file a lien affidavit in the Records which specifically identifies the unpaid Assessments or Charges or other monetary obligation.

#### Section 6.13 Power of Sale

(a) Each Owner of a Lot, for the purpose of better securing each and all monetary obligations described within these Covenants, and in consideration of

the benefits received and to be received by virtue of the ownership of such Owner's Lot, by acceptance of a Deed therefore, is deemed to have granted, sold and conveyed unto the Trustee, such Owner's Lot, to have and to hold such Lot, together with the rights, privileges and appurtenances thereto belonging unto the Trustee, and to its substitutes or successors, forever. Each Owner, by its acceptance of the Deed, is deemed to have bound such Owner and such Owner's heirs, executors, administrators, devisees, personal representatives, successors and assigns, to warrant and forever defend such Owner's Lot unto the Trustee, its substitutes or successors and assigns, forever, against the claim, or claims of all Persons claiming or to claim the same or any part thereof.

(b) This conveyance by the Owners of the Lots is made in trust to secure payment by the Owners of all Lots of each and all Assessments and other obligations prescribed by these Covenants to and for the benefit of the Association, as the beneficiary. In the event of default in the payment of any obligation hereby secured, in accordance with the terms thereof, then and in such event, the Association may elect to declare the entire indebtedness hereby secured with all interest accrued thereon and all other sums hereby secured due and payable (subject, however, to the notice and cure provisions set forth in Section 51.002 of the Texas Property Code), and in the event of default in the payment of such indebtedness when due or declared due, it shall thereupon, or at any time thereafter, be the duty of the Trustee, or its successor or substitute as hereinafter provided, at the request of the Association (which request is hereby conclusively presumed), to enforce this trust. After advertising the time, place and terms of the sale of the Lot then subject to the lien hereof, and mailing and filing notices as required by Section 51.002, Texas Property Code, as then amended, and otherwise complying with that statute, the Trustee shall sell the Lot of the non-paying Owner, then subject to the lien hereof, at public auction in accordance with such notices on the first Tuesday in any month between the hours of ten o'clock a.m. and four o'clock p.m., to the highest bidder for cash, selling all of the Lot then subject to the lien hereof as an entirety or in such parcels as the Trustee acting may elect, and make due conveyance to the purchaser or purchasers (the "Purchaser" or "Purchasers" herein), with general warranty binding upon the Owner, his or her or its heirs, executors, administrators, devisees, personal representatives, successors and assigns. Out of the money arising from such sale, the Trustee acting shall pay, first, all the expenses of advertising the sale and making the conveyance, including a reasonable commission to itself, which commission shall be due and owing in addition to the attorney's fees herein provided for, and then to the Association the full amount of principal, interest, attorney's fees and other charges due and unpaid on such indebtedness secured hereby, rendering the balance of the sales price, if any, to the Owner, such Owner's heirs, executors, administrators, devisees, personal representatives, successors and assigns and/or to any other lienholder (if so required by applicable law).

Section 6.14 Subordination of the Lien. The lien on the Lots securing the payment of the Assessments and other obligations provided for herein shall be superior to any and all other charges, liens or encumbrances which may hereafter in any manner arise or be imposed upon any Lot, whether arising from or imposed by judgment or

decree or by any agreement, contract, mortgage or other instrument, except for:

- (a) bona fide first mortgage or deed of trust liens for purchase money and/or improvement purposes placed against a Lot, including, without limitation, Institutional Mortgages, in which event the Association's lien shall automatically become subordinate and inferior to such first lien;
- (b) liens for taxes or other public charges as are by applicable law made superior to the Association's lien; and
- (c) such other liens with respect to which the Board may, in the exercise of its reasonable discretion, elect to voluntarily subordinate the Association's lien; provided however, such subordination shall apply only to (i) the Assessments due and payable prior to the foreclosure sale (whether public or private) of such Lot pursuant to the terms and conditions of any such first mortgage or deed of trust or tax lien and (ii) the permitted Assessment Lien on the Lot alone and not on or to any easement appurtenant for use and enjoyment of the Common Property. Such sale shall neither relieve such Lot from liability for the amount of any Assessment thereafter becoming due nor from the lien of any such subsequent Assessment. Such subordination shall not apply where the first mortgage or deed of trust or tax lien is used as a device, scheme or artifice to evade the obligation to pay Assessments and/or to hinder the Association in performing its functions hereunder.

## ARTICLE VII

### DESIGN REVIEW COMMITTEE

Section 7.1 Committee and Guidelines. The Design Review Committee will be responsible for the administration of Design Guidelines to facilitate the purposes and intent of this Declaration. The Declarant shall have the right to adopt, modify, amend, repeal and augment the Design Guidelines in its sole discretion until the earlier of (a) the expiration of the Development Period or the assignment of such right by the Declarant to the Design Review Committee, and thereafter, by unanimous vote, the Design Review Committee may adopt, modify, amend, repeal and augment the Design Guidelines from time to time, with the approval of the Board. The Design Guidelines will be binding on all Owners and other persons governed by this Declaration.

The Design Guidelines may include, among other things, those restrictions and limitations set forth below:

At no time shall any dwelling, garage, outbuilding of any kind, fence, wall, pole, exterior lighting, antenna regardless of kind, driveway, sidewalk or other walkway, mailbox, and equipment including but not limited to athletic, recreational, or playground, basketball goal, or any other kind of structure or apparatus, whether permanent or temporary, or landscaping shall be commenced, erected, constructed, placed or maintained upon the Common Areas or upon any Lot, nor shall any exterior addition thereto, change therein of any part of the subdivision be made until the plans and

specifications showing the nature, kind, shape, height, materials, color, location, and other material attributes unless the same shall have been submitted in writing to and approved by the Committee as to:

- (a) Compliance with all covenants contained herein.
- (b) Harmony with exterior design and location as to any surrounding structure whether existing or proposed
- (c) Conformity with all architectural designs, setbacks, landscaping, colors, and construction materials as specified in this declaration.

**Section 7.2. Committee Membership** The Design Review Committee will be composed of up to three (3) persons. The Design Review Committee need not include any Member of the Association. All of the members of the Design Review Committee will be appointed, removed and replaced by Declarant, in its sole discretion, until the expiration of the Development Period or such earlier time as Declarant may elect to voluntarily waive this right by notice to the Association, and at that time the Board will succeed to Declarant's right to appoint, remove or replace the members of the Design Review Committee. The compensation of the members of the Design Review Committee, if any, may be established; revoked or modified from time to time by the Declarant or the Board, whichever then has the right to appoint, remove or replace members. All Committee members shall be entitled to reimbursement for reasonable expenses incurred by them in connection with the performance of the duties of the Design Review Committee.

**Section 7.3. Purpose and General Authority.** The Design Review Committee will review, study and either approve or reject proposed Improvements on the Property, all in compliance with this Declaration and as further set forth in the Design Guidelines and such rules and regulations as the Design Review Committee may establish from time to time to govern its proceedings. No Improvement will be erected, placed, constructed, reconstructed, replaced, repaired or otherwise altered, and no erection, placement, construction, reconstruction, replacement, repair or alteration will be commenced until plans for the Improvements shall have been submitted to and approved by the Design Review Committee, all in accordance with these Covenants; provided, however, that Improvements that are completely within a Structure and not visible from outside the Structure may be undertaken without such approval. All Improvements will be erected, placed, constructed, reconstructed, replaced, repaired or altered only in accordance with plans approved by the Design Review Committee in accordance with these Covenants.

**Section 7.4 Committee Discretion.** When a proposed Improvement is submitted to the Design Review Committee for review, the Design Review Committee will grant the requested approval only if the Design Review Committee, in its sole discretion, determines that:

- (a) All Improvements conform to the covenants contained herein;
- (b) All Improvements conform and harmonize with any existing Structures as to external design, quality and type of construction, seals, materials, color, location on the

Building Area, height, grade and finished ground elevation;

(c) The Improvements, as a result of appearance, location or anticipated use, will not interfere with the reasonable enjoyment of any other Owner; and

(d) The Owner's plans and specifications conform to the schemes and aesthetic considerations set forth in Article VIII.

The Design Review Committee, in its sole discretion, may excuse compliance with the standards set forth within these Covenants and the Design Guidelines as are not necessary or appropriate in specific situations and may permit compliance with different or alternative standards. The approval by the Design Review Committee of any plans, drawings or specifications for any Improvement, or for any other matter requiring the approval of the Design Review Committee under this Declaration, or any waiver thereof, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval by the same or some other Owner. The Design Review Committee shall be entitled to determine that a proposed Improvement or component thereof is unacceptable when proposed on a particular Lot, even if the same or a similar Improvement has previously been approved for use at another location.

Section 7.5 Procedures for Approval. Preliminary plans may be submitted to the Committee for the Committee to provide advice and opinion. Final plans and specifications shall be submitted in duplicate to the Committee. The plans and specifications shall show the nature, kind, shape, height, materials, and location of all landscaping and improvements. The documents shall specify any requested variance from the setback lines, garage location or any other requirement set forth in this Declaration. The Committee is authorized to request the submission of samples of proposed construction materials. At such time as the plans and specifications meet the approval of the Committee, one complete set of plans and specifications will be retained by the Committee and the other complete set of plans shall be marked "Approved", signed on behalf of the Committee and returned to the Lot owner or his designated representative.

If disapproved by the Committee, one set of such plans shall be returned marked "Disapproved" and shall be accompanied by a reasonable statement of the reasons for disapproval, which statement shall be signed on behalf of the Committee. Any modification of the approved set of plans and specifications must again be submitted to the Committee for its approval. The Committee's approval or disapproval, as required herein, shall be in writing. In no event shall the Committee give verbal approval or disapproval of any plans. If the Committee fails to approve or disapprove such plans and specifications within thirty (30) days after the date of submission, written approval of the matters submitted shall not be required and compliance with this article shall be deemed to have been completed. In a case of a dispute about whether the Committee responded within such time period, the person submitting the plans shall have the burden of establishing that the Committee received the plans. The Committee's receipt of the plans may be established by a signed certified mail receipt.

Section 7.6. Binding Effect The actions of the Design Review Committee in the

exercise of its discretion by its approval or disapproval of plans, drawings, specifications and other information submitted to it, or with respect to any other matter before it, will be conclusive and binding on all interested parties.

Section 7.7 Organization and Operation of Committee.

(a) The term of office of each member of the Design Review Committee, subject to Section 7.2, will be one (1) year, commencing January 1 of each year, and continuing until his successor shall have been appointed. Should a Committee member die, retire or become incapacitated, or in the event of a temporary absence of a member, a successor may be appointed as provided in Section 7.2. A Committee member may resign from the Design Review Committee at any time upon written notice stating the effective date of such resignation to the Declarant or the Board, whichever then has the right to appoint members. A Committee member may be removed from the Design Review Committee at any time, with or without cause, by a majority of the Committee.

(b) So long as Declarant appoints the Design Review Committee, Declarant will appoint the chairman. At such time as the Design Review Committee is appointed by the Board, the chairman will be elected annually from among the members of the Design Review Committee by a majority vote of the members. In the absence of a chairman, the party responsible for appointing or electing the chairman may appoint or elect a successor, or if the absence is temporary, an interim chairman.

(c) The Design Review Committee chairman will take charge of and conduct all meetings and will provide for reasonable notice to each member of the Design Review Committee prior to any meeting. The notice will set forth the time and place of the meeting, and notice may be waived by any member.

(d) The affirmative vote of a majority of the members of the Design Review Committee will govern its actions and be the act of the Design Review Committee,

(e) The Design Review Committee may avail itself of other technical and professional advice and consultants as it deems appropriate, and the Design Review Committee may delegate its plan review responsibilities, except final review and approval, to one or more of its members or to consultants retained by the Design Review Committee. Upon that delegation, the approval or disapproval of plans and specifications by such member or consultant will be equivalent to approval or disapproval by the Design Review Committee.

Section 7.8 Expenses. Except as provided in this section below, all expenses of the Design Review Committee will be paid by the Association and will constitute a Common Expense. The Design Review Committee will have the right to charge a fee for each application submitted or resubmitted to it for review and for each request for a Certificate of Compliance, in an amount which may be established by the Design Review Committee from time to time, and such fees will be collected by the Design Review Committee and remitted to the Association to help defray the expenses of the Design Review Committee's operation. In addition, the Association may engage outside consultants and other professionals to review submissions, the cost of which shall be borne by the person or entity making the submission or request.

**Section 7.9 Other Requirements** Compliance with the design review process is not a substitute for compliance with City and/or County building, zoning and subdivision regulations, and each Owner is responsible for obtaining all approvals, licenses, and permits as may be required prior to commencing construction. Further, the establishment of the Design Review Committee and procedures for design review will not be construed as a modification of any rights or restrictions upon Owners to maintain and repair their Lots and Improvements as otherwise required under the Governing Documents.

**Section 7.10 Limitation of Liability.** Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only, and the Design Review Committee shall not bear any responsibility for ensuring (i) structural integrity or soundness of approved construction or modifications, (ii) compliance with building codes and other governmental requirements, or (iii) conformity of quality, value, size or design among Lots. The Design Review Committee will use its own judgment in accepting or disapproving all plans and specifications submitted to it. Neither the Design Review Committee nor any individual Committee member will be liable to any person for any official act of the Design Review Committee in connection with submitted plans and specifications, except to the extent the Design Review Committee or any individual Committee member acted with malice or harmful intent. Approval by the Design Review Committee does not necessarily assure approval by the appropriate governmental board or commission for the City. Notwithstanding that the Design Review Committee has approved plans and specifications, neither the Design Review Committee nor any of its members will be responsible or liable to any Owner, developer or contractor with respect to any loss, liability, claim or expense which may arise by reason of such approval of the construction of the Improvements. The Design Review Committee's approval of any application shall not be deemed to be a representation or warranty that the construction or modification of any Improvement pursuant to such approval will be free of defects in the quality of materials or labor provided or in its design. Each Owner should obtain whatever soil reports, foundation studies and/or engineering studies the Owner deems necessary to determine the adequacy for construction of any Improvement prior to the purchase of a Lot.

**Section 7.11 Proceeding With Work.**

(a) Upon receipt of final design approval from the Design Review Committee, the Owner shall, as soon as practicable, satisfy all conditions thereof and diligently proceed with the commencement of construction pursuant to said approval, said commencement to be within one (1) year from the date of such approval, and the Improvement shall be diligently pursued to completion. If the Owner shall fail to comply with this Section 7.11, any approval given pursuant to this Article VII shall be deemed revoked unless the Design Review Committee, upon written request of the Owner made prior to the expiration of the applicable time period, extends the time for commencement. No such extension shall be granted except upon a finding by the Design Review Committee that there has been no change in the circumstances upon which the original approval was granted and that the Owner has a bona fide intention and ability to commence the Improvement within the time period specified in the extension request and diligently pursue the same to completion. For purposes of this Section 7.11, "commencement of construction" with respect to the initial construction of a Structure on

a Lot shall be deemed to mean the later of the date on which a building permit has been issued by the City for construction of a Structure on the Lot, rough plumbing has been installed on the Lot and foundations forms are set on the Lot and ready for pouring and "commencement of construction" with respect to reconstruction, refinishing or alteration shall be deemed to mean the date on which labor is first furnished or materials first delivered to a Lot with respect to such reconstruction, refinishing or alteration.

(b) Each Owner of a Lot covenants and agrees that, in the event construction of the initial Structure on the Owners Lot has not commenced within eighteen months from the date of conveyance of such Lot by Declarant to such Owner or Owner's predecessor in title to the Lot, upon receipt by the Owner of such Lot of written notice (the "Construction Commencement Notice") from the Association informing the Owner that the Owner must diligently proceed with the commencement of construction of a Structure on the Lot. As long as any Owner has not commenced meaningful and substantial construction upon a Lot covered in the Declaration and if the Owner is unable to begin construction in a reasonable time, Declarant shall have the exclusive option to repurchase the lot at the original sales price or the current fair market value as determined by a licensed appraiser, whichever is lower. If the Declarant chooses to not exercise that option, then and only then will the Owner be free to sell any such Lot with the additional condition that such new owner shall agree to comply with the Owner's construction commencement.

#### Section 7.12 Failure to Complete Work.

(a) Unless the Owner has been granted an extension of time to complete the Improvement by the Design Review Committee, the initial construction of a Structure on a Lot must be completed within one (1) year after construction has commenced. Unless the Owner has been granted an extension of time to complete the Improvement by the Design Review Committee, reconstruction, refinishing or alteration of any Improvement must be completed within one (1) year after construction has commenced or within such shorter period as may have been specified in the Design Review Committee's approval of the Improvement. Further, construction, reconstruction, refinishing or alteration of any Improvement may not cease for any period in excess of ninety (90) consecutive days. For purposes of this Section 7.12, the initial construction of a Structure on a Lot shall be deemed completed when all plumbing fixtures are installed and operational, all cabinet work is completed and installed, all interior walls, ceilings and doors are completed and installed, floors have been completed and hardwood, carpet, tile or other similar floor covering installed, the appropriate final finish has been applied to all surfaces within the structure, such as paint, wallpaper, paneling, stain or the like, and all approved and required landscaping is completed and installed. For purposes of this Section 7.12, reconstruction, refinishing or alteration of any Improvement shall be deemed completed when the Improvement may be used for the purposes for which it is intended.

(b) With respect to the initial construction of a Structure on a Lot, the following shall apply:

(i) Construction on a Lot must begin within 18 months of the purchase of the Lot. All construction begun on a Lot must be finished within one year.

(ii) in the event that construction of the Structure, once commenced, ceases for a period in excess of ninety (90) consecutive days; the Owner of such Lot shall pay to the Association a fine (the "Construction Delay Fine") payable as established by the Association from time to time not more frequently than monthly in an amount established by the Association from time to time not less than One Hundred and No/00 Dollars (\$100.00) for each day elapsing following, as applicable, (i) the expiration of one (1) year following commencement of construction thereof or receipt of the Construction Commencement Notice until construction of the Structure has been completed or (ii) the expiration of ninety (90) days in which no construction of the Structure has occurred until such construction recommences. The Construction Delay Fine shall constitute a Charge secured by the continuing Assessment Lien herein established and shall be the continuing personal obligation of the Owner. The Construction Delay Fine shall be due and payable as it accrues on the last day of each month until construction of the Structure has been completed. The Owner of any Lot, by acceptance of a Deed therefor, shall be deemed to have covenanted and agreed that the Construction Delay Fine is reasonable and necessary.

#### 7.13 Enforcement.

(a) Any member or authorized consultant of the Design Review Committee, or any authorized officer, director, employee or agent of the Association may enter upon any Lot at any reasonable time after notice to the Owner, without being deemed guilty of trespass, in order to inspect Improvements constructed or under construction on the Lot to determine whether the Improvements have been or are being built in compliance with the Governing Documents and the plans and specifications approved by the Design Review Committee.

(b) Before any Improvements on a Lot may be occupied, the Owner of the Lot shall be required to obtain a certificate in recordable form setting forth, to the best of the Design Review Committee's knowledge, that the Improvements on a particular Lot have been substantially completed in accordance with the plans and specifications approved by the Design Review Committee (a "Certificate of Completion"). Without limiting the generality of the preceding sentence, the Design Review Committee may require, as a condition to the issuance of the Certificate of Completion, that the Owner pay a reasonable fee established by the Design Review Committee from time to time and deposit with the Design Review Committee such sums as may be necessary to complete the landscaping on the Lot by a specified date. If the landscaping is not completed as scheduled, the Design Review Committee may apply the deposit to cover the cost of completing the work and enforce such other remedies as are available to the Association for the failure of the Owner to comply with these covenants, including, without limitation, the remedies set forth in Section 7.12.

(c) Upon payment of a reasonable fee established from time to time by the Design Review Committee, and upon written request of any Owner or his agent, an existing or prospective Institutional Mortgagee, or a prospective grantee, the Design Review Committee will issue a certificate, in recordable form, setting forth generally whether, to the best of the Design Review Committee's knowledge, the Improvements on a particular

Lot are in compliance with the terms and conditions of the Design Guidelines.

(d) Every violation of these Covenants is hereby declared to be and to constitute a nuisance, and every public or private remedy allowed for such violation by law or equity against an Owner will be applicable. Without limiting the generality of the foregoing, these Covenants may be enforced as provided below.

(i) The Design Review Committee may adopt a schedule of fines for failure to abide by the Design Review Committee rules and the Design Guidelines, including fines for failure to obtain any required approval from the Design Review Committee.

(ii) The Association, upon request of the Design Review Committee and after reasonable notice to the Owner, may enter upon any Lot at any reasonable time after notice to the Owner, without being deemed guilty of trespass, and remove any Improvement constructed, reconstructed, refinished, altered, or maintained in violation of these Covenants. The Owner of the Improvements will immediately reimburse the Association for all expenses incurred in connection with such removal. If the Owner fails to reimburse the Association within thirty (30) days after the Association gives the Owner notice of the expenses, the sum owed to the Association shall constitute a Charge secured by the continuing Assessment Lien herein established and shall be the continuing personal obligation of the Owner.

(iii) To evidence any violation of this Article or Article VII by any Owner, the Board may file, but is not required to file, in the Records, a notice of violation. Such notice shall be signed and acknowledged by an officer or duly authorized agent or attorney of the Association. The cost of preparing and recording such notice may be assessed against the non-conforming Lot and collected as a Charge secured by the continuing Assessment Lien herein established and shall be the continuing personal obligation of the Owner.

## ARTICLE VIII

### USE OF LOTS, CONSTRUCTION OF IMPROVEMENTS AND PROHIBITED USES

Each Lot situated in the Property shall be constructed, developed, reconstructed, repaired, occupied and used as follows:

#### Section 8.1 Use of Lots.

(a) Residential Parcels. All Lots within Residential Parcels shall be used solely for a Residential Use. No Structure shall be erected, altered, placed or permitted to remain on any Lot within a Residential Parcel other than one (1) single-family Residence and, if any, its customary and usual accessory structures (unless otherwise prohibited herein). No Owner, Member or Resident shall conduct, transmit, permit or allow any type or kind of home business or home profession or hobby on any Lot or within any Residence which would (a) attract automobile, vehicular or pedestrian traffic to the Lot, or (b) involve lights, sounds, smells, visual effects, pollution and the like which would

adversely affect the peace and tranquility of any one or more of the Residents within the Property. No building or Structure intended for or adapted to business or commercial purposes or commercial use shall be erected, placed, permitted or maintained on any Lot within a Residential Parcel, save and except those related to development, construction and sales purposes of a Builder or the Declarant.

(b) Condominium Parcel. A Condominium Parcel shall be used solely for multifamily residential use. No Structure shall be erected, altered, placed or permitted to remain on a Condominium Parcel other than one (1) or more Structures containing multiple Condominium Units.

(c) Commercial Parcel. A Commercial Parcel shall be used solely for Commercial Uses as approved by the Declarant.

(d) Governmental Requirements. The restrictions on use herein contained shall be cumulative of, and in addition to, such restrictions on usage as may from time to time be applicable under and pursuant to zoning ordinances of the City and/or County or any other statutes, rules, regulations and ordinances of the City, County or any other governmental authority having jurisdiction over the Property.

#### Section 8.2 Subdivision or Consolidation of Lots.

(a) Except for the powers and privileges herein reserved by Declarant, Lots shall not be further subdivided or consolidated into a single building location without the prior express written consent of the Declarant during the Development Period and, thereafter, the Association, and the consent or approval of any Owner other than Declarant shall not be required for such further subdivision or consolidation. The Declarant shall have and reserves the right, at any time or from time to time during the Development Period, to file a replat of the Plat to effect a reconfiguration of any Lot then owned by Declarant, subject to compliance with the provisions of this Declaration, applicable zoning ordinance and any other statutes, rules, regulations and ordinances of the City, County or any other governmental authority having jurisdiction over the Property, and the consent or approval of any Owner other than Declarant shall not be required for such replatting.

(b) In the event any Owner owning two (2) or more Lots desires to consolidate such Lots into a single building location and Declarant or the Association, as applicable, consents thereto, such consolidation must comply with the provisions of this Declaration, applicable zoning ordinances and any other statutes, rules, regulations and ordinances of the City, County or any other governmental authority having jurisdiction over the Property. Further, notwithstanding such consolidation, the Owner of the consolidated Lots shall be obligated to pay Assessments and shall be entitled to votes as a Member of the Association based upon the number of Lots determined prior to such consolidation.

(c) In the event any consolidation as contemplated in Section 8.2 (b) requires the abandonment or relocation of utility easements reserved as shown on the Plat, such abandonment or relocation shall require, in addition to the approval of any utility company having the right to use such utility easement, during the Development Period, the approval of the Declarant, and from and after the expiration of the Development

Period, the Association.

(d) No Lot shall be made subject to any type of timesharing, fraction-sharing or similar program whereby the right to exclusive use of the Lot rotates among members of the program on a fixed or floating time schedule over a period of years.

Section 8.3 Construction Requirements. Unless otherwise approved by the Committee, no structures shall be erected on any Lot from designs and materials other than the following:

- (a) Architecture of all home structures shall be "lake style" as illustrated in the "Vision Book" produced and maintained by the Architectural Control Committee.
- (b) Each exterior elevation of the home excluding windows may not be less than seventy percent (70%) natural stone, stone veneer, masonry or other material approved by the Committee. Regional natural stones recommended by the Committee include Oklahoma stone, Arkansas stone, Austin limestone, Hacketts and Field stone. Brick and brick veneer are not allowed.
- (c) Recommended exterior siding materials are cedar and redwood. Other exterior materials subject to Committee approval include engineered wood, Hardeboard products and smooth stucco. The committee will consider approval of alternative proposed products consistent with lake style architecture
- (d) Roofing shall be constructed of standing seam metal, slate, flat concrete tile or composition material of a minimum weight of 350 pounds per 1000 square feet of roofing unless specifically approved otherwise by the Committee in writing before installation. Copper, bronze, gray, natural, or green roofing materials are recommended subject to Committee approval. Roof pitch shall be a maximum of 8/12, unless approved otherwise by the Committee.
- (e) Foundation design shall be approved by a professional engineer.

Section 8.4 Building Setbacks, Height and Elevation Restrictions. All dwellings must be located within the setbacks as designated in Exhibit B. For the purposes of these covenants, eaves and steps and open porches shall not be considered as a part of the building, provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach past the setback lines. Furthermore, it is the desire of Declarant to protect the sightlines for property owners to view the adjacent Cedar Creek Lake. Accordingly, the improvements constructed upon any lot must comply with the sightline and height requirements described in attached Exhibit B.

Section 8.5 Floor Area The total air-conditioned living area of the main residential structure, as measured to the outside exterior walls but exclusive of open porches, garages and patios and detached accessory buildings, shall be not less than two thousand five hundred (2,500) square feet for Hillside Lots and Pond Lots. Lake Front

Lots require a minimum square footage of three thousand five hundred (3,500) square feet.

Section 8.6 Dirt. The digging of dirt or the removal of any dirt from any Lot is hereby expressly prohibited, except as may be necessary in conjunction with landscaping or construction of Improvements. Minimum finished elevations established on the Plat or otherwise established by the Design Review Committee shall be maintained at all times, unless a variance is secured by the Owner from the Design Review Committee.

Section 8.7 Drainage. No Owner will do or permit any work, place any landscaping or install any other Improvements or suffer the existence of any condition whatsoever which will alter or interfere with the drainage pattern for the Property, except to the extent such alteration and drainage pattern is approved in writing by the Design Review Committee or the Association.

Section 8.8 Irrigation. No sprinkler or irrigation systems of any type that draw upon water from creeks, streams, rivers, ponds, lakes, wetlands or other surface water within the Property shall be installed, constructed or operated within the Property unless approved in writing by the Association; however, the Declarant and the Association shall have the right to draw water from such sources for the purpose of irrigating the Common Property.

#### Section 8.9 Landscaping.

- (a) Construction of each and every Structure on a Lot shall include the installation and placement of landscaping as required by these Covenants, the Design Guidelines and applicable zoning ordinances. Any and all plans and specifications for the landscaping of Lots and any alterations, changes, additions to or removal of existing landscaping, shall be subject to the prior approval of the Design Review Committee. The committee will not allow trees and shrubs to be planted that will obstruct view corridors as determined by the committee. No tree shall be removed unless expressly approved by the committee.
- (b) Each Lot shall have and contain an underground water sprinkler system for the purpose of providing sufficient water to all landscaped areas within the Lot.

Section 8.10 Sight Distance at Intersections. Lots located at street intersections shall be landscaped so as to permit safe sight across the street corners. No structure shall be placed or permitted to remain where it would create a traffic or sight line problem.

Section 8.11 Fences. Fences are not encouraged in Beacon Hill. No fence, wall or hedge (which serves as a barrier) shall be erected, placed or altered on any Lot unless approved by the Design Review Committee in accordance with Article VII.

Section 8.12 Lighting. All exterior lighting for all Lots and dwellings must be designed to minimize light pollution. Lighting plans and specific fixtures must be approved by the Design Review Committee prior to construction.

Section 8.13 Mailboxes. Mailboxes shall be standardized and shall be provided at cost by the Association.

Section 8.14 Other Exterior Materials. Installation of all types of exterior items and surfaces such as address numbers or external paint or stain, shall be subject to the approval of the Design Review Committee.

Section 8.15 Boathouses and Piers. All boathouses, docks and piers for Lake Front Lots must be built inside the owner's retaining wall. If such Pier, dock or boathouse is cantilevered over the water, it may not protrude farther than 2 feet over the water. Docks and piers in the Pond Area may not protrude over the water more than 10 feet.

Section 8.16 Pools. No above ground-level swimming pools shall be erected, constructed or installed on any Lot.

Section 8.17 Solar Panels. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be permitted on any Structure constructed on any Lot, unless approved in writing by the Design Review Committee.

Section 8.18 Temporary Structures. No temporary Structure of any kind shall be erected or placed upon any Lot. Temporary Structures shall include, but not be limited to, any garage, servant's house or other improvement erected more than one hundred twenty (120) days prior to the completion of the main portion of the Residence. However, upon receiving the prior, express written approval of the Committee, the Declarant or any Builder may maintain temporary sales or construction offices,. The Committee shall make the determination regarding the length of time the Temporary Structure may remain in place on a case by case basis.

Section 8.19 Utility Lines. No overhead utility lines, including lines for cable television, shall be permitted within the Property, except for temporary lines as required during construction.

Section 8.20 Antenna Restrictions. No antenna shall be permitted to be used, erected, placed or maintained on any Residence or on any Lot except an antenna designed to receive direct broadcast satellite service one (1) meter or less in diameter, an antenna designed to receive video programming service via multipoint distribution service one (1) meter or less in diameter or diagonal measurement, or an antenna designed to receive television broadcast signals. Placement of any antenna must be within the Design Guidelines.

Section 8.21 Animals and Pets. Any noise or odor emitted by, and any discharge or waste from, any animal (including, without limitation, dogs and cats) which can be seen, heard or smelled outside the perimeter of the subject Owner's (or Resident's) Lot shall be deemed noxious and offensive and is therefore prohibited. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that a reasonable number of dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for commercial purposes and they are not noxious, offensive, vicious (e.g. pit bull terriers shall not be permitted within the Property) or dangerous.

Any outside pen, cage, kennel, shelter, concrete pet pad, run, track or other building, structure or device directly or indirectly related to animals which can be seen, heard or smelled by anyone other than the subject Lot Owner must be approved by the Design Review Committee in its sole and absolute discretion. Each and every dog, cat or other household pet, if not kept and confined within an enclosed non-visible portion of the Owner's/Resident's Lot, must be leashed, particularly when traveling beyond the perimeter of the Owner's/Resident's Lot, and such Owner/Resident shall promptly clean and remove the discharge and waste of any pet.

**Section 8.22 Clotheslines.** No laundry or wash may be dried or hung outside any Structure.

**Section 8.23 Garbage and Trash and Collection.**

(a) All Owners and Builders shall comply with the portions of the Design Guidelines regulating construction activities. Such regulations may affect, without limitation, the following: trash and debris removal; sanitary facilities, parking areas; outside storage; restoration of damaged property; conduct and behavior of Builders, subcontractors and Owners' representatives on the Property at any time; the conservation of landscape materials; and fire protection.

(b) All garbage and yard waste shall be kept in plastic bags, other containers or otherwise bundled as required by (and meeting the specifications of) the City. Each Owner, Member and Resident shall observe and comply with any and all regulations or requirements promulgated by the Association and/or the City in connection with the screening, storage and removal of trash and garbage. Trash collection for permanent residents shall be provided by the City of Kemp, Texas. Dumpsters located within Beacon Hill shall be available for use by vacation or weekend residents

(c) No Lot, or any portion of the Common Property or any public right-of-way area, shall be used or maintained as a dumping ground for rubbish, trash or garbage. No Owner or Resident shall dump grass clippings, landscape debris, garbage or trash of any kind on another Lot or the Common Property. Each Owner shall be responsible for the appearance and condition of such Owner's Lot.

(d) If more than five (5) days after prior written notice an Owner shall fail to: (i) control weeds, grass and/or other unsightly growth; (ii) remove trash, rubble, building and construction debris; or (iii) exercise reasonable care or conduct to prevent or remedy an unclean, untidy or unsightly condition, then in such event the Declarant or the Association shall have the authority and right to go onto the Lot in question for the purpose of mowing and cleaning such Lot and shall have the authority and right to assess and collect from the Owner of Lot in question a reasonable charge for mowing or cleaning such Lot on each respective occasion of such mowing or cleaning, which charge shall constitute an Individual Assessment.

**Section 8.24 Maintenance.**

(a) Each Owner and Resident of any Lot shall have the duty and responsibility, at their sole cost and expense, to keep, maintain and landscape their Lot in a well

maintained, clean and attractive condition at all times, including, without limitation, (i) the proper sodding, consistent watering and mowing of all lawns, (ii) the pruning and cutting of all trees and shrubbery, (iii) watering of all landscape, (iv) keeping lawn and garden areas alive, free of weeds and attractive, and (v) keeping plant materials in a healthy, growing condition, all in a manner and with such frequency as is consistent with aesthetics and good property management.

(b) Each Owner and Resident of any Lot shall have the duty and responsibility, at their sole cost and expense, to keep and maintain their Lot, and all Improvements therein and thereon, and the driveway serving the Lot whether or not lying entirely within the Lot boundaries, in a well maintained, safe, clean and attractive condition at all times, including, without limitation (i) prompt removal of all litter, trash, refuse and waste, (ii) keeping exterior lighting and mechanical facilities in working order, (iii) keeping driveways, walkways, fences and retaining walls in good repair and condition, (iv) promptly repairing any exterior damage, including casualty damage, (v) complying with all governmental health and police requirements, and (vi) repainting and refinishing Improvements and exterior surfaces when required, all in a manner and with such frequency as is consistent with aesthetics, safety and good property management.

(c) The Association, and its agents, during normal business hours, shall have the right (after five (5) days written notice to the Owner of any Lot involved, setting forth the specific violation or breach of these Covenants and the action required to be taken, and if at the end of such time reasonable steps to accomplish such action have not been taken by the Owner), to enter on the subject premises (without any liability whatsoever for damages for wrongful entry, trespass or otherwise to any Person) and to take the action(s) specified in the notice to remedy or abate said violation(s) or breach(es). The cost of such remedy or abatement will be paid to the Association upon demand and if not paid within thirty (30) days thereof, shall become a lien upon the Lot affected. The Association, or its agent, shall further have the right, to trim or prune, at the expense of the Owner, any hedge, tree or any other planting that, in the written opinion of the Association, by reason of its location on the Lot, the height, or the manner in which it is permitted to grow, is detrimental to the adjoining Lots, is dangerous, is unattractive in appearance or is otherwise in violation of this Declaration.

**Section 8.25 Offensive Activities.** No noxious or offensive activity or pollution affecting sight/sound/smell, as determined by the Association, shall be conducted or permitted on any portion of the Property. Excluding activities of the Declarant and Builders, no direct sales activities, garage sales, estate sales, yard sales, patio sales, flea markets, bazaars, sample sales, or similar activities shall be conducted on any portion of the Property without the approval of the Association or as permitted by rules and regulations established by the Association. Any activity conducted on any Lot, including without limitation, parties and gatherings for any purpose, must be conducted in such a manner as to not unreasonably interfere with the Owners and Residents of other Lots. The Association shall be entitled to establish rules and regulations regarding the activities described in this paragraph and such rules and regulations shall be binding on each Owner and Resident.

**Section 8.26 Outside Burning.** No exterior fires, except barbecues, outside

fireplaces, braziers and incinerator fires contained within facilities or receptacles and in areas designated and approved by the Design Review Committee, shall be permitted. No Owner will permit any condition upon such Owner's Lot that creates a fire hazard or is in violation of fire prevention regulations.

#### Section 8.27 Parking and Prohibited Vehicles.

(a) Each Owner, Member and Resident shall use their respective best efforts to refrain from performing, permitting or allowing repair or maintenance work to any automobile or other vehicle outside the garage and visible to the abutting street(s). Under no circumstances or conditions shall any automobile or other vehicle be parked on a non-paved portion of the Property. No parking of any automobile or other vehicle shall be permitted on any Private Street for longer than 48 hours without the prior written approval from Declarant or the Association. Parking within the Property shall be subject to such other reasonable rules and regulations as may be from time to time adopted by the Association. So long as applicable laws and ordinances are observed, the Association shall have the authority to tow at the Owner's expense, any vehicle parked or stored within the Property in violation of this Section 8.27. The Board shall post such notices or signs within the Property as may be required by law to effectuate this towing provision.

(b) Commercial vehicles, vehicles with commercial writing on their exteriors, vehicles primarily used or designed for commercial purposes, trucks (excluding conventional pickups), buses, boats, boat trailers, trailers, mobile homes, golf carts, motorcycles, recreational vehicles, camp mobiles, campers and any other vehicle other than a conventional automobile, pickup or sport utility vehicle, if brought within the Property by or on behalf of any Owner or Resident for a reasonable time to perform repairs or maintenance on behalf of the Owner or Resident, shall be stored on the appropriate Lot within the enclosed garage or enclosed by fences, walls or landscaping so as not to be visible from the immediate Private Street, Public Street, Common Property or other Lots within the Property, which enclosure must be approved by the Design Review Committee as to location and screening material. Notwithstanding the foregoing, vehicles with a hauling capacity in excess of two (2) tons shall not be permitted to park overnight within the Subdivision and no hazardous material transport vehicles shall be permitted to park at any time within the Subdivision.

(c) No guest parking is allowed on Pecan Trail Road. Guests of residents on Pecan Trail Road may park in the common area.

Section 8.28 Signs. No sign or signs shall be displayed to the public view on any Lot without the prior written approval of the Design Review Committee, except (a) one (1) sign of not more than six (6) square feet advertising a Lot for rent or sale; (b) signs used by the Declarant or by a Builder to advertise the Property during the development, construction and sales periods, including entry, directional and advertising signs; (c) political signs advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal provided that such signs shall not be erected more than a reasonable period of time [in no event to exceed thirty (30) days in advance of and five (5) days following the election to which they pertain]; (d) personal signs indicating school affiliations, birth announcements and similar type signs; (e) contractors' signs used for advertising work performed on a Lot provided that such signs

shall not remain more than thirty (30) days following installation of the sign or completion of the work, whichever occurs first; and (1) signs indicating that a Residence is monitored by a security company. The Declarant and/or the Design Review Committee shall have the right and privilege to develop and implement uniform signage specifications and requirements applicable throughout the Property. In all events any and all signs, if allowed, shall comply with the sign standards of the City applicable to the Property.

Section 8.29 Wetlands, Lakes and Other Water Bodies. Unless otherwise designated by the Board in writing, all wetlands, lakes, ponds and streams within the Property, if any, shall be aesthetic amenities only and no other use thereof, including, without limitation, fishing, skiing, swimming, boating, playing or use of personal flotation devices, shall be permitted without the prior approval of the Board. The Association shall not be responsible for any loss, damage or injury to any Person or property arising out of the authorized or unauthorized use of lakes, ponds or streams within the Property.

This section specifically excludes the 8 acre Interior Fishing Pond designated as Ava Rosetta Lake. All residents may swim or fish in the lake at their own risk. No internal combustion motorized craft of any kind is allowed in the Lake Area, except for maintenance or construction vessels.

Section 8.30 Window Coolers. No window or wall type air-conditioners or water coolers shall be permitted to be used, erected, placed or maintained on or in any Residence on any Lot unless approved in writing by the Design Review Committee.

## ARTICLE IX

### POWERS AND DUTIES OF THE ASSOCIATION

Section 9.1 Common Property. The Association, subject to the rights and obligations of the Owners set forth in this Declaration, shall be responsible for (a) the exclusive management and control of the Common Property and all improvements thereon (including, without limitation, furnishings, equipment and common landscaped areas) and shall keep it in good, clean, attractive and sanitary condition, order and repair, pursuant to the terms and conditions hereof; (b) the maintenance, repair and replacement of the Pier Improvements; and (c) the repair and maintenance of the rights of way, public parks, streets, paths and trails in the vicinity of the Property as required by the City or as designated by the Declarant or the Association.

Section 9.2 Personal Property and Real Property for Common Use. The Association may acquire, hold and dispose of tangible and intangible personal property and real property, subject to such restrictions as are set forth in the Governing Documents. The Declarant and its designees may convey to the Association personal property and fee title, leasehold or other interest in any improved or unimproved real property located within the Property. Upon conveyance or dedication by the Declarant to the Association, such property shall be accepted by the Association and thereafter shall

be maintained by the Association at its expense for the benefit of its Members, subject to any restrictions set forth in the deed of conveyance. Upon written request of the Declarant, the Association shall reconvey to Declarant for no or nominal monetary consideration any unimproved portions of the Property originally conveyed by Declarant to the Association for no or nominal monetary consideration, to the extent conveyed in error or needed by Declarant to make minor adjustments in property lines.

Section 9.3 Maintenance Contracts. The Board, on behalf of the Association, shall have full power and authority to contract with any Owner, Member or Resident (including, without limitation, the Declarant) for performance, on behalf of the Association, of services which the Association is otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable and in the best interests of the Association.

Section 9.4 Duties as Set forth in the Bylaws. The day to day operations, powers and duties of the Association shall be set forth in the Association's bylaws.

Section 9.5 Liability Limitations. NEITHER ANY OWNER, MEMBER OR RESIDENT NOR THE DECLARANT, ANY GENERAL PARTNER OF DECLARANT, ANY OFFICER, DIRECTOR, MANAGER, PARTNER, MEMBER, EMPLOYEE OR AGENT OF DECLARANT OR ANY DIRECTOR, OFFICER OR MANAGER OF THE ASSOCIATION, INCLUDING, WITHOUT LIMITATION, THE MANAGING AGENT, SHALL BE PERSONALLY LIABLE FOR DEBTS CONTRACTED BY OR OTHERWISE INCURRED BY THE ASSOCIATION OR FOR ANY TORT COMMITTED BY OR ON BEHALF OF THE ASSOCIATION, INCLUDING, WITHOUT LIMITATION, ANY NEGLIGENCE, OR FOR A TORT OF ANOTHER OWNER, MEMBER OR RESIDENT, INCLUDING, WITHOUT LIMITATION, ANY NEGLIGENCE, WHETHER SUCH OWNER, MEMBER OR RESIDENT WAS ACTING ON BEHALF OF THE ASSOCIATION OR OTHERWISE. NEITHER THE DECLARANT, ANY GENERAL PARTNER OF DECLARANT, OR THE ASSOCIATION, NOR THE DIRECTORS, OFFICERS, MANAGERS, PARTNERS, MEMBERS, EMPLOYEES OR AGENTS OF ANY OF THEM, SHALL BE LIABLE FOR ANY ACTUAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR FAILURE TO INSPECT ANY LOT OR COMMON PROPERTY OR THE IMPROVEMENTS LOCATED THEREON OR ANY PORTION THEREOF OR FOR FAILURE TO REPAIR OR MAINTAIN THE SAME, INCLUDING, WITHOUT LIMITATION, ANY DAMAGES ARISING OUT OF THE NEGLIGENCE OF ANY OF SUCH PARTIES. NEITHER THE DECLARANT, ANY GENERAL PARTNER OF DECLARANT, OR THE ASSOCIATION, NOR THE DIRECTORS, OFFICERS, MANAGERS, PARTNERS, MEMBERS, EMPLOYEES OR AGENTS OF ANY OF THEM, SHALL BE LIABLE FOR ANY PERSONAL INJURY OR OTHER ACTUAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OCCASIONED BY ANY ACT OR OMISSION IN THE REPAIR OR MAINTENANCE OF ANY LOT OR COMMON PROPERTY OR ANY IMPROVEMENT, INCLUDING THE POND AREA, LOCATED THEREON OR ANY PORTION THEREOF, INCLUDING, WITHOUT LIMITATION, ANY DAMAGES ARISING OUT OF THE NEGLIGENCE OF ANY OF SUCH PARTIES.

Section 9.6 Reserve Funds. The Board may establish Reserve Funds (herein so called) which may be maintained and accounted for separately from other funds maintained for annual operating expenses and may establish separate, irrevocable trust accounts or any other recognized bookkeeping or tax procedures in order to better demonstrate that the amounts deposited therein are capital contributions and not net or taxable income to the Association.

Section 9.7 Use of Recreational Facilities. Each Owner acknowledges that certain recreational facilities may be provided within the Common Property for the use and enjoyment of the Owners and Residents, and their respective families, tenants, and invitees, including without limitation, Pier Improvements. EACH OWNER HEREBY ACKNOWLEDGES THAT THERE ARE RISKS ASSOCIATED WITH THE USE OF ANY SUCH RECREATIONAL FACILITIES, INCLUDING WITHOUT LIMITATION, PIER IMPROVEMENTS, AND THAT ALL USERS OF SUCH FACILITIES ARE SOLELY RESPONSIBLE FOR SUCH RISK. EACH OWNER, BY ACCEPTING A DEED TO A LOT, ACKNOWLEDGES THAT SUCH OWNER HAS NOT RELIED UPON THE REPRESENTATIONS OF DECLARANT OR THE ASSOCIATION WITH RESPECT TO THE SAFETY OF ANY RECREATIONAL FACILITIES OR OTHER COMMON PROPERTY WITHIN THE PROPERTY, INCLUDING WITHOUT LIMITATION, ANY PIER IMPROVEMENTS, AND AGREES TO INDEMNIFY AND HOLD HARMLESS THE DECLARANT, THE ASSOCIATION AND THEIR RESPECTIVE OFFICERS, DIRECTORS, MANAGERS, PARTNERS, MEMBERS, EMPLOYEES AND AGENTS ARISING OUT OF OR IN CONNECTION WITH THE USE OF ANY SUCH RECREATIONAL FACILITIES, INCLUDING WITHOUT LIMITATION, PIER IMPROVEMENTS, EVEN IF DUE TO THE SOLE OR CONCURRENT NEGLIGENCE, MISFEASANCE OR MALFEASANCE OF ANY SUCH PARTIES OR OTHERWISE.

The Association may, but shall not be obligated to, contract with, employ or otherwise provide, from time to time, monitoring personnel or equipment to be present or operational at any recreational facility within the Property. Each Owner acknowledges that the presence of such personnel shall not create a duty on the part of Declarant or the Association to provide for, insure or guarantee the safety of any user of the facility. Each Owner acknowledges that the presence of such monitoring personnel shall not in any way alter the risks assumed by each Owner, the Owner's family members, tenants, other Residents of Owner's Lot and guests of any such Persons, which risks shall continue to be assumed by the user of the recreational facility.

Section 9.8 Construction Activities. All Owners are hereby placed on notice that Declarant, any affiliate of Declarant and/or its agents, contractors, subcontractors, licensees and other designees, successors or assignees, may be, from time to time, conducting excavation, construction and other activities within or in proximity to the Property. By the acceptance of a deed or other conveyance or Mortgage, leasehold, license, easement or other interest, and by using any portion of the Property, each Owner automatically acknowledges, stipulates and agrees (a) that none of the aforesaid activities shall be deemed nuisances or noxious or offensive activities, under any applicable covenants or at law generally, (b) not to enter upon, or allow their children or other Persons under their control or direction to enter upon (regardless of whether such entry is trespass or otherwise) any property within or in proximity to any portion of the Property

where such activities are being conducted (even if not being actively conducted at the time of entry, such as at night or otherwise during non-working hours), (c) Declarant, any affiliate of Declarant and all of their agents, contractors, subcontractors, licensees and other designees, successors and assignees, shall not be liable but, rather, shall be held harmless, for any and all losses and damages (compensatory, consequential, punitive or otherwise), injuries or deaths arising from or relating to the aforesaid activities, and (d) any purchase or use of any portion of the Property has been and will be made with full knowledge of the foregoing.

Section 9.9 Relation with Other Properties. The Association may enter into contractual agreements or covenants to share costs with any neighboring property, including, without limitation, the Marina at Beacon Hill, to contribute funds for, among other things, shared or mutually beneficial property or services and/or a higher level of Common Property maintenance.

Section 9.10 Facilities and Services Open to the Public. Certain facilities and area within the Property may be open from time to time for use and enjoyment of the public, including, by way of example, greenbelts, trails and paths, parks, lakes and other neighborhood areas conducive to gathering of people, roads, sidewalks and medians. Declarant may designate such facilities and areas as open to the public at the time Declarant makes such facilities and areas a part of the Common Property or the Board may so designate any at time thereafter.

Section 9.11 Pier Improvements. The owners of Lots in Beacon Hill hereby acknowledge that any improvements made in Cedar Creek Lake including any piers, boathouses or jetties constructed by the Declarant are inherently dangerous. The owners further agree that they will hold the Declarant harmless for any injury sustained by themselves, their guests, invitees, agents or assigns for the use of these improvements.

## ARTICLE X

### INSURANCE; REPAIR; RESTORATION

Section 10.1 Right to Purchase Insurance. The Association shall have the right and option to purchase, carry and maintain in force insurance covering any or all portions of the Common Property, any improvements thereon or appurtenance thereto, for the interest of the Association, its Board, officers, managers, agents and employees, and of all Members of the Association, in such amounts and with such endorsements and coverage as shall be deemed appropriate by the Board. Such insurance may include, but need not be limited to:

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

(b) General liability and property damage insurance on a broad form basis, including coverage of personal liability (if any) of the Board, and the Owners, Members

and Residents with respect to the Common Property;

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

(d) Liability insurance regarding the errors and omissions of Directors, officers, managers, employees and representatives of the Association.

**Section 10.2 Insurance and Condemnation Proceeds.** The Association shall be the exclusive representative of the Owners, Members and Residents in any proceedings, negotiations, settlements or agreements concerning insurance or condemnation with respect to the Common Property. The Association and the Members may use the net insurance or condemnation proceeds to repair and replace any damage or destruction of property, real or personal, covered by such insurance or condemnation. Any balance from the proceeds of insurance or condemnation paid to the Association, remaining after satisfactory completion of repair, restoration and replacement or after the Board has elected to waive the repair, restoration or replacement, shall be retained by the Association as part of a general reserve fund for repair, restoration, maintenance and replacement of the Common Property.

**Section 10.3 Insufficient Proceeds.** If the insurance or condemnation proceeds are insufficient to repair or replace any loss or damage, the Association may levy a Special Assessment as provided for in Section 6.5 of this Declaration to cover the deficiency.

**Section 10.4 Liability Insurance Arrangements.** The Association will seek to carry public liability insurance generally covering bodily injury and property damage arising out of negligent acts by employees, Members or authorized representatives of the Association. The Declarant and Association will not carry any insurance pertaining to, nor does it assume any liabilities or responsibility for, the real or personal property of the Owners, Members and Residents (and their respective family members and guests). Each Owner, Member or Resident expressly understands, covenants and agrees with the Declarant and the Association that:

(a) neither the Declarant nor the Association has any responsibility or liability of any kind or character whatsoever regarding or pertaining to the real and personal property of any Owner, Member and Resident; and

(b) each Owner, Member and Resident shall, from time to time and at various times, consult with reputable insurance industry representatives of each Owner's, Member's and Resident's own selection to select, purchase, obtain and maintain appropriate insurance providing the amount, type and kind of insurance deemed satisfactory to each Owner, Member and Resident covering his or her real and personal property.

## ARTICLE XI

### EASEMENTS

**Section 11.1 Utilities.** Easements for the installation and maintenance of utilities

and drainage facilities shall be reserved as shown on the Plat. Utility service may be installed along or near the front and/or side and/or rear Lot lines and each Lot Owner shall have the task and responsibility of determining the specific location of all such utilities. Except as may be otherwise permitted by the Design Review Committee (e.g. fencing, flatwork, landscaping, etc.), an Owner shall neither erect, construct or permit any obstructions or permanent Improvements of any type or kind to exist within any easement area, nor shall anything be done or permitted within an easement area which would restrict or adversely affect drainage. Electrical (and possibly other utility) easements may be located at, near or along the front or rear lot line(s), and each Lot Owner assumes full, complete and exclusive liability and responsibility for all cost and expense related to damage, repair, relocation and restoration of any Improvements or fence located within the easement area. Except as to special street lighting or other aerial facilities which may be required by the City or which may be required by the franchise of any utility company or which may be installed by the Declarant pursuant to its development plan, no aerial utility facilities of any type (except meters, risers, service pedestals and other surface installations necessary to maintain or operate appropriate underground facilities) shall be erected or installed within the Property whether upon individual Lots, easements, streets or rights-of-way of any type, either by the utility company or any other Person, including, but not limited to, any Person owning or acquiring any part of the Property, and all utility service facilities (including, but not limited to, water, sewer, gas, electricity and telephone) shall be buried underground unless otherwise required by a public utility. The foregoing notwithstanding, aerial utility facilities may be required to deliver services to the property line of the Property. All utility meters, equipment, air conditioning compressors, pool equipment and similar items must be visually screened and located in areas designated by the Design Review Committee. Full rights of ingress and egress shall be had by the Declarant, the Association, and all utility companies serving the Property, and their respective successors and assigns, at all times over the Property for the installation, operation, maintenance, repair or removal of any utility together with the right to remove any obstruction (excluding, however, any driveway, fence or other Improvement or Structure which has been theretofore specifically approved by the Design Review Committee or the Board) that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility.

Section 11.2 Ingress, Egress and Maintenance by the Association. Full rights of ingress and egress shall be had by the Association at all times over and upon the Property for the carrying out by the Association of its functions, duties and obligations hereunder; provided, however, that any such entry by the Association upon any Lot shall be made with as little inconvenience to the Owner as practical, and any damage caused thereby shall be repaired by the Association at the expense of the Association.

Section 11.3 Additional Easements. The Declarant reserves for itself and its successors, assigns and designees the nonexclusive right and easement over the Property to the extent reasonably necessary for the purpose of installing, replacing, repairing and maintaining utilities and roads, walkways, bicycle and pedestrian pathways, trails, lakes, ponds, wetlands, drainage systems, street lights and any other facilities constituting Common Property. Notwithstanding anything to the contrary, these easements shall not entitle the holders thereof to construct or install any of the foregoing facilities over, under or through any existing Residence on a Lot and any damage to a Lot resulting from the

exercise of these easements shall promptly be repaired by, and at the expense of, the Person exercising these easements. The exercise of these easements shall not unreasonably interfere with the use of any Lot by the Owner or Resident thereof.

Section 11.4 Private Streets. If any portion of the Property is established as a Private Street, as provided herein, the following shall be applicable thereto:

(a) All Private Streets situated from time to time within the Property shall be owned by the Association; provided, however, that neither the Declarant nor the Association makes any commitment nor shall either be under any obligation whatsoever to assure that the Private Streets located within the Property will at all times remain private. The Declarant and the Association expressly reserve the right at any time or from time to time to dedicate all or any portion of the Private Streets located within the Property to the City, County or any other governmental or quasi governmental authority or special district. All Private Streets located within the Property shall at all times be subject to the lawful exercise by the City and/or County of its police powers.

(b) The Association shall, and has the sole responsibility to, maintain the Private Streets located within the Property, in a condition not less than the minimum standards required for Public Streets in the City and or County.

(c) Non-exclusive easements are hereby reserved for the benefit of, and granted to, the City, County, all providers of utility services within the Property, and all other governmental providers of the Property (including, without limitation, the U.S. Postal Service), to enter onto and use the Private Streets for the provision of all governmental and utility services necessary and/or required for the benefit of the Owners in the proper exercise of governmental functions and the providing of utility services, including, without limitation, the right of the City and/or County to remove any vehicle or obstacle from the Private Streets that impairs emergency access.

(d) The City, County or any other governmental or quasi governmental authority or special district and all public utility entities providing utility service to the Property shall have the right to use the Private Streets to construct, install, maintain, operate, inspect, remove and reconstruct the facilities, equipment and systems that serve the Property, however, each such Person shall repair any damage to the pavement or other improvements on the Private Streets resulting from any such installation, maintenance, reconstruction or such other work.

(e) If the Association maintains mechanism(s) to control access to the Private Streets, the Association shall maintain such mechanism(s) in good operating condition so as to allow twenty-four (24) hour access to the Private Streets by the City, County and the providers of utility services to the Property.

(f) Declarant, during the Development Period (the Development Period being that time until 80% of the Lots are sold and the debt to the Declarant is paid), and from and after the expiration of the Development Period, the Association, after having obtained the approval of Class A Members in good standing holding at least fifty-one percent (51%) of the votes entitled to be cast by Class A Members, shall have the right to dedicate to the City, County or any other governmental or quasi governmental authority or special

district all or a portion of the Private Streets located within the Property as Public Streets.

**Section 11.5 Easements for Lakes, Pond Maintenance, and Flood Water.**

(a) The Declarant reserves for itself and its successors, assigns and designees the nonexclusive right and easement, but not the obligation, to enter upon the lakes, ponds, streams and wetlands located within the Common Property to (i) install, keep, maintain and replace pumps and related equipment; (ii) construct, maintain and repair any bulkhead, levee, wall, dam or other structure retaining wall, and (iii) remove trash and other debris there from and fulfill their maintenance responsibilities as provided in this Declaration. The Declarant's rights and easements provided in this Section shall be transferred to the Association at such time as the Declarant shall cease to own any property subject to the Declaration, or such earlier time as Declarant may elect, in its sole discretion, to transfer such rights by a written instrument. The Declarant, the Association and their designees shall have an access easement over and across any of the Property abutting or containing any portion of any of the lakes, ponds, streams, or wetlands to the extent reasonably necessary to exercise their rights under this Section.

(b) There is further reserved herein for the benefit of Declarant, the Association and their designees, a perpetual, non-exclusive right and easement of access and encroachment over the Common Property and Lots (but not the Residences thereon) adjacent to or within fifty (50) feet of lake beds, ponds and streams within the Property, in order to (i) temporarily flood and back water upon and maintain water over such portions to the Property, (ii) fill, drain, dredge, deepen, clean, fertilize, dye and generally maintain the lakes, ponds, streams and wetlands within the Common Property, (iii) maintain and landscape the piers, slopes and banks pertaining to such lakes, ponds, streams and wetlands, and (iv) enter upon and across such portions of the Property for the purpose of exercising its rights under this Section. All Persons entitled to exercise these easements shall use reasonable care in, and repair any damage resulting from the intentional exercise of such easements. Nothing herein shall be construed to make Declarant or any other Person liable for damage from flooding due to heavy rainfall or other natural disasters.

(c) All lakes and wetlands within the Property are designed as water management areas and not solely for aesthetic features. BECAUSE OF FLUCTUATIONS IN WATER ELEVATIONS WITHIN THE IMMEDIATE AREA, THE WATER LEVEL OF LAKES, CREEKS, PONDS AND STREAMS WILL RISE AND FALL. DECLARANT AND THE ASSOCIATION HAS NO CONTROL OVER SUCH ELEVATIONS. THEREFORE, EACH OWNER RELEASES DECLARANT AND ITS SUCCESSORS AND ASSIGNS, FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DEMANDS, DAMAGES, COSTS and EXPENSES OF WHATEVER NATURE OR KIND, INCLUDING ATTORNEY'S FEES AND COSTS AND APPELLATE FEES AND COSTS, RELATED TO OR ARISING OUT OF THE WATER ELEVATIONS, INCLUDING THE ABSENCE OF ANY WATER IN THE LAKES, CREEKS, STREAMS AND PONDS. Neither the Association nor any Owner shall alter, modify, expand, or fill any lakes or wetlands located on or in the vicinity of the Property, without the prior written approval of the Declarant during the Development Period, and such local, state, and federal authorities as may have jurisdiction over such matters.

Section 11.6 Easements to Serve Additional Property. The Declarant and its duly authorized agents, representatives and employees, as well as it's successors, assigns, licensees and mortgagees, shall have and hereby reserve an easement over the Common Property for the purpose of enjoyment, use, access and development of the real property entitled to be annexed by Declarant pursuant to Article III, whether or not such additional property is made subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Property for construction of roads and for connection and installing utilities on the additional property.

## ARTICLE XII

### GENERAL PROVISIONS

#### Section 12.1 Power of Attorney.

(a) Each and every Owner, Member and Resident hereby makes, constitutes and appoints the Declarant as his/her/its true and lawful attorney-in-fact, coupled with an interest and irrevocable, for him/her/its and in his/her/its name, place and stead and for his/her/its use and benefit, to do the following:

(i) To exercise, do or perform any act, right, power, duty or obligation whatsoever in connection with, arising out of, or relating to any matter whatsoever involving this Declaration and the Property;

(ii) To sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, ~~contract~~ or abandon the terms within this Declaration, or any part hereof, with such clause(s), recital(s), covenant(s), agreement(s) and restriction(s) as the Declarant shall deem necessary, proper and expedient under the circumstances and conditions as may be then existing; and

(iii) To sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the subdivision plat(s) of the Property, or any part thereof, with any easements and rights to be therein contained as the Declarant shall deem necessary, proper and expedient under the conditions as may then be existing.

(b) The rights, powers and authority of said attorney-in-fact to exercise any and all of the rights and powers herein granted shall commence and be in full force upon recordation of this Declaration in the Records and shall remain in full force and effect thereafter until conclusion of the Development Period.

Section 12.2 Further Development: Obligation of Declarant. During the Development Period, each and every Owner, Member and Resident waives, relinquishes and shall not directly or indirectly exercise any and all rights, powers or abilities, and the Association shall not devote or expend any monies or personnel, regarding the contest, objection to, challenge, dispute, obstruction, hindrance or any manner of disagreement

with the proposed or actual development (including, without limitation, zoning *or* rezoning efforts or processes pertaining to residential uses) of any real property owned by the Declarant or by the affiliates, assignees or successors of the Declarant within the Property or which may be made subject to this Declaration which is generally consistent with the scheme contemplated by this Declaration and the provisions of any applicable zoning ordinance.

DECLARANT SHALL HAVE NO OBLIGATION WHATSOEVER TO CONSTRUCT ANY IMPROVEMENTS ON THE PROPERTY ON A PARTICULAR SCHEDULE, MAINTAIN ANY OF SAME OR OTHERWISE FUND OR BE LIABLE FOR ANY MATTERS CONCERNING ANY SUCH IMPROVEMENTS OR OTHERWISE RELATED TO THE PROPERTY. DECLARANT SHALL HAVE NO LIABILITY FOR AND IS HEREBY RELEASED FROM ALL CLAIMS, CAUSES OF ACTION, COSTS AND EXPENSES ARISING IN CONNECTION WITH ANY IMPROVEMENTS AND INFRASTRUCTURE CONSTRUCTED BY OR ON BEHALF OF DECLARANT WITHIN OR IN CONNECTION WITH THE PROPERTY OR ANY DEFECTS THEREIN, EVEN IF DUE IN WHOLE OR IN PART TO THE NEGLIGENCE OF DECLARANT.

Section 12.3 Duration. The Covenants of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or the Owners and Residents of any Lot subject to this Declaration, their respective legal representatives, heirs, devisees, personal representatives, successors and assigns, for an original fifty (50) year term expiring on the fiftieth (50th) anniversary of the date of recordation of this Declaration, after which time these Covenants shall be automatically extended for successive periods of ten (10) years unless an instrument is signed by Class A Members in good standing owning at least fifty-one percent (51%) of the votes entitled to be cast by Class A Members and recorded in the Records, which contains and sets forth an agreement to abolish these Covenants.

Section 12.4. Amendments. The Covenants set forth herein are expressly subject to change, modification and/or deletion by means of amendment, at any time and from time to time, on the following basis:

(a) During the Development Period, the Declarant shall have the right and privilege to amend, change, revise, modify or delete portions of these Covenants, and each and every Owner, Member and Resident specifically and affirmatively authorizes and empowers the Declarant, utilizing the attorney-in-fact status set forth in Section 12.1 above, to undertake, complete and consummate any and all such amendments, changes, revisions, modifications or deletions as the Declarant (in its sole and absolute discretion) shall deem appropriate.

(b) From and after the Development Period, the Declarant shall have the right and privilege to amend, change, revise, modify or delete portions of these Covenants, and each and every Owner, Member and Resident specifically and affirmatively authorizes and empowers the Declarant, utilizing the attorney-in-fact status set forth in Section 12.1 above, to undertake, complete and consummate any and all such amendments, changes, revisions, modifications or deletions as the Declarant (in its sole and absolute discretion)

shall deem appropriate; provided, however, that any such amendment (i) is necessary to (A) bring any provision into compliance with any applicable governmental statute, rule, regulation or judicial determination, (B) enable any reputable title insurance company to issue title insurance coverage on the Lots; (C) enable any Institutional Mortgagee to make, purchase, insure or guarantee mortgage loans on the Lots; or (D) satisfy the requirements of the City, County any local, state or federal governmental agency; or (ii) has no material, adverse effect upon a right granted an Owner under this Declaration without such Owner's written consent.

(c) From and after the Development Period or as otherwise specifically provided above, amendments to the Declaration must be ~~agreed~~ to and approved by (i) Class A Members in good standing holding at least fifty-one percent (51%) of the votes entitled to be cast by Class A Members, and (ii) the Declarant, so long as Declarant owns any property subject to this Declaration.

**Section 12.5 Enforcement.** Each Owner of each Lot shall be deemed, and held responsible and liable for the acts, conduct and omissions of each and every Member, Resident, guest and invitee affiliated with such Lot, and such liability and responsibility of each Owner shall be joint and several with their Member(s), Resident(s), guests and invitees. The contract Performance and Payment Lien covering Lots shall extend to, cover and secure the proper payment and performance of all obligations under this Declaration by each and every Member, Resident, guest and invitee affiliated with each Owner. Each Owner may, upon appropriate application to and approval by the Association, impose greater or additional restraints and restrictions on the "good standing" qualifications of any Person who occupies such Owner's Lot. Unless otherwise prohibited or modified by law, all parents shall be liable for any and all personal injuries and property damage proximately caused by the conduct of their children (under the age of 18 years) within the Property. Enforcement of these Covenants may be initiated by any proceeding at law or in equity against any Person or Persons violating or attempting to violate them, whether the relief sought is an injunction or recovery of damages, or both, or enforcement of any lien created by these Covenants; however, failure by the Association or any Owner to enforce any Covenant herein contained shall in no event be deemed a waiver of the right to do so thereafter. With respect to any litigation hereunder, the prevailing party shall be entitled to recover all costs and expenses, including court costs and reasonable attorneys' fees, from the non-prevailing party.

**Section 12.6. Validity.** Violation of or failure to comply with these Covenants shall not affect the validity of any mortgage, bona fide lien or other similar security instrument which may then be existing on any Lot. Invalidation of any one or more of these Covenants, or any portions thereof, by judgment or court order shall not affect any of the other provisions or covenants herein contained, which shall remain in full force and effect. In the event any portion of these Covenants conflicts with mandatory provisions of any ordinance or regulation promulgated by the City (including, without limitation, any applicable zoning ordinance), then such municipal requirement shall control.

**Section 12.7 Headings.** The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration. Words of any gender used herein shall be held and construed to include

any other gender, and words in the singular shall be held to include the plural and vice versa, unless the context requires otherwise. Examples, illustrations, scenarios and hypothetical situations mentioned herein shall not constitute an exclusive, exhaustive or limiting list of what can or cannot be done.

**Section 12.8. Notices to Member/Owner/Resident.** Any notice required to be given to any Owner, Member or Resident of a Lot under the provisions of this Declaration shall be deemed to have been properly delivered when: (i) deposited in the United States Mail, postage prepaid, addressed to the last known address of the Person who appears as the Owner, Member or Resident on the records of the Association at the time of such mailing; or when (ii) delivered by hand or by messenger to the last known address of such Person.

**Section 12.9 Notice of Material Change.** Each and every Owner, Member and Resident shall have an affirmative duty and obligation to originally provide, and thereafter revise and update, within fifteen (15) days after a material change has occurred, various items of information to the Association such as: (a) the full name and address of each Owner, Member and Resident; (b) the full name of each individual family member who resides within the Residence of the Lot Owner in question; (c) the business address, occupation and telephone numbers of each Resident; (d) the description and license plate number of each automobile owned or used by a Resident and brought within the Property, (e) the name, address and telephone numbers of other local individuals who can be contacted (in the event the Resident cannot be located) in case of an emergency; and (f) such other information as may be reasonably requested from time to time by the Association. In the event any Owner, Member or Resident fails, neglects or refuses to so provide, revise and update such information, then the Association may, but is not required to, use whatever means it deems reasonable and appropriate to obtain such information and the offending Owner, Member and Resident shall become automatically jointly and severally liable to promptly reimburse the Association for all reasonable costs and expenses incurred in so doing.

**Section 12.10 Disputes.** Matters of dispute or disagreement between Owners, Members or Residents with respect to interpretation or application of the provisions (excluding the provisions of Article VI) of this Declaration or the Bylaws, shall be determined by the Board. Matters pertaining to Article VII shall be determined by the Design Review Committee. These respective determinations (absent arbitrary and capricious conduct or gross negligence) shall be final and binding upon all Owners, Members and Residents.

EXECUTED this 14<sup>th</sup> day of April, 2009.

KEMP LAKESIDE INVESTORS, LLC  
A Texas Limited Liability Company  
P. O. 429 Malakoff, Texas 75148

By: James A. Stewart  
Kemp Lakeside Investors, L.L.C.,  
a Texas Limited Liability Company

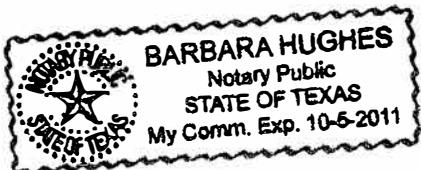
By: BJ Sentinel, LTD, a Texas Limited Liability  
Company It's: Managing Member

By: BJ Cache Corporation, a Texas Corporation  
General Partner for BJ Sentinel, LTD

By: James A. Stewart  
James A. Stewart, President

STATE OF TEXAS §  
§  
COUNTY OF Henderson §

This instrument was acknowledged before me on April 14, 2009 by James A. Stewart.



Barbara Hughes  
Notary Public, State of Texas

County Clerk's Memo  
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## EXHIBIT A

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## EXHIBIT B

**Exhibit B (Page 1)****BUILDING SETBACKS, HEIGHT AND ELEVATION RESTRICTIONS**

Lot	Address	Maximum Height (Refer to Figure 1) H1+H2 (feet)	Building Set Backs (Reference Figure)	Ground Floor Elevation (feet)
1	106 Pond Trail	35	3	327
2	112 Pond Trail	35	4	327
3	118 Pond Trail	35	4 (A)	327
4	124 Pond Trail	35	4 (A)	327
5	130 Pond Trail	35	3	327
6	136 Pond Trail	35	7	327
7	142 Pond Trail	35	9 (A)	327
8	143 Pond Trail	35	8 (A)	327
9	137 Pond Trail	35	6	327
10	125 Pond Trail	35	5	327
11	119 Pond Trail	35	6	327
12	107 Pond Trail	35	5 (A)	327
13	1023 Beacon Shore	35	5	327
14	1017 Beacon Shore	35	6	327
15	1011 Beacon Shore	35	5	327
16	1005 Beacon Shore	35	6	327
17	1117 Beacon Shore	20	5	326
18	1123 Beacon Shore	20	6	326
19	1129 Beacon Shore	20	5	326
20	1135 Beacon Shore	20	6	326
21	1141 Beacon Shore	20	5	326
22	1147 Beacon Shore	20	6	326
23	1153 Beacon Shore	20	5	326
24	1159 Beacon Shore	20	6	326
25	1165 Beacon Shore	20	5	326
26	1171 Beacon Shore	20	6	326
27	1177 Beacon Shore	20	5	326
28	1183 Beacon Shore	20	6 (A)	326
29	1189 Beacon Shore	20	5	326
30	1195 Beacon Shore	20	6	326
31	1201 Beacon Shore	20	5	326
32	1207 Beacon Shore	20	6	326
33	1213 Beacon Shore	20	5	326
34	1219 Beacon Shore	20	6	326
35	1225 Beacon Shore	20	5	326
36	1231 Beacon Shore	20	6	326
37	1237 Beacon Shore	20	5	326
38	1243 Beacon Shore	20	6	326
39	1249 Beacon Shore	20	5	326
40	1255 Beacon Shore	20	6	326
41	1261 Beacon Shore	20	5	326
42	1267 Beacon Shore	20	6	326
43	1273 Beacon Shore	20	5	326
44	1279 Beacon Shore	20	6	326
45	1285 Beacon Shore	20	5	326
46	1291 Beacon Shore	20	6	326
47	1297 Beacon Shore	25	5	326
48	1303 Beacon Shore	25	6	326
49	1309 Beacon Shore	25	5	326
50	1315 Beacon Shore	25	6	326
51	139 Island View	25	2 (A)	(C)
52	133 Island View	25	3	(C)
53	127 Island View	25	2	(C)
54	121 Island View	25	3	(C)
55	115 Island View	25	2	(C)
56	109 Island View	25	3 (A)	(C)
57	104 Island View	25	3 (A)	(C)
58	110 Island View	25	2	(C)
59	116 Island View	25	3	(C)

Notes: (A) Platted easements and building lines supercede Figures 2 through 9.

(B) Subject to division of lot based on zoning provision.

(C) Ground floor elevation restrictions do not apply to lakeview lots.

## Exhibit B (Page 2)

### BUILDING SETBACKS, HEIGHT AND ELEVATION RESTRICTIONS

Lot Number	Address	Maximum Height (Refer to Figure 1) H1+H2 (feet)	Building Set Backs (Reference Figure)	Ground Floor Elevation (feet)
60	117 Water Bridge	25	2	(C)
61	123 Water Bridge	25	3	(C)
62	129 Water Bridge	25	2	(C)
63	135 Water Bridge	25	3	(C)
64	141 Water Bridge	25	2	(C)
65	147 Water Bridge	25	3	(C)
66	153 Water Bridge	25	2 (A)	(C)
67	152 Water Bridge	35	3	(C)
68	146 Water Bridge	35	2	(C)
69	140 Water Bridge	35	3	(C)
70	134 Water Bridge	35	2	(C)
71	128 Water Bridge	35	3	(C)
72	122 Water Bridge	35	2	(C)
73	221 See Forever	35	2	(C)
74	227 See Forever	35	3	(C)
75	233 See Forever	35	2	(C)
76	239 See Forever	35	3	(C)
77	245 See Forever	35	2	(C)
78	187 Summit	35	4 (A&B)	(C)
79	175 Summit	35	4 (B)	(C)
80	163 Summit	35	4 (B)	(C)
81	151 Summit	35	4 (B)	(C)
82	139 Summit	35	4 (B)	(C)
83	127 Summit	35	4 (A&B)	(C)
84	126 Summit	25	3	(C)
85	120 Summit	25	2	(C)
86	114 Summit	25	3	(C)
87	108 Summit	25	2 (A)	(C)
88	105 Blue Heron	25	3 (A)	(C)
89	111 Blue Heron	25	2	(C)
90	117 Blue Heron	25	3	(C)
91	123 Blue Heron	25	2	(C)
92	129 Blue Heron	25	3	(C)
93	135 Blue Heron	25	2	(C)
94	141 Blue Heron	25	3	(C)
95	147 Blue Heron	25	2	(C)
96	153 Blue Heron	25	3	(C)
97	159 Blue Heron	25	2	(C)
98	165 Blue Heron	25	3	(C)
99	171 Blue Heron	25	2	(C)
100	177 Blue Heron	25	3	(C)
101	183 Blue Heron	25	2 (A)	(C)
102	215 See Forever	PENDING	PENDING	(C)

Notes: (A) Platted easements and building lines supercede Figures 2 through 9.

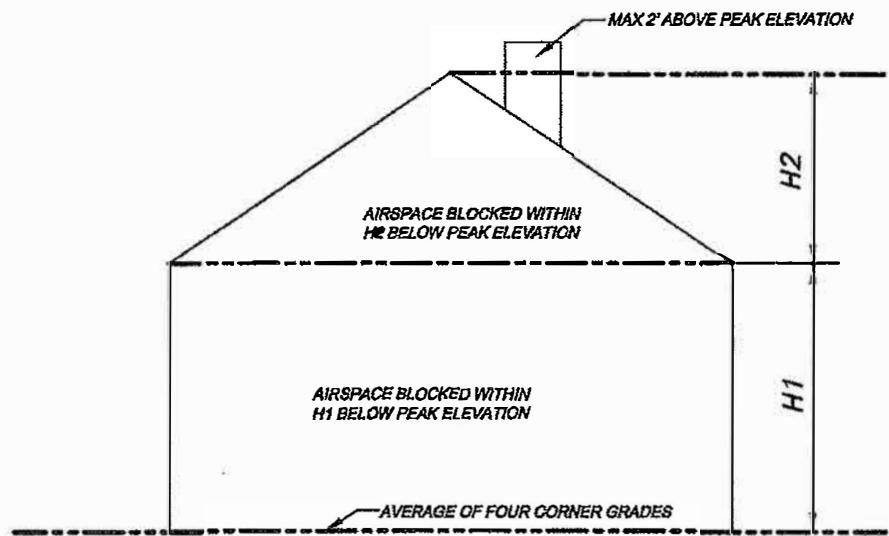
(B) Subject to division of lot based on zoning provision.

(C) Ground floor elevation restrictions do not apply to lakeview lots.

## Exhibit B (Page 3)

**CALCULATION FOR PEAK ELEVATION = SUMMATION OF 4 LOT CORNERS DIVIDED BY 4 + H1+ H2**

**SIGHT RESTRICTIONS CALCULATED PERPENDICULAR TO UPHILL LOT LINE**

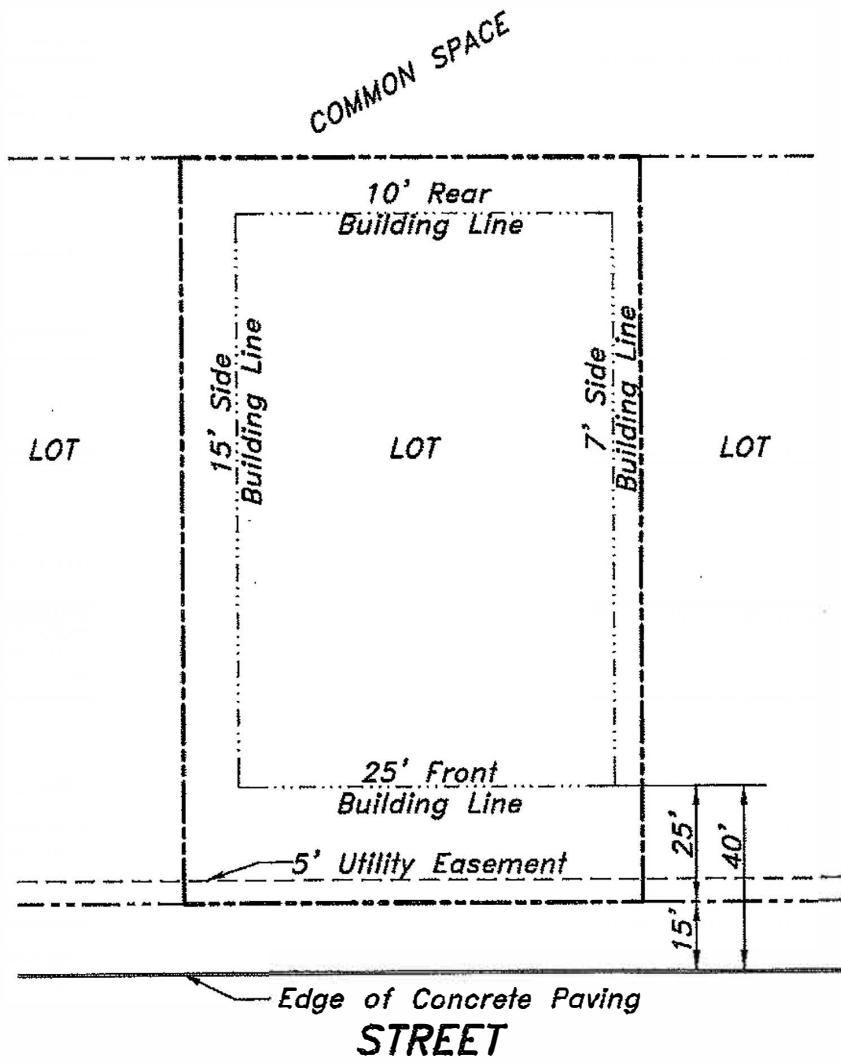


**FIGURE 1  
SIGHT RESTRICTION**

NTS

**BEACON HILL ADDITION  
KEMP, KAUFMAN COUNTY, TEXAS**

**Exhibit B (Page 4)**

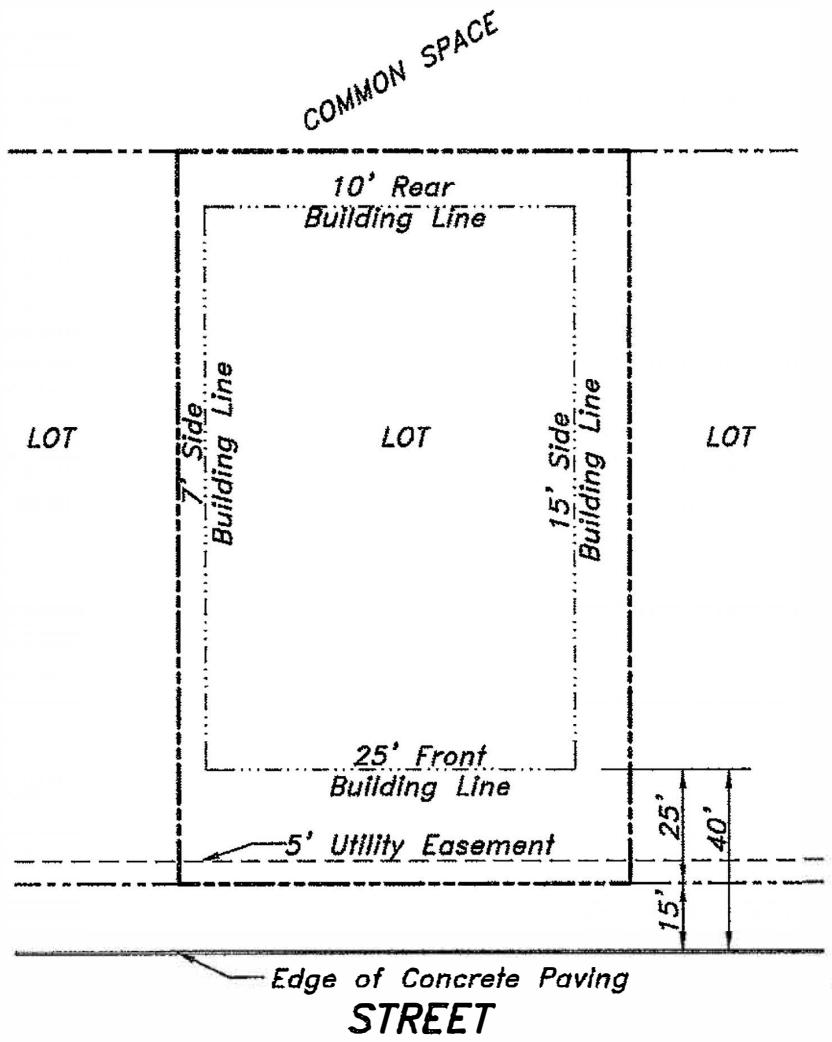


**FIGURE 2**  
**TYPICAL LOT**

NTS

BEACON HILL ADDITION  
KEMP, KAUFMAN COUNTY, TEXAS

**Exhibit B (Page 5)**



**FIGURE 3**  
**TYPICAL LOT**

NTS  
BEACON HILL ADDITION  
KEMP, KAUFMAN COUNTY, TEXAS

Exhibit B (Page 6)

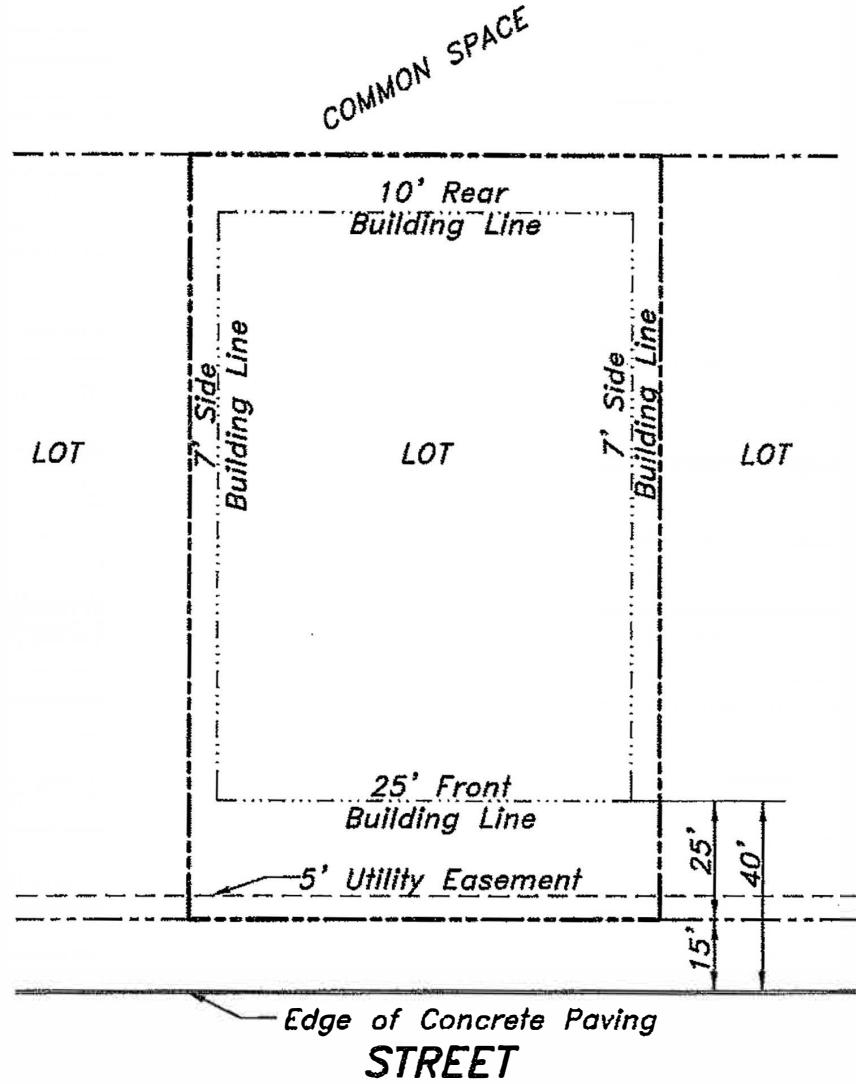
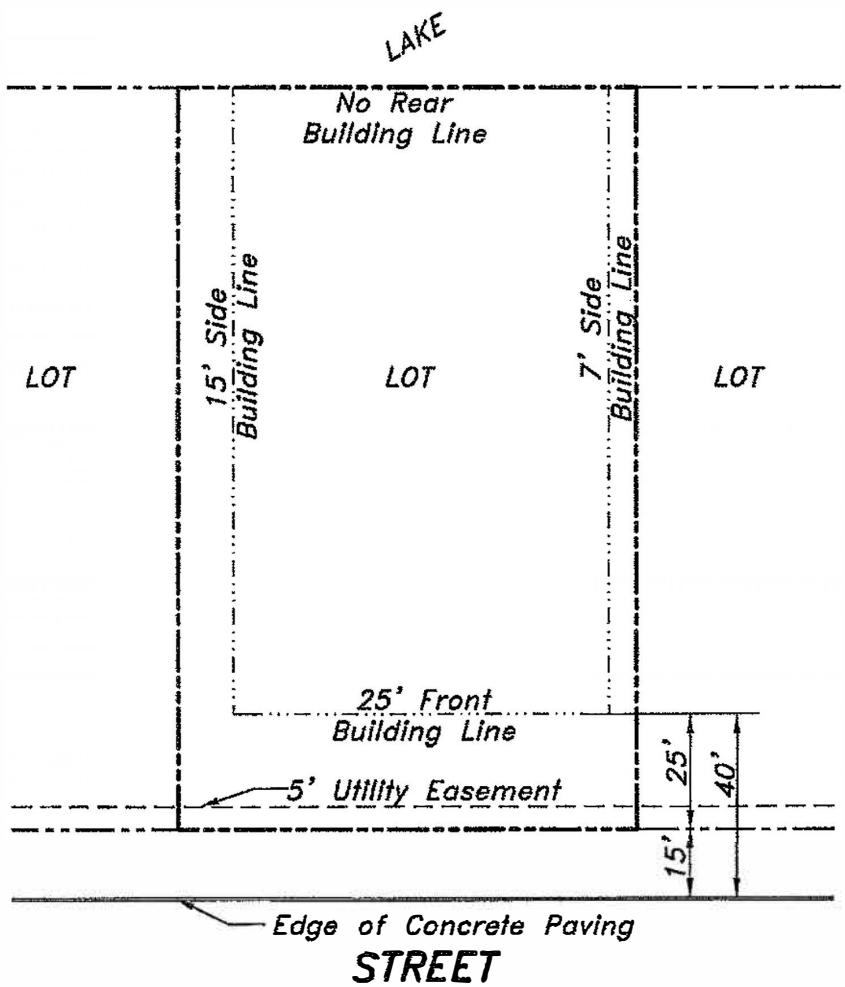


FIGURE 4  
TYPICAL LOT

NTS

BEACON HILL ADDITION  
KEMP, KAUFMAN COUNTY, TEXAS

**Exhibit B (Page 7)**

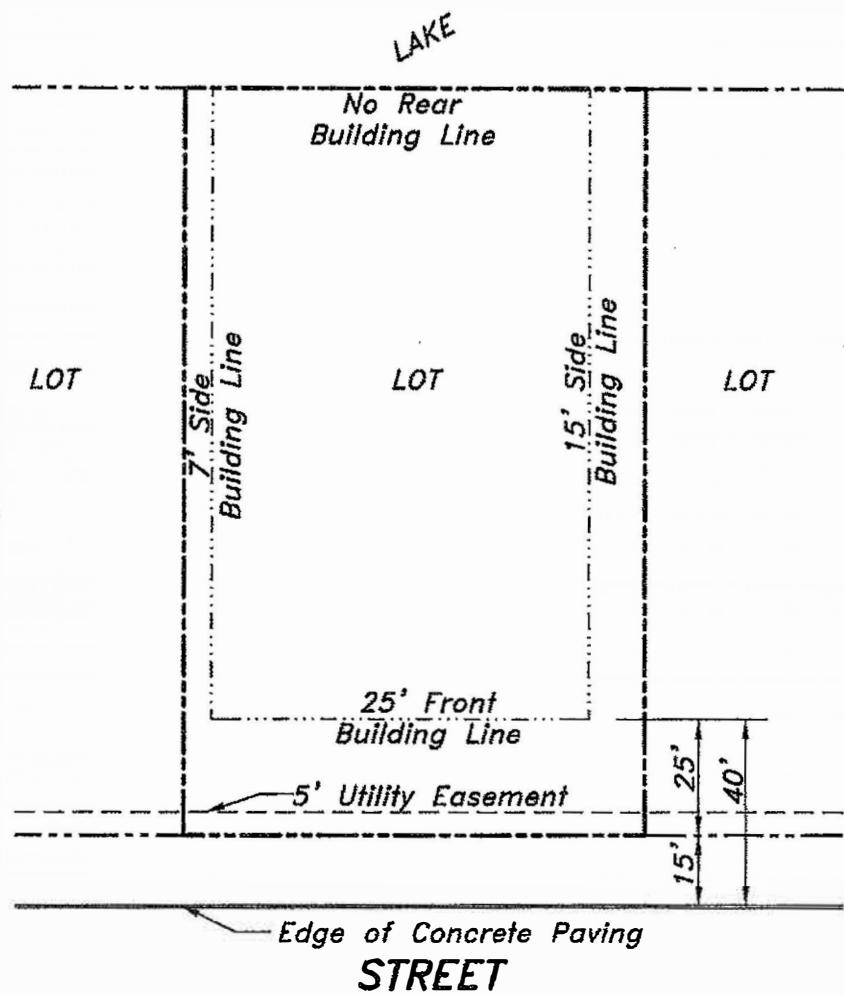


**FIGURE 5  
TYPICAL LOT**

NTS

BEACON HILL ADDITION  
KEMP, KAUFMAN COUNTY, TEXAS

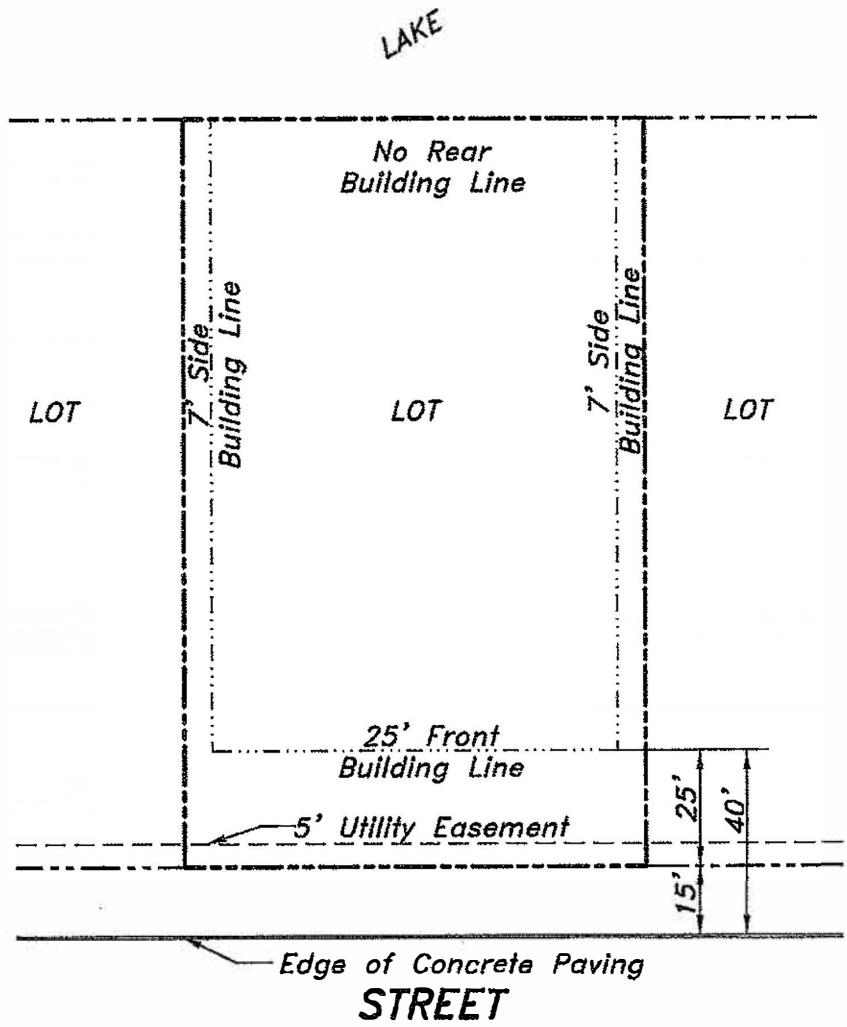
Exhibit B (Page 8)



**FIGURE 6**  
**TYPICAL LOT**

BEACON HILL ADDITION  
KEMP, KAUFMAN COUNTY, TEXAS

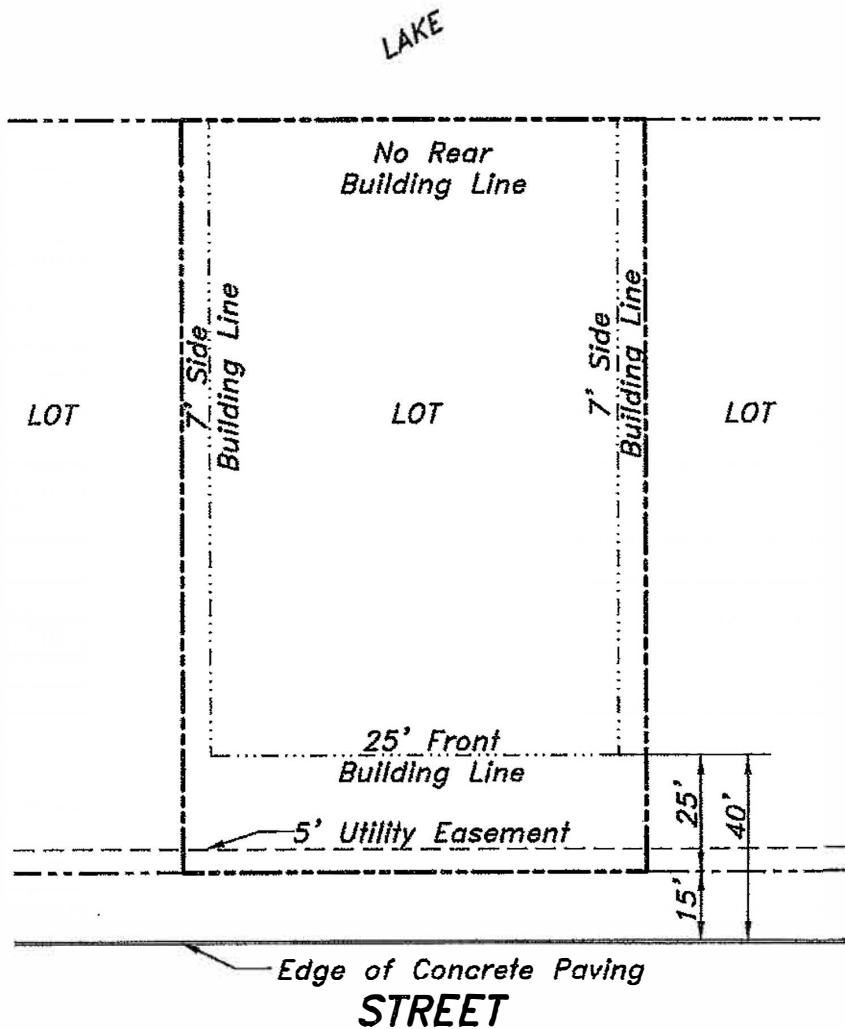
**Exhibit B (Page 9)**



**FIGURE 7**  
**TYPICAL LOT**  
NTS

BEACON HILL ADDITION  
KEMP, KAUFMAN COUNTY, TEXAS

**Exhibit B (Page 10)**

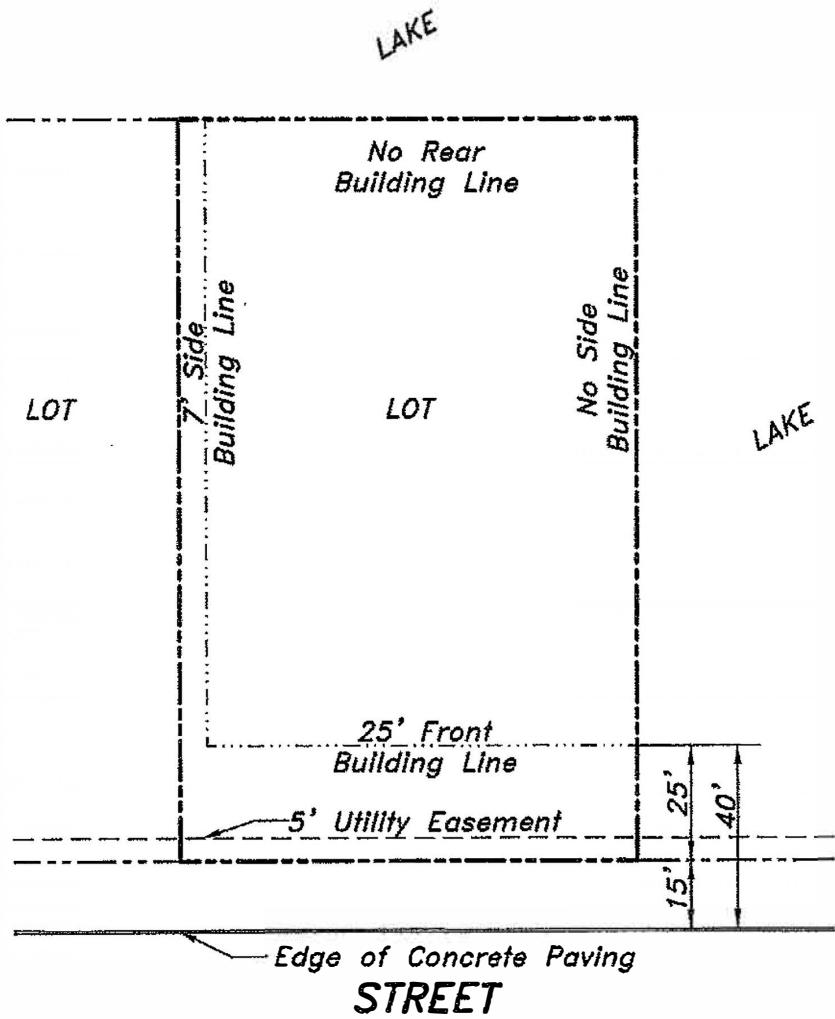


**FIGURE 7**  
**TYPICAL LOT**

NTS

BEACON HILL ADDITION  
KEMP, KAUFMAN COUNTY, TEXAS

**Exhibit B (Page 11)**

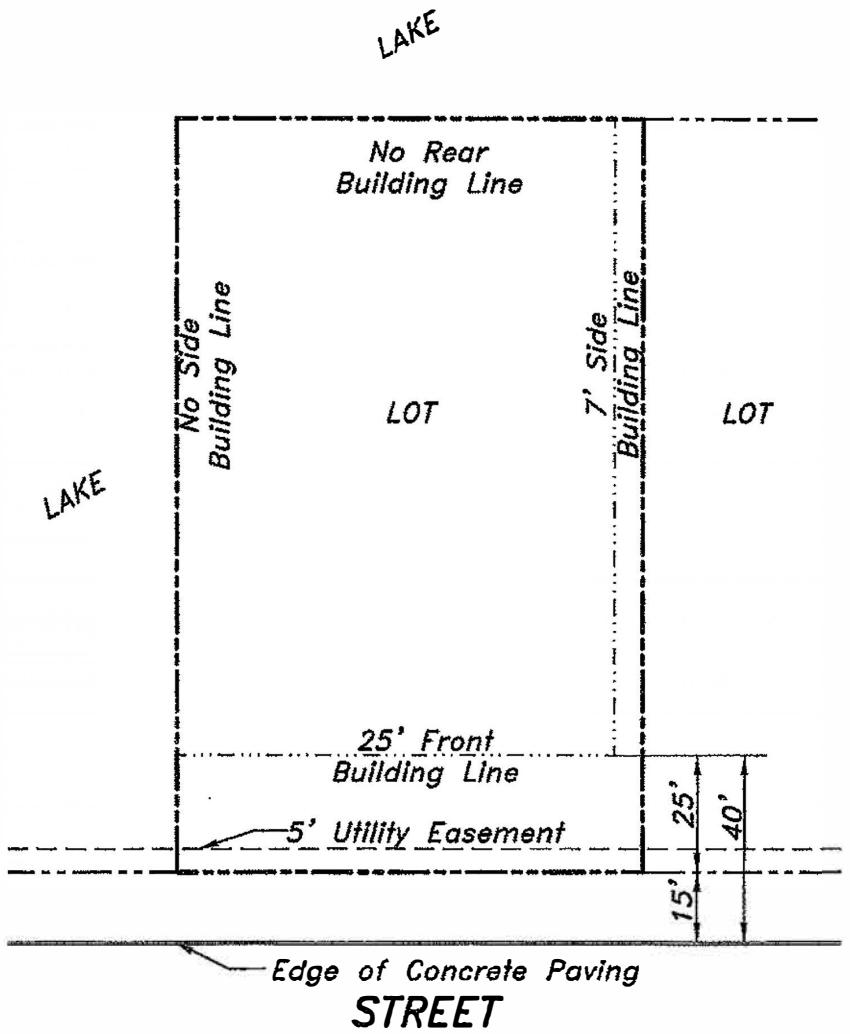


**FIGURE 8**  
**TYPICAL LOT**

NTS

BEACON HILL ADDITION  
KEMP, KAUFMAN COUNTY, TEXAS

**Exhibit B (Page 12)**



**FIGURE 9**  
**TYPICAL LOT**  
NTS

BEACON HILL ADDITION  
KEMP, KAUFMAN COUNTY, TEXAS

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## EXHIBIT C

**Bylaws of  
Beacon Hill Property Owners Association, Inc.**

**Basic Information**

<b>Name:</b>	Beacon Hill Property Owners Association, Inc. (the "Association"), established by the certificate of formation filed with the secretary of state of Texas on March 5, 2009, under file number
<b>Principal Office:</b>	12900 East Highway 175, Kemp, Texas 75143. The Association may have other offices.
<b>Declaration:</b>	The Declaration of Restrictive Covenants of the Beacon Hill Subdivision, recorded in the real property records of Kaufman County, Texas.
<b>Definitions:</b>	Capitalized terms used but not defined herein have the meaning set forth in the Declaration.
<b>Voting Members:</b>	Members entitled to vote or their proxies. Any Member delinquent in payment of any Assessment is not a Voting Member.

**A. Members**

1. *Membership.* Every Owner is a Member of the Association. Membership is appurtenant to and may not be separated from ownership of a Lot. The Association has two classes of voting Members which is set forth in the Covenants and Restrictions of Beacon Hill as filed in the Real Property Records of Kaufman County, Texas.

2. *Place of Meeting.* Members meetings will be held at the Association's principal office or at another place designated by the Board.

3. *Annual Meetings.* The first Members meeting will be held within 6 months after the formation of the Association. Subsequent regular annual Members meetings will be held on the first Monday in September in each calendar year.

4. *Special Meetings.* The president may call special meetings. The president must call a special meeting if directed by the Board or by a petition signed by Seventy-Five percent of the Class A Voting Members.

5. *Notice of Meetings.* Written notice stating the place, day, and hour of each Members meeting, other than a reconvened meeting, must be given to each Member not less than 7 nor more than 28 days before the meeting. The special Members meeting notices must also state the meeting's purpose, and no business may be conducted except as stated in the notice. Notice to a Member is deemed given when hand delivered or mailed. If mailed, notice is deemed given (whether actually

received or not) when deposited with the United States Postal Service, postage prepaid.

6. *Waiver of Notice.* A Member may, in writing, waive notice of a meeting. Attendance at a meeting is a waiver of notice of the meeting, unless the Member objects to lack of notice when the meeting is called to order.

7. *Quorum.* A majority of the Voting Members is a quorum. If a Members meeting cannot be held because a quorum is not present, a majority of the Voting Members who are present may adjourn the meeting.

8. *Majority Vote.* Votes representing more than fifty percent of the Voting Members present at a meeting at which a quorum is present are a majority vote.

9. *Proxies.* Voting Members may vote by written proxy.

10. *Conduct of Meetings.* The president will preside over Members meetings. The secretary will keep minutes of the meetings and will record in a minutes book the votes of the members.

11. *Action without Meeting.* Any action that may be taken at a Members meeting may be taken without a meeting by written consent setting forth the action taken signed by a sufficient number of Members as would be necessary to take that action at a meeting.

## B. The Board

1. *Governing Body; Composition.* The affairs of the Association are governed by the Board. Each director has one vote. The initial Board is composed of the directors appointed in the certificate of formation. Each director (other than an initial director) must be a Member or, in the case of an entity Member, a person designated in writing to the secretary.

2. *Number of Directors.* The Board consists of not less than three nor more than 5 directors. Within those limits, the Board may change the number of directors. No decrease may shorten the term of a director.

3. *Term of Office.* The initial directors serve until the first annual meeting of Members. The terms of directors will be staggered. At least one-third of the Board will be elected each year. The initial Board will determine the initial term, not to exceed three years, of each director. At the expiration of the initial term of a director, each successor will have a term of 2 years. Directors may serve consecutive terms.

4. *Election.* At the first annual meeting of Members, the Voting Members will elect directors to succeed the initial directors. At subsequent annual Members meetings, successors for each director whose term is expiring will be elected. Cumulative voting is prohibited. The candidate or candidates receiving the most votes will be elected. The directors elected by the Voting Members will hold office until their respective successors have been elected.

5. *Removal of Directors and Vacancies*

- a. *Removal by Members.* Any director may be removed, with or without cause, by a majority of the Voting Members. Any director whose removal is sought will be given notice of the proposed removal.
- b. *Removal by Board.* Any director may be removed at a Board meeting if the director:
  - i. failed to attend 2 consecutive Board meetings;
  - ii. failed to attend 25 percent of Board meetings within one year;
  - iii. is delinquent in the payment of any Assessment for more than 30 days; or
  - iv. is the subject of an enforcement action by the Association for violation of the Governing Documents.
- c. *Vacancies.* A director's position becomes vacant if the director dies, becomes incapacitated, resigns, or is no longer a Member.
- d. *Successors.* If a director is removed or a vacancy exists, a successor will be elected by the remaining directors for the remainder of the term.

6. *Compensation.* Directors will not receive compensation. A director may be reimbursed for expenses approved by the Board.

7. *Powers.* The Board has all powers necessary to administer the Association's affairs.

8. *Management.* The Board may employ a managing agent. Declarant, or an affiliate of Declarant, may be the managing agent.

9. *Accounts and Reports.* Accounting and controls must conform to good accounting practices. Accounts will not be commingled with accounts of other persons. The following financial reports will be prepared at least annually:

- a. An income statement reflecting all income and expense activity for the preceding period.
- b. A statement reflecting all cash receipts and disbursements for the preceding period.
- c. A variance report reflecting the status of all accounts in an "actual" versus

"approved" budget format.

- d. A balance sheet as of the last day of the preceding period.
- e. A delinquency report listing all Owners who are delinquent by more than 30 days in paying any Assessment and describing the status of any action to collect those delinquent Assessments.

10. *Borrowing.* The Board may borrow money to maintain, repair, or restore the Common Area without the approval of the Members. If approved in advance by the Members in the same manner as approving a Special Assessment, the Board may borrow money for any other purpose.

11. *Rights of Association.* With respect to the Common Area, and in accordance with the Declaration, the Association will have the right to contract with any person for the performance of various duties and functions. Such agreements require the approval of the Board.

## 12. *Enforcement Procedures*

- a. *Notice.* Before the Board may (1) suspend an Owners right to use a Common Area, (2) file a suit against an Owner other than a suit to collect any Assessment, (3) foreclose the Association's lien, (4) charge an Owner for property damage, or (5) levy a fine for a violation of the Governing Documents, the Association or its agent must give written notice to the Owner by certified mail, return receipt requested. The notice must describe the violation or property damage that is the basis for the suspension action, charge, or fine and state any amount due the Association from the Owner. The notice also must inform the Owner that the Owner (1) is entitled to a reasonable period to cure the violation and avoid the fine or suspension unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months and (2) may request a hearing on or before the thirtieth day after the date the Owner receives the notice.
- b. *Hearing.* If the Owner is entitled to an opportunity to cure the violation, the Owner has the right to submit a written request for a hearing to discuss and verify facts and resolve the matter in issue before a committee appointed by the Board or before the Board if the Board does not appoint a committee. If a hearing is to be held before a committee, the notice must state that the Owner has the right to appeal the committee's decision to the Board by written notice to the Board.

The Association must hold a hearing under this section not later than the thirtieth day after the date the Board receives the Owners request for a hearing and must notify the Owner of the date, time, and place of the hearing

not later than the tenth day before the date of the hearing. The Board or the Owner may request a postponement, and, if requested, a postponement will be granted for a period of not more than ten days. Additional postponements may be granted by agreement of the parties. The Owner or the Association may make an audio recording of the meeting.

The hearing will be held in executive session affording the alleged violator a reasonable opportunity to be heard. Before any sanction hereunder becomes effective, proof of proper notice will be placed in the minutes of the meeting. Such proof will be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered the notice. The notice requirement will be satisfied if the alleged violator appears at the meeting. The minutes of the meeting will contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board may, but will not be obligated to, suspend any proposed sanction if the violation is cured within a 30-day period. Such suspension will not constitute a waiver of the right to sanction violations of the same or other provisions and rules by any person.

- c. *Appeal.* Following hearing before a committee, if any, the violator will have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the managing agent, if any, president, or secretary within 30 days after the hearing date.
- d. *Changes in Law.* The Board may change the enforcement procedures set out in this section to comply with changes in law.

## C. Board Meetings

1. *Regular Meetings.* Regular meetings of the Board will be held at such time and place as determined by the Board, but at least 6 such meetings will be held during each fiscal year. Notice of the time and place of the meetings will be given to directors not less than 3 days before the meetings.

2. *Special Meetings.* Special meetings will be held when called by written notice signed by the president or by any 2 directors. The notice will specify the time and place of the meeting and the matters to be covered at the meeting.

3. *Waiver of Notice.* The actions of the Board at any meeting are valid if (1) a quorum is present and (2) either proper notice of the meeting was given to each director or a written waiver of notice is given by any director who did not receive proper notice of the meeting. Proper notice of a meeting will be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of proper notice.

4. *Quorum of Board.* At all meetings, a majority of the Board will constitute a quorum,

and the votes of a majority of the directors present at a meeting at which a quorum is present constitutes the decision of the Board. If the Board cannot act because a quorum is not present, a majority of the directors who are present may adjourn the meeting to a date not less than 3 nor more than 7 days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business that may have been transacted at the meeting originally called may be transacted without further notice.

5. *Conduct of Meetings.* The president will preside at Board meetings. The secretary will keep minutes of the meetings and will record in a minute book the votes of the directors.

6. *Proxies.* Directors may vote by written proxy.

7. *Action without Meeting.* Any action that may be taken at a Board meeting may be taken without a meeting by written consent setting forth the action taken signed by a sufficient number of the Board as would be necessary to take that action at a meeting.

#### **D. Officers**

1. *Officers.* The officers of the Association are a president, vice president, secretary, and treasurer, to be elected from the Members. The Board may appoint other officers having the authority and duties prescribed by the Board. Any two or more offices may be held by the same person, except the offices of president and secretary.

2. *Election, Term of Office, and Vacancies.* Officers will be elected annually by the Board at the first meeting of the Board following each annual meeting of the Voting Members. A vacancy in any office may be filled by the Board for the unexpired portion of the term.

3. *Removal.* The Board may remove any officer whenever, in the Board's judgment, the interests of the Association will be served thereby.

4. *Powers and Duties.* Officers have such powers and duties as are generally associated with their respective offices and as may be specifically conferred by the Board. The president is the chief executive officer of the Association. The treasurer has primary responsibility for the preparation of the budget and financial reports and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

5. *Resignation.* Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Resignation takes effect on the date of the receipt of the notice or at any later time specified in the notice.

#### **E. Committees**

The Board may establish committees by resolution and authorize the committees to perform the duties described in the resolution.

## F. Miscellaneous

1. *Fiscal Year.* The Board may establish the Association's fiscal year by resolution. In the absence of a Board resolution determining otherwise, the Association's fiscal year is a calendar year.

2. *Rules for Meeting.* The Board may adopt rules for the conduct of meetings of Members, Board, and committees.

3. *Conflict.* The Declaration controls over these Bylaws.

4. *Inspection of Books and Records*

a. *Inspection by Member.* After a written request to the Association, a Member may examine and copy, in person or by agent, any Association books and records relevant to that purpose. The Board may establish rules concerning the (1) written request; (2) hours, days of the week, and place; and (3) payment of costs related to a Member's inspection and copying of books and records.

b. *Inspection by Director.* A director has the right, at any reasonable time, and at the Association's expense, to (1) examine and copy the Association's books and records at the Association's Principal Office and (2) inspect the Association's properties.

5. *Notices.* Any notice required or permitted by the Governing Documents must be in writing. Notices regarding enforcement actions must be given by certified mail, return receipt requested. All other notices may be given by regular mail. Notice is deemed delivered (whether actually received or not) when properly deposited with the United States Postal Service, addressed to (1) a Member at the Member's last known address according to the Association's records; and (2) the Association, the Board, or a managing agent at the Association's Principal Office or another address designated in a notice to the Members. Unless otherwise required by law or the Governing Documents, actual notice, however delivered, is sufficient.

6. *Amendment.* These Bylaws may be amended at any time by the vote of 75 percent of the Voting Members in the Association. This provision will not be construed as limiting the Board's power to amend the enforcement procedures to comply with changes in law.

## EXHIBIT D

**Certificate of Formation of  
Beacon Hill Property Owners Association, Inc.,  
a Texas Nonprofit Corporation**

1. **Name.** The name of the corporation is Beacon Hill Property Owners Association, Inc.
2. **Type of Filing Entity.** The type of filing entity being formed is a nonprofit corporation.
3. **Purpose.** The purpose for which the filing entity is formed is to be the property owners association under the Declaration of Restrictive Covenants of the Beacon Hill subdivision.
4. **Period of Duration.** The period of duration of the filing entity is perpetual.
5. **Initial Registered Office.** The street address of the initial registered office of the filing entity and the name of its initial registered agent at that address are:

Name: James Stewart  
Address: 205 Lakeside Drive, Malakoff, Texas 75148

6. **Organizer.** The name and address of the organizer for the filing entity are:

Name: James Stewart  
Address: 205 Lakeside Drive, Malakoff, Texas 75148

7. **Members.** The filing entity will be composed of Members.

8. **Initial Board of Directors.** The number of directors constituting the initial board of directors is 3, and their names and addresses are:

Name: James Stewart  
Address: 205 Lakeside Drive, Malakoff, Texas 75148

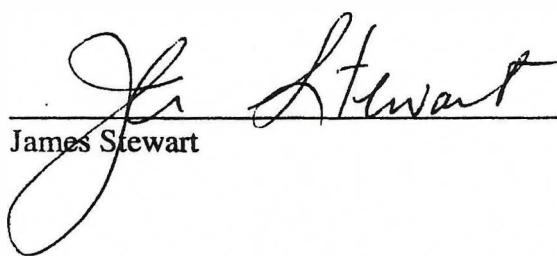
Name: Roger Van Duyne  
Address: 16037 Chalfont Circle, Dallas, Texas 75248

Name: Andrew James Stewart

Address: 507 East Annie Street, Austin, Texas 78704

9. - **Meetings.** Any action that may be taken at a Members or board of directors meeting may be taken without a meeting by written consent setting forth the action taken signed by a sufficient number of Members or of the board of directors as would be necessary to take that action at a meeting.

Signed on April 8, 2009.



James Stewart

**WRITTEN CONSENT OF DIRECTORS  
OF  
BEACON HILL PROPERTY OWNERS ASSOCIATION, INC.  
IN LIEU OF A SPECIAL MEETING**

The undersigned, being all of the Directors of Beacon Hill Property Owners Association, Inc, a Texas Nonprofit corporation (the “Company”), do hereby consent to adopt and approve the following actions and resolutions pursuant to Article 9.10B of the Texas Business Corporation Act in lieu of a special meeting:

**Resolved**, that the following individual is hereby elected to serve as officer of the Company, in the capacity stated by their name, and shall hold such office until their resignation, removal or disqualification and thereafter until successor shall be elected and shall qualify for such office:

Joseph F. McGinley Secretary

The undersigned direct this written consent be filed with the minutes of the proceeding of Directors' meetings.

**IN WITNESS WHEREOF**, this Written Consent of Directors of Beacon Hill Property Owners Association, Inc., in Lieu of a Special Meeting has been executed as of Feb 7, 2019.

  
James A Stewart

  
Roger L Van Duyne

  
Andrew J Stewart

## Resignation of Office

To the Managers and Members of Beacon Hill Property Owners Association Inc.:

I, individually, and in my capacity as Treasurer of Beacon Hill Property Owners Association Inc., as an act of that corporation, hereby resign, effective immediately, as Treasurer, Board Member, and Director, of Beacon Hill Property Owners Association Inc.:



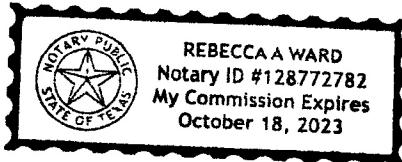
ROGER VAN DUYNE

Date: December 21, 2020

THE STATE OF TEXAS )

COUNTY OF HENDERSON)(

BEFORE ME, the undersigned authority, on this 21st day of December, 2020 personally appeared ROGER VAN DUYNE known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity stated.



NOTARY PUBLIC IN AND FOR TEXAS

WRITTEN CONSENT OF DIRECTORS  
OF  
BEACON HILL PROPERTY OWNERS ASSOCIATION, INC.  
IN LIEU OF A SPECIAL MEETING

The undersigned, being all of the Directors of Beacon Hill Property Owners Association, Inc, a Texas Nonprofit corporation (the “Company”), do hereby consent to adopt and approve the following actions and resolutions pursuant to Article 9.10B of the Texas Business Corporation Act in lieu of a special meeting:

**Resolved**, that effective upon the date hereof, the following Board Member has been removed from the Company:

Roger Van Duyne, Treasurer

The undersigned direct this written consent be filed with the minutes of the proceeding of Directors' meetings.

**IN WITNESS WHEREOF**, this Written Consent of Directors of Beacon Hill Property Owners Association, Inc., in Lieu of a Special Meeting has been executed as of December 21st, 2020.

James A. Stewart  
James A Stewart President

  
\_\_\_\_\_  
Andrew J Stewart Vice President

JOSEPH McGINLEY  
Joseph F McGinley Secretary

UNANIMOUS WRITTEN CONSENT OF  
MANAGERS OF  
KEMP LAKESIDE INVESTORS, LLC  
IN LIEU OF A SPECIAL MEETING

The undersigned, being all of the Managers of KEMP LAKESIDE INVESTORS, L.L.C., a Texas limited liability company (the "Company"), (i) pursuant to Section 6.052 of the Texas Business Organization Code ("TBOC") waive any required notice and (ii) do hereby consent to adopt and approve the following actions and resolutions pursuant to Section 6.201 of the Texas Business Organizations Code in lieu of a special meeting of Managers:

**RESOLVED:** That effective upon the date hereof, the following persons be and hereby are removed from serving on the Design Review Committee of the Company

Roger Van Duyne  
Cheryl Van Duyne  
Larry Zerby

**RESOLVED:** That effective upon the date hereof, the following persons be and hereby are appointed to serve on the Design Review Committee of the Company until their successors have been duly appointed and qualified, or until their death, resignation or removal

Andrew J Stewart (Chairman)  
Mark Meadows (Resident)  
Shahzad Masheyekh (Shawn Mash) (Architect)

The undersigned direct that this written consent be filed with the minutes of the proceedings of Manager meetings.

IN WITNESS WHEREOF, the Unanimous Written Consent of Managers of KEMP LAKESIDE INVESTORS, LLC, in Lieu of a Special Meeting has been executed as of September 15, 2020.

BJ SENTINEL, LTD  
By: BJ CACHE COROPORATION  
its General Partner

By: 

James A Stewart  
its President

CYNTHIA WHITE TRUST

By: 

Andrew J Stewart/Trustee

By: \_\_\_\_\_

Ginger A Zara/Trustee

ANDREW STEWART TRUST

By: \_\_\_\_\_

Cynthia G White/Trustee

By: \_\_\_\_\_

Ginger A Zara/Trustee

GINGER ZARA TRUST

By: 

Andrew J Stewart/Trustee

By: \_\_\_\_\_

Cynthia G White/Trustee

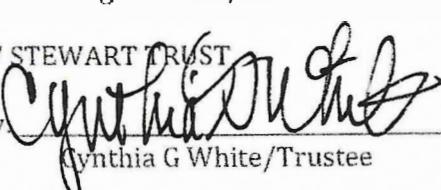
IN WITNESS WHEREOF, the Unanimous Written Consent of Managers of KEMP LAKESIDE INVESTORS, LLC, in Lieu of a Special Meeting has been executed as of September 15, 2020.

BJ SENTINEL, LTD  
By: BJ CACHE COROPORATION  
its General Partner

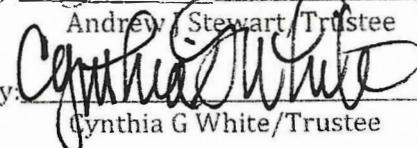
By: \_\_\_\_\_  
James A Stewart  
its President

CYNTHIA WHITE TRUST  
By:   
Andrew J Stewart/Trustee

By: \_\_\_\_\_  
Ginger A Zara/Trustee

ANDREW STEWART TRUST  
By:   
Cynthia G White/Trustee

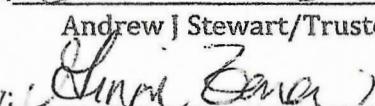
By: \_\_\_\_\_  
Ginger A Zara/Trustee

GINGER ZARA TRUST  
By:   
Andrew J Stewart, Trustee  
By:   
Cynthia G White/Trustee

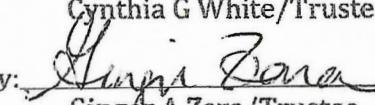
IN WITNESS WHEREOF, the Unanimous Written Consent of Managers of KEMP LAKESIDE INVESTORS, LLC, in Lieu of a Special Meeting has been executed as of September 15, 2020.

BJ SENTINEL, LTD  
By: BJ CACHE COROPORATION  
its General Partner

By: \_\_\_\_\_  
James A Stewart  
its President

CYNTHIA WHITE TRUST  
By:   
Andrew J Stewart/Trustee  
By:   
Ginger A Zara/Trustee

ANDREW STEWART TRUST

By: \_\_\_\_\_  
Cynthia G White/Trustee  
By:   
Ginger A Zara/Trustee

GINGER ZARA TRUST

By:   
Andrew J Stewart/Trustee

By: \_\_\_\_\_  
Cynthia G White/Trustee

Kaufman County  
Laura Hughes  
County Clerk

Instrument Number: 2010-0015844

**MISCELLANEOUS**

Party: BEACON HILL AT CEDAR CREEK LAKE

Billable Pages: 3  
Number of Pages: 4

FILED AND RECORDED – REAL RECORDS	CLERKS COMMENTS
<b>On:</b> 09/27/2010 at 04:25 PM	WALK IN
<b>Document Number:</b> <u>2010-0015844</u>	AMENDMENT OT RESTRICTIONS
<b>Receipt No:</b> <u>10-15329</u>	
<b>Amount:</b> \$ <u>200</u>	
<b>Vol/Pg:</b> <u>V:3833 P:429</u>	



**STATE OF TEXAS  
COUNTY OF KAUFMAN**

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the Official Public Records of Kaufman County, Texas.

A handwritten signature in black ink that reads "Laura A. Hughes".

Laura Hughes, County Clerk

Recorded By: Amanda Reyes, Deputy

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

---

**Record and Return To:**  
KEMP LAKESIDE INVESTORS LLC  
PO BOX 429  
MALAKOFF, TX 75148



INST # 2010-0015844

AMENDMENT TO  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
BEACON HILL AT CEDAR CREEK LAKE

Wednesday, March 03, 2010

SECTION 1.1 RECITALS:

WHEREAS, Declarant is the owner and developer of certain real property located in Kaufman County, Texas more particularly described in Exhibit "A" attached hereto, which has been incorporated into a final plat of Beacon Hill an Addition to the City of Kemp (the "City"), Texas, according to the Plat thereof (the "Plat") recorded in cabinet #3, Sleeve #85 of the Map Records of Kaufman County, Texas (the "County") and made a part hereof for all purposes (the "Property").

WHEREAS, Declarant desires to amend certain covenants, conditions and restrictions upon the Property in order to establish a uniform plan for the development, improvement and sale of the Property and all additional property which may hereafter be added and/or subjected to the provisions of this Declaration, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of the Property and all additional property which may hereafter be added and/or subjected to the provisions of this Declaration:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant, hereby declares that the Property is and shall be owned, held, mortgaged, transferred, sold, conveyed, and occupied subject to the covenants, conditions, restrictions, easements, charges, and liens (collectively referred to as "Covenants, Conditions, and Restrictions") hereinafter set forth.

SECTION 2 AMENDMENTS

- a. 8.11 is hereby amended as follows, "All fences must be black wrought iron at a maximum of 4 feet with stone posts only a minimum of eight feet apart."
- b. 8.27b is hereby amended as follows, "if brought" is changed to "unless brought".
- c. 8.27 c is hereby amended as follows, Pecan Trail Road is hereby changed to Pond Trail Road.
- d. Section 8.3 (c) is hereby amended to expressly prohibit man-made stone on the exterior.
- e. Section 8.5 is hereby amended as follows, "The total air-conditioned living area of the main residential structure, as measured to the outside exterior walls but exclusive of open porches, garages and patios and detached accessory buildings, shall be not less than two thousand five hundred (2,500) square feet for Hillside

Lots. A minimum requirement of two thousand (2,000) square feet for Pond Lots if said homes include eight hundred (800) square feet of exterior living space."

- f. 9.7 is hereby amended as follows, the word 'Faciuties' is changed to Facilities
- g. Exhibit B is herby amended to allow lots 9,10,11, and 12 to have a maximum height restriction of 35 feet while complying with all other requirements of exhibit B.

EXECUTED this 24 day of September, 2010.

KEMP LAKESIDE INVESTORS, LLC  
A Texas Limited Liability Company  
P O Box 429, Malakoff, TX 75148

By: James A. Stewart  
Kemp Lakeside Investors, LLC  
A Texas Limited Liability Company

By: BJ Sentinel, LTD, a Texas Limited Liability  
Company It's: Managing Member

By: BJ Cache Corporation, a Texas Corporation  
General Partner for BJ Sentinel, LTD

By: James A. Stewart

James A. Stewart, President

STATE OF TEXAS §

§

COUNTY OF HENDERSON §

This instrument was acknowledged before me on September 24, 2010 by James A Stewart.



Kasey Jamison  
Notary Public, State of Texas

Kaufman County

Laura Hughes

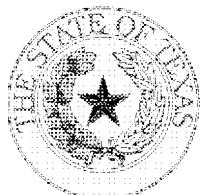
County Clerk

Instrument Number: 2022-0045566

Billable Pages: 7

Number of Pages: 8

FILED AND RECORDED – REAL RECORDS	CLERKS COMMENTS
<b>On:</b> 12/14/2022 at 11:54 AM	E-RECORDING
<b>Document Number:</b> 2022-0045566	
<b>Receipt No:</b> 22-37612	
<b>Amount:</b> \$ 50.00	
<b>Vol/Pg:</b> V-7920 P-338	



STATE OF TEXAS  
COUNTY OF KAUFMAN

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the Official Public Records of Kaufman County, Texas.

A handwritten signature in black ink that reads "Laura A. Hughes".

Laura Hughes, County Clerk

Recorded By: Mariel Vazquez, Deputy

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Record and Return To:

MANNING & MEYERS, ATTORNEY'S AT LAW  
4340 NORTH CENTRAL EXPRESSWAY  
DALLAS, TX 75206



**CERTIFICATE FOR  
RECORDATION OF DEDICATORY INSTRUMENT OF  
BEACON HILL PROPERTY OWNERS ASSOCIATION, INC. A/K/A  
BEACON HILL AT CEDAR CREEK LAKE**

**STATE OF TEXAS**

**§**

**KNOW ALL MEN BY THESE PRESENTS:**

**COUNTY OF KAUFMAN**

**§**

**WHEREAS**, Section 202.006 of the Texas Property Code requires that “A property owners’ association shall file its dedicatory instruments in the real property records of each county in which the property to which the dedicatory instruments relates is located.”; and

**WHEREAS**, Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, a Texas nonprofit corporation (the “Association”) desires to comply with Section 202.006 by filing of record in the real property records of Kaufman County, Texas, the attached instrument; and

**WHEREAS**, the attached instrument constitutes a “dedicatory instrument” as defined by Section 202.001 of the Texas Property Code; and

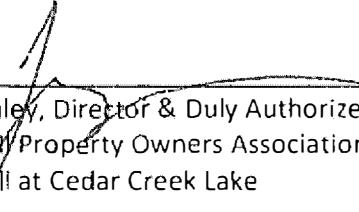
**WHEREAS**, the Declaration of Covenants, Conditions and Restrictions for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, Executed by Kemp Lakeside Investors, LLC., a Texas limited liability company, as Declarant, and recorded on April 16, 2009 at Instrument #2009-00006426 in the Real Property Records of Kaufman County, Texas, including any amendments thereto, additions, annexations and supplements thereto and entitled “Declaration of Covenants, Conditions and Restrictions for Beacon Hill at Cedar Creek Lake” (the “Declaration”) subjected to the scheme of development therein certain land described within the Declaration, Plat and Bylaws;

**NOW THEREFORE**, the undersigned authorized representative of the Association hereby executes this Certificate to effect the recording of the dedicatory instrument attached hereto on behalf of the Association.

*[signature page follows]*

EXECUTED this 14 day of December, 2022

Beacon Hill Property Owners Association, Inc. a/k/a  
Beacon Hill at Cedar Creek Lake  
A Texas non-profit corporation

By: 

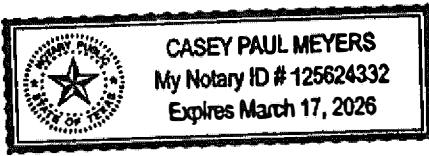
Joe McGinley, Director & Duly Authorized Agent  
Beacon Hill Property Owners Association, Inc. a/k/a  
Beacon Hill at Cedar Creek Lake

STATE OF TEXAS

§

COUNTY OF KAUFMAN

This instrument was acknowledged before me on the 14 day of December, 2022, by Joe McGinley, Director and Duly Authorized Agent of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, a Texas nonprofit corporation, on behalf of said corporation.



Notary Public in and for the State of Texas  
After Recording, Return to:  
Manning & Meyers, Attorneys at Law  
4340 N. Central Expressway, Suite 200  
Dallas, TX 75206

## SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BEACON HILL AT CEDAR CREEK LAKE

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF KAUFMAN

§

THAT THIS SECOND AMENDMENT TO DECLARATION is made effective on the date of its filing in the Kaufman County Real Property Records by the Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake (hereinafter referred to as "Association").

### W I T N E S S E T H:

**WHEREAS**, the Declaration of Covenants, Conditions and Restrictions for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, executed by Kemp Lakeside Investors, LLC., a Texas limited liability company, a Texas limited partnership, as Declarant, recorded on April 16, 2009 at Instrument #2009-00006426 in the Real Property Records of Kaufman County, Texas, including any amendments thereto, additions, annexations and supplements thereto and entitled "Declaration of Covenants, Conditions and Restrictions for Beacon Hill at Cedar Creek Lake" (the "Declaration") designating Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake (the "Association") to administer and enforce the Covenants and Restrictions contained in the Declaration; and

**WHEREAS**, on or about September 27, 2010, the Declaration of Covenants, Conditions and Restrictions for Beacon Hill at Cedar Creek Lake was amended and filed at Instrument #2010-0015844 (the "First Amendment to the Declaration"); and

**WHEREAS**, the Declaration, and all amendments and supplements thereto remain in full force and effect; and

**WHEREAS**, Article XII, Section 12.1 of the Declaration of the Association states as follows:

*"(a) Each and every Owner, Member and Resident hereby makes, constitutes and appoints the Declarant as his/her/its true and lawful attorney-in-fact, coupled with an interest and irrevocable, for him/her/its and in his/her/its name, place and stead and for his/her/its use and benefit, to do the following:*

- (i) To exercise, do or perform any act, right, power, duty or obligation whatsoever in connection with, arising out of, or relating to any matter whatsoever involving this Declaration and the Property;*
- (ii) To sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the terms within this Declaration, or any part hereof, with such clause(s), recital(s), covenant(s), agreement(s) and restriction(s) as the Declarant shall deem necessary, proper and expedient under the circumstances and conditions as may be then existing; and*
- (iii) To sign, execute, acknowledge, deliver and record any and all instruments which modify, amend, change, enlarge, contract or abandon the subdivision plat(s) of the Property, or any part thereof, with any easements and rights to be therein contained as the Declarant shall deem necessary, proper and expedient under the conditions as may then be existing.*

*(b) The rights, powers and authority of said attorney-in-fact to exercise any and all of the rights and*

*powers herein granted shall commence and be in full force upon recordation of this Declaration in the Records and shall remain in full force and effect thereafter until conclusion of the Development Period."*

**WHEREAS**, Article XII, Section 12.4 of the Declaration of the Association states as follows: "*the Covenants set forth herein are expressly subject to change, modification and/or deletion by means of amendment, at any time and from time to time, on the following basis:*

*(a) During the Development Period, the Declarant shall have the right and privilege to amend, change, revise, modify or delete portions of these Covenants, and each and every Owner, Member and Resident specifically and affirmatively authorizes and empowers the Declarant, utilizing the attorney-in-fact status set forth in Section 12.1 above, to undertake, complete and consummate any and all such amendments, changes, revisions, modifications or deletions as the Declarant (in its sole and absolute discretion) shall deem appropriate.*

*(b) From and after the Development Period, the Declarant shall have the right and privilege to amend, change, revise, modify or delete portions of these Covenants, and each and every Owner, Member and Resident specifically and affirmatively authorizes and empowers the Declarant, utilizing the attorney-in-fact status set forth in Section 12.1 above, to undertake, complete and consummate any and all such amendments, changes, revisions, modifications or deletions as the Declarant (in its sole and absolute discretion) shall deem appropriate; provided, however, that any such amendment (i) is necessary to (A) bring any provision into compliance with any applicable governmental statute, rule, regulation or judicial determination, (B) enable any reputable title insurance company to issue title insurance coverage on the Lots; (C) enable any Institutional Mortgagee to make, purchase, insure or guarantee mortgage loans on the Lots; or (D) satisfy the requirements of the City, County any local, state or federal governmental agency; or (ii) has no material, adverse effect upon a right granted an Owner under this Declaration without such Owner's written consent.*

*(c) From and after the Development Period or as otherwise specifically provided above, amendments to the Declaration must be agreed to and approved by (i) Class A Members in good standing holding at least fifty-one percent (51%) of the votes entitled to be cast by Class A Members, and (ii) the Declarant, so long as Declarant owns any property subject to this Declaration."*

**WHEREAS**, Section 209.0041(h) of the Texas Property Codes states that "*a declaration may be amended only by a vote of 67 percent of the total votes allocated to property owners in the property owners' association, in addition to any governmental approval required by law. If the declaration contains a lower percentage, the percentage in the declaration controls.*"

**WHEREAS**, Section 209.0041(d) of the Texas Property Codes state that:

*"(d) This section does not apply to the amendment of a declaration during the development period."*

**WHEREAS**, the Beacon Hill at Cedar Creek Like is in the development period at the time of the filing of this Second Amendment to the Declaration.

**WHEREAS**, the Association, desires to amend the Declaration in certain respects;

**WHEREAS**, the Association has met the requirements of Article XII, Section 12.4 of the Declaration and the Texas Property Code. This amendment was approved by the Declarant in 2022.

**WHEREAS**, the terms and provision of the Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake Declaration, except as modified herein, are hereby declared to be in full force and effect with respect to the Property. The Property shall continue to be held, occupied, sold, and conveyed subject to the terms and conditions of the Beacon Hill at Cedar Creek Lake Declaration and any amendments and supplements thereto. The Declaration, and any amendments and supplements thereto shall run with title to the Property and are binding on all parties having any right, title, or interest in and to the Property or any part thereof, including their heirs, representatives, successors, transferees, and assigns, and shall inure to the benefit of each Owner thereof.

**WHEREAS**, the effective date of this Amendment shall be the date of filing in the Kaufman Real Property Records.

**RESOLVED**, that pursuant to the provisions of Article XII of the Declaration, the Original Declaration and any amendments and supplements thereto of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake are hereby amended with the following Second Amendment to the Declaration of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake. Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake declares that the Property and all portions thereof are and shall be held, transferred, assigned, sold, conveyed and occupied subject to all covenants, conditions, restrictions, easements, liens and charges contained in the Declaration, as modified and amended herein.

**NOW, THEREFORE**, the Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake Declaration is hereby amended as follows:

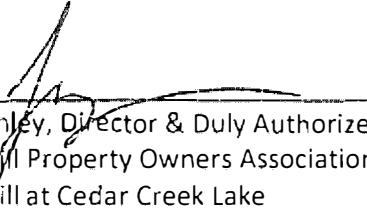
1. Correction to Exhibit B. "Exhibit B" to the Declaration of Beacon Hill at Cedar Creek Lake is hereby amended, superseded, and replaced with the attached "Exhibit B".
2. Statement of Purpose. It is intended that the Second Amendment to the Declaration of Beacon Hill at Cedar Creek Lake, as amended by this instrument, constitute the Declaration which governs the Association, and that the Exhibit B attached to the Declaration to the Declaration be fully superseded thereby.

**[signature page follows]**

**IN WITNESS WHEREOF**, Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake has caused this Second Amendment to the Declaration for Beacon Hill at Cedar Creek Lake to be effective as of the date of its filing in the Kaufman County Clerk's Office.

EXECUTED this 14 day of December, 2022

Beacon Hill Property Owners Association, Inc. a/k/a  
Beacon Hill at Cedar Creek Lake  
A Texas non-profit corporation

By: 

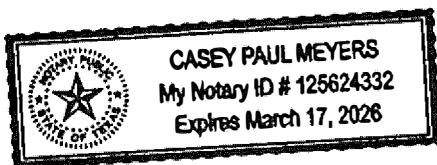
Joe McGinley, Director & Duly Authorized Agent  
Beacon Hill Property Owners Association, Inc. a/k/a  
Beacon Hill at Cedar Creek Lake

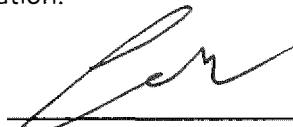
STATE OF TEXAS

§

COUNTY OF KAUFMAN

This instrument was acknowledged before me on the 14 day of December, 2022, by Joe McGinley, Director and Duly Authorized Agent of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, a Texas nonprofit corporation, on behalf of said corporation.



  
Notary Public in and for the State of Texas  
After Recording, Return to:  
Manning & Meyers, Attorneys at Law  
4340 N. Central Expressway, Suite 200  
Dallas, TX 75206

**Exhibit B (Page 1)****BUILDING SETBACKS, HEIGHT AND ELEVATION RESTRICTIONS**

Lot	Address	Maximum Height (Refer to Figure 1) H1+H2 (feet)	Building Set Backs (Reference Figure)	Ground Floor Elevation (feet)
1	106 Pond Trail	35	3	327
2	112 Pond Trail	35	4	327
3	118 Pond Trail	35	4 (A)	327
4	124 Pond Trail	35	4 (A)	327
5	130 Pond Trail	35	3	327
6	136 Pond Trail	35	7	327
7	142 Pond Trail	35	9 (A)	327
8	143 Pond Trail	35	8 (A)	327
9	137 Pond Trail	35	6	327
10	125 Pond Trail	35	5	327
11	119 Pond Trail	35	6	327
12	107 Pond Trail	35	5 (A)	327
13	1023 Beacon Shore	35	5	327
14	1017 Beacon Shore	35	6	327
15	1011 Beacon Shore	35	5	327
16	1005 Beacon Shore	35	6	327
17	1117 Beacon Shore	20	5	326
18	1123 Beacon Shore	20	6	326
19	1129 Beacon Shore	20	5	326
20	1135 Beacon Shore	20	6	326
21	1141 Beacon Shore	20	5	326
22	1147 Beacon Shore	20	6	326
23	1153 Beacon Shore	20	5	326
24	1159 Beacon Shore	20	6	326
25	1165 Beacon Shore	20	5	326
26	1171 Beacon Shore	20	6	326
27	1177 Beacon Shore	20	5	326
28	1183 Beacon Shore	20	6 (A)	326
29	1189 Beacon Shore	20	5	326
30	1195 Beacon Shore	20	6	326
31	1201 Beacon Shore	20	5	326
32	1207 Beacon Shore	20	6	326
33	1213 Beacon Shore	20	5	326
34	1219 Beacon Shore	20	6	326
35	1225 Beacon Shore	20	5	326
36	1231 Beacon Shore	20	6	326
37	1237 Beacon Shore	20	5	326
38	1243 Beacon Shore	20	6	326
39	1249 Beacon Shore	20	5	326
40	1255 Beacon Shore	20	6	326
41	1261 Beacon Shore	20	5	326
42	1267 Beacon Shore	20	6	326
43	1273 Beacon Shore	20	5	326
44	1279 Beacon Shore	20	6	326
45	1285 Beacon Shore	20	5	326
46	1291 Beacon Shore	20	6	326
47	1297 Beacon Shore	25	5	326
48	1303 Beacon Shore	25	6	326
49	1309 Beacon Shore	25	5	326
50	1315 Beacon Shore	25	6	326
51	139 Island View	25	2 (A)	(C)
52	133 Island View	25	3	(C)
53	127 Island View	25	2	(C)
54	121 Island View	25	3	(C)
55	115 Island View	25	2	(C)
56	109 Island View	25	3 (A)	(C)
57	104 Island View	25	3 (A)	(C)
58	110 Island View	25	2	(C)
59	116 Island View	25	3	(C)

Notes: (A) Platted easements and building lines supercede Figures 2 through 9.

(B) Subject to division of lot based on zoning provision.

(C) Ground floor elevation restrictions do not apply to lakeview lots.

AMENDMENT TO  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
BEACON HILL AT CEDAR CREEK LAKE

Thursday, May 19, 2022

SECTION 1.1 RECITALS:

WHEREAS, Declarant is the owner and developer of certain real property located in Kaufman County, Texas more particularly described in Exhibit "A" attached hereto, which has been incorporated into a final plat of Beacon Hill an Addition to the City of Kemp (the "City"), Texas, according to the Plat thereof (the "Plat") recorded in cabinet #3, Sleeve #85 of the Map Records of Kaufman County, Texas (the "County") and made a part hereof for all purposes (the "Property").

WHEREAS, Declarant desires to amend certain covenants, conditions and restrictions upon the Property in order to establish a uniform plan for the development, improvement and sale of the Property and all additional property which may hereafter be added and/or subjected to the provisions of this Declaration, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of the Property and all additional property which may hereafter be added and/or subjected to the provisions of this Declaration:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant, hereby declares that the Property is and shall be owned, held, mortgaged, transferred, sold, conveyed, and occupied subject to the covenants, conditions, restrictions, easements, charges, and liens (collectively referred to as "Covenants, Conditions, and Restrictions") hereinafter set forth.

SECTION 2 AMENDMENTS

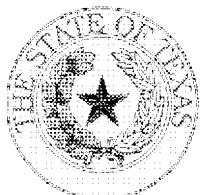
h. Section 8.3 (b) is hereby amended to allow waterfront lots 17-50 the option of not less than 70% smooth stucco as their masonry product.

Kaufman County  
Laura Hughes  
County Clerk

Instrument Number: 2022-0036224

Billable Pages: 21  
Number of Pages: 22

FILED AND RECORDED – REAL RECORDS	CLERKS COMMENTS
<b>On:</b> 09/23/2022 at 01:16 PM	E-RECORDING
<b>Document Number:</b> 2022-0036224	
<b>Receipt No:</b> 22-29589	
<b>Amount:</b> \$ 106.00	
<b>Vol/Pg:</b> V:7819 P:584	



STATE OF TEXAS  
COUNTY OF KAUFMAN

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the Official Public Records of Kaufman County, Texas.

A handwritten signature in black ink, which appears to read "Laura A. Hughes".

Laura Hughes, County Clerk

Recorded By: Beatriz Sauceda, Deputy

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Record and Return To:

MANNING & MEYERS, ATTORNEY'S AT LAW  
4340 NORTH CENTRAL EXPRESSWAY  
DALLAS, TX 75206



**CERTIFICATE FOR  
RECORDATION OF DEDICATORY INSTRUMENT OF  
BEACON HILL PROPERTY OWNERS ASSOCIATION, INC. A/K/A BEACON HILL AT  
CEDAR CREEK LAKE**

**STATE OF TEXAS**

**§**

**KNOW ALL MEN BY THESE PRESENTS:**

**COUNTY OF KAUFMAN**

**§**

**§**

**WHEREAS**, Section 202.006 of the Texas Property Code requires that "A Property Owners' Association shall file its dedicatory instruments in the Real Property Records of each county in which the Property to which the dedicatory instruments relates is located."; and

**WHEREAS**, Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, a Texas nonprofit corporation (the "Association") desires to comply with Section 202.006 by filing of record in the Real Property Records of Kaufman County, Texas, the attached instrument; and

**WHEREAS**, the attached instrument constitutes a "dedicatory instrument" as defined by Section 202.001 of the Texas Property Code; and

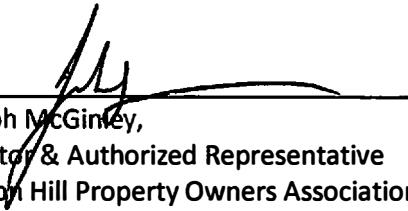
**WHEREAS**, the Declaration of Covenants, Conditions and Restrictions for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, executed by Kemp Lakeside Investors, LLC., a Texas limited liability company, as Declarant, was recorded at Instrument #2009-00006426 on or around April 16, 2009 in the Real Property Records of Kaufman County, Texas, including any amendments, additions, annexations, and supplements thereto and entitled "Declaration of Covenants, Conditions and Restrictions for Beacon Hill at Cedar Creek Lake" (the "Declaration") subjected to the scheme of development therein certain land located in Kaufman County, Texas;

**NOW THEREFORE**, the undersigned authorized representative of the Association hereby executes this Certificate to effect the recording of the dedicatory instrument attached hereto on behalf of the Association.

**(signature page follows)**

EXECUTED this 21, day of September, 2022

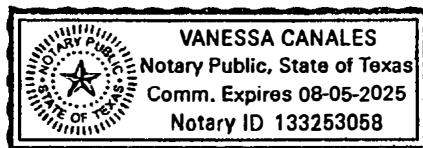
Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek  
Lake,  
A Texas nonprofit corporation

By: 

Joseph McGinley,  
Director & Authorized Representative  
Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek  
Lake

STATE OF TEXAS §  
§  
COUNTY OF KAUFMAN §

This instrument was acknowledged before me on the 22 day of September, 2022 by Joseph McGinley, authorized representative of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, a Texas nonprofit corporation, on behalf of said corporation.



  
Notary Public in and for the State of Texas

After Recording, Return to:  
Manning & Meyers, Attorneys at Law  
4340 N. Central Expressway, Suite 200  
Dallas, TX 75206

## **Dedication Instruments**

**Exhibit A- Document Retention Policy**

**Exhibit B- Payment Plan Policy**

**Exhibit C- Records Production & Copying Policy**

**Exhibit D- Contract Bidding Policy**

**Exhibit E- Swimming Pool Enclosure Policy**

**Exhibit F- Security Measures Policy**

**Exhibit G- Religious Item Display Policy**

Exhibit A

# Document Retention Policy

## Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF KAUFMAN

§

We, the undersigned, being the directors of the **Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake**, a Texas non-profit Association (the "Association"), pursuant to Section 209.005 of the Texas Property Code, do, by unanimous consent, take the following corporate action and adopt the following resolutions, which corporate action and resolutions shall have the same force and effect as a unanimous vote of all the directors of the Association at a duly called meeting of the Board of Directors of said Association:

**WHEREAS**, certificates of formation, bylaws, restrictive covenants, and all amendments to the certificates of formation, bylaws, and covenants must be retained permanently by the Association.

**WHEREAS**, financial books and records must be retained for a minimum of seven years.

**WHEREAS**, account records of current owners must be retained for a minimum of five years.

**WHEREAS**, contracts with a term of one year or more must be retained for a minimum of four years after the expiration of the contract term.

**WHEREAS**, minutes of meetings of the owners and the board must be retained for a minimum of seven years.

**WHEREAS**, tax returns and audit records must be retained for a minimum of seven years.

**RESOLVED**: that, pursuant to the provisions of The Texas Property Code, Section 209.0062, and that certain Declaration of Covenants, Conditions and Restrictions for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, recorded at Recorded on or about April 16, 2009, at Instrument #2009-00006426, Real Property Records of Kaufman County, Texas, as same has been amended (the "Declaration"), and the Bylaws of the Association, the Board of Directors of the Association hereby adopt the following Document Retention Policy:

- 1) Certificates of formation, bylaws, restrictive covenants, and all amendments to the certificates of formation, bylaws, and covenants shall be retained permanently by the Association.

- 2) Financial books and records shall be retained for a minimum of seven years.
- 3) Account records of current owners shall be retained for a minimum of five years.
- 4) Contracts with a term of one year or more shall be retained for a minimum of four years after the expiration of the contract term.
- 5) Minutes of meetings of the owners and the board shall be retained for a minimum of seven years.
- 6) Tax returns and audit records shall be retained for a minimum of seven years.

Exhibit B

# Payment Plan Policy

## Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake

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

We, the undersigned, being the directors of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, a Texas non-profit Association (the "Association"), pursuant to Section 209.0062 of the Texas Property Code, do, by unanimous consent, take the following corporate action and adopt the following resolutions, which corporate action and resolutions shall have the same force and effect as a unanimous vote of all the directors of the Association at a duly called meeting of the Board of Directors of said Association:

**WHEREAS**, Pursuant to Section 209.0062 of the Texas Property Code, a property owners' association composed of more than 14 lots shall adopt reasonable guidelines to establish an alternative payment schedule by which an owner may make partial payments to the property owners' association for delinquent regular or special assessments or any other amount owed to the association without accruing additional monetary penalties.

**WHEREAS**, monetary penalties do not include reasonable costs associated with administering the payment plan or interest.

**WHEREAS**, the minimum term for a payment plan offered by a property owners' association is three months.

**WHEREAS**, a property owners' association may allow a payment plan for any maximum amount of time.

**WHEREAS**, a property owner's association is not required to enter into a payment plan with an owner who failed to honor the terms of a previous payment plan during the two years following the owner's default under the previous payment plan.

**WHEREAS**, a property owners' association shall file the association's guidelines under this section in the real property records of each county in which the subdivision is located.

**WHEREAS**, a property owners' association's failure to file as required by this section the association's guidelines in the real property records of each county in which the subdivision is located does not prohibit a property owner from receiving an alternative payment schedule by which the owner may make partial payments to the property owners' association for delinquent regular or special assessments or any other amount owed to the association without accruing additional monetary penalties.

**RESOLVED**: that, pursuant to the provisions of The Texas Property Code, Section 209.0062, and that certain Declaration of Covenants, Conditions and Restrictions for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, recorded at Recorded on or about April 16, 2009, at Instrument #2009-00006426, Real Property Records of Kaufman County, Texas, as same has been amended (the "Declaration"), and the Bylaws of the Association, the Board of Directors of the Association hereby adopt the following Payment Plan Policy to establish reasonable guidelines for the payment of delinquent regular or special assessments or any other amount owed to the Association without accruing additional monetary penalties:

Homeowners (the "Owner") within Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake shall have the opportunity to pay delinquent regular assessments and fees to the Association.

**Requesting a Payment Plan**- An owner shall have the opportunity to submit a payment plan request to the board of directors. Such payment plan request must be made in writing and may be transmitted via email to the Association's Managing Agent or to the Association's Attorney.

**Payment Plan Requirements**- All payment plans submitted must be 12 months or less in length, beginning at the date of the initial request for the payment plan, and pay the entire balance owed by the owner submitting such a plan, including any additional assessments, administrative fees, and interest that accrue during the pendency of the plan.

**Payment Plan Approval**- Should the payment plan request meet the requirements as set forth above, the owner shall be notified that the board has agreed to his payment plan. A Payment Plan Agreement shall be submitted to the owner in writing.

**WHEREAS**, the Declaration of Covenants, Conditions and Restrictions for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, Executed by Kemp Lakeside Investors, LLC., a Texas limited liability company, as Declarant, was recorded at Recorded on or about April 16, 2009, at Instrument #2009-00006426 in the Real Property Records of Kaufman County, Texas, including any amendments thereto, additions, annexations and supplements thereto and entitled "Declaration of Covenants, Conditions and Restrictions for Beacon Hill at Cedar Creek Lake" (the "Declaration") subjected to the scheme of development therein certain land located in Kaufman County, Texas;

**Administrative Fees**- Administrative fees and interest shall be charged against the owner's account during the pendency of the payment plan.

**Payment Submission**- Payment Plan payments shall be submitted to the Association's Managing Agent or the Association's attorney and shall be due upon the first of the month, unless otherwise specified within the owner's payment plan.

**Default**- Payments under a payment plan must be received within three business days of their due date as specified in the Payment Plan Agreement or said agreement shall be considered in default. Should an owner default under said payment plan, subsequent payments by the owner shall no longer be applied according Texas Property Code Section 209.0063 but shall be applied in the following order: 1) Attorney's fees; 2) Interest; 3) Administrative Fees; 4) Delinquent Assessments; 5) Current Assessments; 5) Any other amount owed the Association; 6) Fines. An owner defaulting under a payment plan shall be notified of such default via a Payment Plan Default Letter and collection activity shall immediately resume upon their account.

**Ineligibility**-The Association shall not be required to enter into a payment plan with an owner if that owner has entered and defaulted on a payment plan within the previous two years. The Association shall not be required to enter into a payment plan with an owner if that owner is currently in foreclosure.

Exhibit C

# Records Production and Copying Policy

## Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF KAUFMAN

§

We, the undersigned, being the directors of the **Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake**, a Texas non-profit Association (the "Association"), pursuant to Section 209.005 of the Texas Property Code, do, by unanimous consent, take the following corporate action and adopt the following resolutions, which corporate action and resolutions shall have the same force and effect as a unanimous vote of all the directors of the Association at a duly called meeting of the Board of Directors of said Association:

**WHEREAS**, pursuant to Section 209.005 of the Texas Property Code, a property owners' association shall adopt a records production and copying policy that prescribes the costs the association will charge for the compilation, production, and reproduction of information.

**WHEREAS**, the prescribed charges may include all reasonable costs of materials, labor, and overhead but may not exceed costs that would be applicable for an item under 1 T.A.C. Section 70.3.

**WHEREAS**, the policy required by this subsection must be recorded as a dedicatory instrument in accordance with Section 202.006.

**WHEREAS**, an association may not charge an owner for the compilation, production, or reproduction of information requested under this section unless the policy prescribing those costs has been recorded as required by Section 209.005 of the Texas Property Code.

**WHEREAS**, an owner is responsible for costs related to the compilation, production, and reproduction of the requested information in the amounts prescribed by a policy adopted by an Association under Section 209.005.

**WHEREAS**, an association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information.

**RESOLVED:** that, pursuant to the provisions of The Texas Property Code, Section 209.0062, and that certain Declaration of Covenants, Conditions and Restrictions for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, recorded at Recorded on or about April 16, 2009, at Instrument #2009-00006426, Real Property Records of Kaufman County, Texas, as same has been amended (the "Declaration"), and the Bylaws of the Association, the Board of Directors of the Association hereby adopt the following Document Records Production and Copying Policy:

- 1) All books, records, and financial records shall be open to and reasonably available for examination by an owner within the community or by the owner's designated agent except for those outlined in Paragraph 6 below. An owner or their agent is also entitled to copies of said records. Should an owner designate an agent for inspection of records, such designation must be made in writing and submitted to the Association prior to any inspection or production of any records.
- 2) A Records Request must be submitted to the Association in writing, via Certified Mail, Return Receipt Requested to the mailing address of the Association or authorized representative as reflected in the most recent Management Certificate. The owner's request must describe in sufficient detail the records requested and specify whether the owner is requesting to inspect the records or is requesting copies. If the owner requests any of the records specified under Section 6 of this Resolution, then the written request for records must also include a declaration affirming approval of the inspection and/or release of those specific records, either to himself or to the owner's designated agent.
- 3) The Association shall reply to such a Records Request by an owner within 10 business days of the receipt of the request. If the Association is unable to produce the records within 10 business days, the Association shall inform the owner of such within 10 business days of the receipt of the owner's request and inform the owner that the information will be available not later than 15 business days from the date of the response to the owner's Records Request.
  - a. **Inspection Requested:** Should the owner submitting the request seek to inspect documents, the Association shall reply with the dates and times during normal business hours that records will be available for inspection as well as the costs the Association will charge for the inspection of said records. If the Association is unable to produce the records within 10 business days, the Association shall inform the owner of such within 10 business days of the receipt of the owner's request and inform the owner that the information will be available not later than 15 business days from the date of the response to the owner's Records Request.
  - b. **Copies Requested:** Should the owner submitting the request seek the production of copies of Association records, the Association shall produce all requested records that are within their possession or control within ten business days. If the Association is unable to produce the records within 10 business days, the Association shall inform the owner of such within 10 business days of the receipt of the owner's request and inform the owner that the information will be available not

later than 15 business days from the date of the response to the owner's Records Request.

- 4) Records may be produced in hard copy, electronic format, or any other format that is reasonably available to the Association.
- 5) The Association shall require the advance payment of estimated costs of compilation and production of records. The Association shall charge the costs outlined under Title 1, Rule 70.3 of the Texas Administrative Code. Once an owner has inspected or received copies under the Records Request, a Final Invoice shall be delivered to the owner within 30 days of the records production. If the owner does not pay the final amount showing on the invoice within 30 days, then the amount on the invoice shall be added to the owner's account as an assessment. An owner may not be foreclosed upon for non-payment of this balance due. If a refund is due to the owner after a Records Request, then the refund shall be sent along within the Final Invoice.
- 6) The following records shall be unavailable for copying or inspection without written approval of the owner, or a court order stating that such records must be released:
  - a. Attorney files and records;
  - b. Personal information of owners;
  - c. Violation history of owners;
  - d. Personal financial information of an owner;
  - e. Records of payment or non-payment of an owner;
  - f. Association Employee Information;
  - g. Contact information of an owner.

Exhibit D

# CONTRACT BIDDING POLICY

## Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake

**WHEREAS**, the Texas Legislature amended Section 209.0052 of the Texas Property Code relating to the execution of contracts in excess of \$50,000.00.

**WHEREAS**, the directors of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake find there is a need to adopt a policy related to the execution of contracts in excess of \$50,000 in accordance with Section 209.0052 of the Texas Property Code.

**NOW, THEREFORE, IT IS RESOLVED**, in order to comply with Section 209.0052 of the Texas Property Code, the Board of Directors of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake adopts the following guidelines for contracts for which the total cost is in excess of \$50,000.00.

- 1) **Competitive Bidding Required for Certain Association Contracts:** The Board of Directors will actively seek bids within the parameters of this Policy to manage Association expenditure and budget controls. Bidding will be in accordance with the guidelines set forth within this Policy. Adherence to this Policy provides a means to ensure the Board of Directors is fulfilling its responsibilities when spending Association funds.
- 2) **Competitive Bid Procedure:** A Competitive Bid Procedure will be used when:
  - a. The projected total cost of the contract to the Association will be in excess of \$50,000.00; or
  - b. When the directors of the Association find there is need to engage in a Competitive Bid Procedure as set forth within this Contract Bidding Policy.
- 3) **Three Bidders Required:**
  - a. If qualified bidders exist, at least three bids should be solicited for each project.
  - b. The requirement for three bids may be waived if:
    - i. Work is an Emergency or Act of God: The Competitive Bid Procedure as set forth within this Policy may be omitted if the Board of Directors determines a situation to be an emergency or an act of God;
    - ii. Changing of vendors would disrupt existing warranties; or
    - iii. Other vendors are not willing to bid on the project.

4) **Bid Requirements Submitted to Vendors:** The Board's request for bids to vendors or contractors will include the following information:

- a. Outline / Scope of Work (SOW) sought to be performed from the Vendor.
- b. A targeted date that the Association seeks to have the work completed.
- c. A request to the Vendor for an itemization of materials and labor necessary to complete the project.
- d. A request that the Vendor submit copies of current liability insurance coverage and/or bonding, State and Local licenses, permits, and Workers' Compensation Insurance (WCI) coverage.
- e. A list of Vendor references if the Association has not had prior experience with the Vendor.
- f. Any possible penalties for completion by the Vendor after the promised completion date.

**Note: The above bid requirement documentation may vary based on the scope and nature of the project.**

5) **Bid Package Submittal Requirements from Vendor:** Each Vendor's response to the Association must contain:

- a. An estimated total cost of the project with a breakdown of materials and labor costs.
- b. A projected start and completion date.
- c. Any possible deviations from the contract with respect to cost and/or completion date, e.g., weather delays, unforeseen obstacles such as ground conditions.
- d. A copy of the Vendor's current liability insurance coverage and/or bonding, State and Local licenses, permits, and Workers' Compensation Insurance (WCI) coverage.
- e. A list of Vendor references if the Association has not had prior experience with the Vendor.
- f. A Copy of the Vendor's proposed contractual agreement with the Association.

6) **Direct Source, Sole Source, or Competitive Bid Exceptions will be considered when:**

- a. Time does not allow for the collection and reviews of bids.
- b. Emergency work makes time a critical factor.
- c. The item or service does not permit soliciting competitive bids; including purchases needed to address major facility failures, damages due to disasters, or purchases necessary to address immediate safety and security issues.
- d. Only one Vendor can meet the necessary Bid Requirements set forth by the Association.

**7) Bid Award / Selection:**

- a. The Board of Directors shall have the discretion of accepting a bid higher than the low bid if justified based on Vendor qualifications.
- b. The selection justification must be documented by the directors of the Association in the Board's meeting minutes.
- c. The Board shall have the discretion of accepting that bid or going out for bids again if only one bid meets all specifications.
- d. The Board shall have the discretion of tabling the project or soliciting bids again if no bids are received.
- e. If only one bid meets all specifications, the Board shall have the discretion of accepting that bid or soliciting bids again.

**8) Conflicts of Interest:**

- a. If a conflict of interest exists, the Board member or Committee member(s) with the conflict of interest must remove themselves from the bid process.
- b. An Association may contract with a Board member or Committee member, relative of a Board member or Committee member, or company owned by a Board member or Committee member only if:
  - i. The Board member or Committee member, relative of a Board member or Committee member, or company owned by a Board member or Committee member bids on the contract;
  - ii. There are at least 2 other competitive bidders aside from the Board member or Committee member, relative of a Board member or Committee member, or company owned by a Board member or Committee member;
  - iii. The conflicted Board member or Committee member is not given access to the bids;
  - iv. The conflicted Board member or Committee member does not participate in discussions regarding the contract;
  - v. The conflicted Board member or Committee member does not vote on the issue; and
  - vi. The conflict is disclosed to the Association.

**9) Best Judgment:** This Contract Bidding Policy is a financial tool and set of administrative guidelines to be used when considering Association expenditures. The Board shall at all times exercise its judgment and discretion to make the best decision possible on behalf of the Association and its membership.

Exhibit E

# Swimming Pool Enclosure Policy

## Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake

**WHEREAS**, the Texas Legislature created Section 202.022 of the Texas Property Code, which governs the installation of a Swimming Pool Enclosure by an owner.

**WHEREAS**, pursuant to Section 202.022 of the Texas Property Code Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake is permitted to adopt or enforce a provision in a dedicatory instrument establishing limitations related to the appearance of a Swimming Pool Enclosure, including limitations establishing permissible colors for a Swimming Pool Enclosure.

**WHEREAS**, Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake is entitled to govern the architectural improvements within the Association, including Swimming Pool Enclosures.

**NOW, THEREFORE, IT IS RESOLVED**, in order to comply with Section 202.022 of the Texas Property Code, the Board of Directors of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake adopts the following guidelines to govern the installation of Swimming Pool Enclosures.

- 1) "Swimming Pool Enclosure" shall be defined as a fence that has each of the following features:
  - a. Surrounds a water feature, including a swimming pool or spa;
  - b. Consists of transparent mesh or clear panels set in metal frames;
  - c. Is not more than six feet in height; and
  - d. Is designed not to be climbable.
- 2) An owner within Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake may install a Swimming Pool Enclosure surrounding the owner's pool or spa for so long as the Swimming Pool Enclosure conforms to state and local safety requirements.
- 3) Prior to the installation of a Swimming Pool Enclosure, the owner must submit the request for such installation to the Architectural Review Authority for the Association.
- 4) An owner may install a Swimming Pool Enclosure that is black in color and consists of transparent mesh set in metal frames.

- 5) The definitions contained in the Association's dedicatory instruments are hereby incorporated by reference.
- 6) In the event of a conflict between Section 202.022 of the Texas Property Code and any restrictions contained in any dedicatory instruments of the Association, including design guidelines, polices, rules and regulations, and the Declaration, then Section 202.022 and this Swimming Pool Enclosure Policy shall control.

Exhibit F

# Security Measures Policy

## Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake

**WHEREAS**, the Texas Legislature created Section 202.023 of the Texas Property Code, which governs the installation of Security Measures by an owner.

**WHEREAS**, pursuant to Section 202.023 of the Texas Property Code Beacon Hill property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake is permitted to adopt or enforce a provision in a dedicatory instrument establishing limitations related to the installation of Security Measures within the Association.

**WHEREAS**, Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake is entitled to govern the architectural improvements within the Association, including the installation of Security Measures.

**NOW, THEREFORE, IT IS RESOLVED**, in order to comply with Section 202.023 of the Texas Property Code, the Board of Directors of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake adopts the following guidelines to govern the installation of Security Measures.

- 1) "Security Measures" shall be defined as a precaution taken against crime, malfeasance, or other danger. Security Measures shall include, but not be limited to, the following:
  - a. Security cameras;
  - b. Motion detectors; and
  - c. Perimeter fences.
- 2) "Front Yard" is a yard within a lot that:
  - a. Extends the full width of the front of the lot; and
  - b. Is at least 15 feet from the front building setback to the front of the lot.
- 3) An owner within Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake may install a Security Measure on the owner's lot and residence for so long as it conforms to state and local safety requirements. An owner may not install a Security Measure in a place other than the property owner's private property.

- 4) Prior to the installation of a Security Measure, an owner must submit a request for such installation to the Architectural Review Authority for the Association.
- 5) An owner may install a Ring, Nest, or other security camera doorbell less than 7 square inches in size without first seeking the approval of the Association.
- 6) The Association may regulate the type of perimeter fencing that a property owner may install. Prior to the installation of a perimeter fence that is located within the Front Yard of an owner's residence, the owner must first obtain a building permit from the municipality or city for the installation of such fence. If the municipality or city does not grant permits, then the owner may submit the request directly to the Association for review.
- 7) The definitions contained in the Association's dedicatory instruments are hereby incorporated by reference.
- 8) In the event of a conflict between Section 202.023 of the Texas Property Code and any restrictions contained in any dedicatory instruments of the Association, including design guidelines, polices, rules and regulations, and the Declaration, then Section 202.023 and this Security Measure Policy shall control.

Exhibit G

# Religious Item Display Policy

## Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake

**WHEREAS**, the Texas Legislature amended Section 202.018 of the Texas Property Code, which alters the restrictive covenants a property owners' association may adopt or enforce related to an owner's or resident's right to display or affix on the owner's or resident's dwelling one or more religious items the display of which is motivated by the owner's or resident's sincere religious belief.

**WHEREAS**, Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake is entitled to govern the architectural improvements within the Association, including those items that are displayed or affixed on an owner's or resident's dwelling.

**NOW, THEREFORE, IT IS RESOLVED**, in order to comply with Section 202.018 of the Texas Property Code, the Board of Directors of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake adopts the following guidelines to govern the display of religious symbols.

- 1) Religious items are allowed to be displayed or affixed to an owner's or resident's property.
- 2) A religious item must be motivated by the owner's or resident's sincere religious belief.
- 3) An owner or resident may not display or affix a religious item to the owner or resident's dwelling that:
  - a. Threatens public health or safety;
  - b. Violates a law other than a law prohibiting the display of religious speech;
  - c. Contains language, graphics, or any display that is patently offensive to a passerby for other reasons other than its religious content;
  - d. Is affixed or installed on property owned or maintained by the Association or on property owned in common by members of the property owners' association;
  - e. Violates any applicable building line, right-of-way, setback, or easement; or
  - f. Is attached to a traffic control device, street lamp, fire hydrant, or utility sign, pole, or fixture.
- 4) The definitions contained in the Association's dedicatory instruments are hereby incorporated by reference.

- 5) In the event of a conflict between Section 202.018 of the Texas Property Code and any restrictions contained in any dedicatory instruments of the Association, including design guidelines, polices, rules and regulations, and the Declaration, then Section 202.018 and this Religious Item Display Policy shall control.

*(signature page follows)*

EXECUTED this 21 day of September, 2022

Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek  
Lake,  
A Texas nonprofit corporation

By: 

Joseph McGinley,

Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek  
Lake

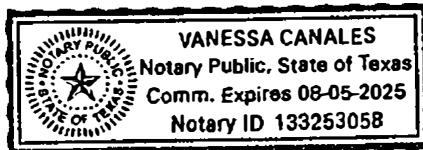
STATE OF TEXAS §

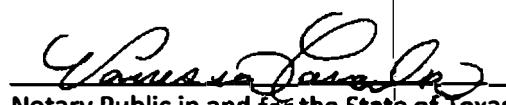
§

COUNTY OF KAUFMAN §

§

This instrument was acknowledged before me on the 22 day of September, 2022 by Joseph McGinley, authorized representative of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, a Texas nonprofit corporation, on behalf of said corporation.



  
Notary Public in and for the State of Texas

After Recording, Return to:  
Manning & Meyers, Attorneys at Law  
4340 N. Central Expressway, Suite 200  
Dallas, TX 75206

#2022-0036224  
Filed for Record in Kaufman County TX  
09/23/2022 01:16:15 PM

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Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake

Document Retention Policy, Payment Plan Policy, Records Production and Copying Policy, Contract Bidding Policy,  
Swimming Pool Enclosure Policy, Security Measures Policy, & Religious Item Display Policy

WRITTEN CONSENT OF DIRECTORS  
OF  
BEACON HILL PROPERTY OWNERS ASSOCIATION, INC.  
IN LIEU OF A SPECIAL MEETING

The undersigned, being all of the Directors of Beacon Hill Property Owners Association, Inc, a Texas Nonprofit corporation (the “Company”), do hereby consent to adopt and approve the following actions and resolutions pursuant to Article 9.10B of the Texas Business Corporation Act in lieu of a special meeting:

**Resolved**, that effective upon the date hereof, the following committee has been added to the Company:

Events Committee

**Resolved**, that effective upon the date hereof, the following persons be and are hereby appointed to serve on the Events Committee of the Company until their successors have been duly appointed and qualified, or until their death, resignation, or removal:

Nicole Long

Joyce Stempak

The undersigned direct this written consent be filed with the minutes of the proceeding of Directors’ meetings.

**IN WITNESS WHEREOF**, this Written Consent of Directors of Beacon Hill Property Owners Association, Inc., in Lieu of a Special Meeting has been executed as of November 17, 2024.

James A. Stewart  
James A Stewart President

  
\_\_\_\_\_  
Andrew J Stewart Vice President

  
\_\_\_\_\_  
Joseph F McGinley Secretary

**BOARD RESOLUTION FOR  
BEACON HILL PROPERTY OWNERS ASSOCIATION, INC.  
A/K/A BEACON HILL AT CEDAR CREEK LAKE**

STATE OF TEXAS

8

## COUNTY OF KAUFMAN

§ 8

KNOW ALL MEN BY THESE PRESENTS:

This Board Resolution for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake (the "Board Resolution") is made effective the day of filing in the Kaufman County Real Property Records, by Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake (the "Association").

**WITNESSETH:**

**WHEREAS**, the Declaration of Covenants, Conditions and Restrictions for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, Executed by Kemp Lakeside Investors, LLC, as Declarant, was recorded at Instrument #2009-00006426 on April 16, 2009 in the Real Property Records of Kaufman County, Texas, including any amendments thereto, additions, annexations and supplements thereto and entitled "Declaration of Covenants, Conditions and Restrictions For Beacon Hill at Cedar Creek Lake" (the "Declaration") subjected to the scheme of development therein certain land located in Kaufman County, Texas;

**WHEREAS**, an amendment to the Declaration of Covenants, Conditions and Restrictions for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake was recorded at Instrument # 2010-0015844 on September 27, 2010 in the Real Property Records of Kaufman County, Texas, entitled "First Amendment to the Declaration of Covenants, Conditions and Restrictions for Beacon Hill at Cedar Creek Lake" (the "First Amendment to the Declaration");

**WHEREAS**, an amendment to the Declaration of Covenants, Conditions and Restrictions for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake was recorded at Instrument # 2022-0045566 on December 14, 2022 in the Real Property Records of Kaufman County, Texas, entitled "Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Beacon Hill at Cedar Creek Lake" (the "Second Amendment to the Declaration");

**WHEREAS**, the Bylaws for Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake were recorded with the Declaration as Exhibit C at Instrument #2009-00006426 on April 16, 2009 in the Real Property Records of Kaufman County, Texas, entitled "Bylaws of Beacon Hill Property Owners Association, Inc." (the "Bylaws")

**WHEREAS**, Section B Paragraph 2 of the Bylaws states, "The Board consists of not less than three nor more than 5 directors. Within those limits, the Board may change the number of directors. No decrease may shorten the term of a director."

**WHEREAS**, the Board of Directors desires to set the number of directors serving on the Board at four (4), which is within the permissible range established by the Bylaws;

**NOW, THEREFORE, BE IT RESOLVED**, that effective immediately, the number of directors constituting the Board of Directors of the Association shall be and is hereby set at four (4) directors, in accordance with Section B, Paragraph 2 of the Bylaws.

**IN WITNESS WHEREOF**, the undersigned member of the Board of Directors of Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake certifies that the Board Resolution was unanimously approved by the Board of Directors.

*(signature page follows)*

EXECUTED this 13 day of August, 2025

Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake,  
A Texas non-profit corporation

By: 

Joseph McGahey  
Duly Authorized Officer/Agent,  
Beacon Hill Property Owners Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake

STATE OF TEXAS

§

COUNTY OF KAUFMAN

This instrument was acknowledged before me on the 13 day of August,  
2025 by Joseph McGahey, authorized representative of Beacon Hill Property Owners  
Association, Inc. a/k/a Beacon Hill at Cedar Creek Lake, a Texas nonprofit corporation, on behalf of  
said corporation.

  
Notary Public in and for the State of Texas

After Recording, Return to:

Manning & Meyers, Attorneys at Law  
4340 N. Central Expressway, Suite 200  
Dallas, TX 75206

