

DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS

SUMMERWOOD SUBDIVISION, UNIT V

COPY

THE STATE OF TEXAS
COUNTY OF COMAL

KNOW ALL MEN BY THESE PRESENTS:

THAT this Declaration is made on the date hereinafter set forth by SUMMERWOOD DEVELOPMENT CORPORATION, a Texas corporation (hereinafter referred to as Declarant):

WITNESSETH:

WHEREAS, Declarant is the owner of that certain real property known as Summerwood Subdivision, Unit V, a Subdivision in Comal County, Texas, according to the map or plat thereof recorded in Volume 6, pages 125, of the Map Records of Comal County, Texas; and,

WHEREAS, it is deemed to be in the best interests of Declarant and any other persons who may purchase property in Summerwood Subdivision, Unit V that there be established and maintained a uniform plan for the improvement and development of Summerwood Subdivision, Unit V, as a highly restricted and modern subdivision of the highest quality;

NOW, THEREFORE, Declarant hereby declares that all of the properties described above as Summerwood Subdivision, Unit V, shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of said real property. These easements, covenants, restrictions and conditions shall run with said real property and be binding upon all parties having or acquiring any right, title, or interest in said real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof. Summerwood Subdivision, Unit V, is described in Exhibit "C" attached hereto and made a part hereof.

ARTICLE I

Definitions

Section 1 "Association" shall mean and refer to Summerwood Property Owners Association, Inc., a Texas non-profit corporation, its successors and assigns.

Section 2 "Common Area" shall mean and refer to that portion of the Subdivision owned or acquired by the Association for the common use and enjoyment of Members of the Association and shall include, but is not limited to, all recreational facilities, community facilities, swimming pools, storage facilities, pumps, trees, landscaping, sprinkler systems, pavement, streets, pipes, wires, conduits and other public utility lines situated thereon. It is specifically understood and agreed that future Units will be added to Summerwood Subdivision and that all such units shall have the use and benefit of the Common Area subject to the same restrictions imposed in Articles I, II, III, IV and V contained herein. Summerwood Development Corporation shall have sole discretion in adding these units. The Common Area is more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes.

Section 3 "Declarant" shall mean and refer to Summerwood Development Corporation, a Texas corporation, its successors and assigns.

Section 4 "Purchaser" shall mean and refer to an individual who purchases a lot.

Section 5 "Lot" shall mean and refer to any of the numbered plots of land shown on the recorded map or plat of the Subdivision.

"Corner Lot" is a lot that abuts on more than one street. A Corner Lot shall be deemed to front on the street designated by the Architectural Control Committee.

Section 6. "Living Unit" shall mean and refer to any improvements on a Lot which are designed and intended for occupancy and use as a residence by one person, by a single family, or by persons living together as a single house-keeping unit.

Section 7. "Occupied Lot" shall mean and refer to any Lot on which there is a Living Unit in which one or more persons are residing.

Section 8. "Member" shall mean and refer to every person or entity who holds a membership in the Association.

Section 9. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, or fee simple title to any Lot which is a part of the Subdivision, but excluding those having such interest merely as security for the performance of an obligation.

Section 10. "Subdivision" shall mean and refer to that certain real property within the perimeters of the legal description described in Exhibit "B" attached hereto and made a part hereof.

Section 11. "Assessable Tract" shall mean and refer to any Lot in Summerwood Subdivision

Section 12. "Mortgagee" shall mean and refer to a person or entity which has advanced money to an Owner or to Declarant for the purchase or improvement of a lot or other property in the Subdivision.

ARTICLE II

Property Rights

Section 1. Owner's Easement of Access and Enjoyment: Every Owner shall have an easement of access and a right and easement of enjoyment in and to Common Areas and such easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated on the Common Area;
- (b) The right of the Association to suspend a Member's voting rights and right to use the recreational and other facilities owned or operated by the Association, for any period during which any assessment against his Lot or any other sum due the Association by him remains unpaid; and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;
- (c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members;
- (d) The right of the Association to limit the number of guests of Members; and,
- (e) The right of the Association to encumber and secure debts against the Common Areas or a portion thereof to maintain, improve or construct facilities thereon or to refinance any debt secured by such property.

Section 2. Delegation of Use: Any Owner may delegate in accordance with the By-laws of the Association, his right of enjoyment to the Common Area and facilities to members of his family, or his tenants, who reside on the Lot owned by him. If a residence is leased, then the lessee shall have the use of the Common Area, and the lessor shall have no rights to the Common Area. The Declarant, for each Lot

owned within the Subdivision, hereby covenants, and each Owner of any Lot, by acceptance of a Deed therefor, whether it shall be expressed in the Deed or other evidence of the conveyance, is deemed to covenant that any lease executed on a Lot shall be in writing and contain provisions binding any lessee thereunder to terms of this Declaration of Covenants, Conditions and Restrictions and any rules and regulations published by the Association applicable to the Lot and further providing that non-compliance with these terms of the lease shall be a default thereunder.

Section 3. Title to Common Area: Subject to the terms and provisions of any deed of trust or other lien instrument against the Common Areas or a portion thereof, the Common Area shall remain undivided and shall at all times be owned by the Association or its successors, it being agreed that provision is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Common Area. Notwithstanding the above, the Declarant reserves the right to grant, convey, dedicate or reserve easements over, on or under the Common Area for utility services.

ARTICLE III

Membership and Voting Rights

Section 1. Membership: Every person or entity who is a record owner of a fee or undivided fee interest in a Lot which is a part of the Subdivision, shall have a membership in the Association. The foregoing is not intended to include persons or entities who hold an interest in a Lot merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a Lot, except as to a lessee. Ownership of a Lot shall be the sole qualification for membership, except as to a Lessee. Any Mortgagee or lien holder who acquires title to any Lot which is a part of the Subdivision, through judicial or non-judicial foreclosure, or by voluntary reconveyance of the property from its debtor shall be a Class B Member of the Association.

Section 2. Voting Rights: There shall be two classes of membership entitled to voting rights in the Association and they shall be as follows:

- (a) **Class A:** All Members in the Association, other than Declarant or Mortgagee, shall be considered Class A Members, and for each Lot owned shall be entitled to one vote on each matter coming before the Members at any meeting or otherwise, unless their voting rights have been suspended by the Board of Directors as hereinabove provided in Article II, Section 1(b). When a particular Lot is owned by more than one individual or entity, all the individuals or entities holding an ownership interest in that Lot shall be considered Class A Members, however, for that particular Lot they shall be entitled to a total of no more than one vote on each matter coming before the Members at any meeting or otherwise. The vote for such Lot shall be exercised as they among themselves determine.
- (b) **Class B:** Class B Members shall be those individuals or entities who are herein defined as Declarant or Mortgagee, and for each Lot owned they shall be entitled to fifty votes on each matter coming before the Members at any meeting or otherwise. When a particular Lot is owned by more than one such individual or entity, all such individuals or entities holding an ownership interest in that Lot shall be considered Class B Members, however, for that particular Lot they shall be entitled to a total of no more than fifty votes on each matter coming before the Members at any meeting or otherwise. The fifty votes for such Lot shall be exercised as they among themselves determine. Once a Lot is sold to an individual or individuals who would be classified as Class A Members, the

fifty votes attached to that Lot shall be extinguished. All Class B Memberships shall cease and be automatically converted into Class A Memberships on the happening of either of the following events, whichever occurs earlier:

- (i) When the total number of votes entitled to be cast by the Class A Members at any meeting of the Members or otherwise equals the total number of votes entitled to be cast by the Class B Members; or
- (ii) Ten (10) years from the date this Declaration of Covenants, Conditions and Restrictions is filed with the County Clerk of Comal County, Texas, for recordation in the Deed Records of Comal County, Texas.

ARTICLE IV

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation for Assessments: The Declarant, for each Lot within the Subdivision which shall be or thereafter become subject to the assessments hereinafter provided for, hereby covenants, and each Owner of any Lot which shall be or thereafter become assessable, by acceptance of a Deed therefor, whether or not it shall be expressed in the Deed or other evidence or the conveyance, is deemed to covenant and agree to pay the Association the following:

- (a) Annual or monthly assessments or charges;
- (b) Special assessments for capital improvements; and
- (c) Any other sums to the extent they are specifically provided for elsewhere in the instrument.

Such assessments or charges are to be fixed, established and collected as hereinafter provided. These charges and assessments, together with such interest thereon and cost of collection thereof, as hereinafter provided, shall be a charge on the land and shall be secured by a continuing Vendor's Lien upon the Lot against which such assessments or charges are made. Each such assessment or charge together with such interest, costs, and reasonable attorney's fees shall also be and remain the personal obligation of the individual or individuals who owned the particular Lot at the time the assessment or charge fell due notwithstanding any subsequent transfer of title to such Lot. The personal obligation for delinquent assessments and charges shall not pass to successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments: The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Subdivision. Without limiting the foregoing, the total assessments accumulated by the Association, insofar as the same may be sufficient, shall be applied toward the payment of all taxes, insurance premiums assessments by Summerwood Property Owners Association, Inc., and repair, maintenance and acquisition expenses incurred by the Association and at the option of the Board of Directors of the Association for any or all of the following purposes: lighting improving and maintaining streets, alleyways, sidewalks, paths, parks, parkways, and esplanades in the Subdivision; collecting and disposing of garbage, ashes, rubbish and materials of a similar nature; payment of legal and all other expenses incurred in connection with the collection, enforcement and administration of all assessments and charges and in connection with enforcement of this Declaration of Covenants, Conditions and Restrictions; employing policemen or watchmen and/or a security service; fogging and furnishing other general insecticide services; acquiring and maintaining any amenities or recreational facilities that may be operated in whole or in part for the benefit of the Owners; and doing any other thing necessary or desirable in the opinion of the Board of Directors of the Association to keep and maintain the property in the Subdivision in neat and good

order, or which they consider of general benefit to the Owners or occupants of the Subdivision, including the establishment and maintenance of a reserve for repair, maintenance, taxes, insurance, and other charges as specified herein. Such funds may also be used to repair, maintain and restore abandoned or neglected residences and Lots as hereinafter provided. It being understood that the judgment of the Board of Directors of the Association in establishing annual assessments, special assessments and other charges and in the expenditure of said funds shall be final and conclusive so long as said judgment is exercised in good faith. It is also specifically understood and agreed that First National Bank of New Braunfels, Texas, has advanced to Summerwood Property Owners Association, Inc., the sum of \$40,000.00 for the use and benefit of the Association to construct certain facilities on the common area described as Exhibit "A" attached hereto, and the assessments will be used to repay this indebtedness, and a first lien deed of trust has been executed by the Association against such Common Area to secure the payment of said debt.

Section 3. Basis and Maximum Level of Annual Assessments: The initial monthly assessment shall be Seven and NO/100 Dollars (\$7.00) per Lot. The maximum annual assessment may be automatically increased, effective January 1 of each year, by Two and No/100 (\$2.00) Dollars per month or by an amount equal to a ten percent (10%) increase over the prior years annual assessment, whichever is greater, without a vote of the Members of the Association. From and after January 1 of the year immediately following the conveyance of the first Lot, any monthly assessment in excess of Two and NO/100 (\$2.00) Dollars per month or ten percent (10%) must be approved by the Owners of two-thirds (2/3) of the Lots in the Subdivision. This increase shall become effective on the date specified in the document evidencing such approval only after such document has been filed with the County Clerk of Comal County, Texas, for recordation in the Deed Records of Comal County, Texas. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the monthly assessment at an amount not in excess of the maximum amount approved by the Owners.

Section 4. Special Assessments for Capital Improvement: In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction or unexpected repair or replacement of a particular capital improvement located upon Common Areas, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the written approval of the Owners of two-thirds (2/3) of the Lots in the Subdivision.

Section 5. Notice of Quorum for Any Action Authorized Under Sections 3 and 4: Written notice of any meeting of the Members of the Association called for purpose of taking any action authorized under Section 3 or 4 of this Article shall be sent to all Members and shall be posted at a public place within the Subdivision not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of the Members holding fifty percent (50%) of all membership votes entitled to be cast in each membership class or their proxies shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice and quorum requirements. In lieu of such a meeting and notice, a door-to-door canvass may be used to get the required written approval of the Owner's as hereinafter provided.

Section 6. Rates of Assessment: Both monthly and special assessments shall apply to all Lots, except those owned by the Declarant or Mortgagee and must be fixed at uniform rates.

Section 7. Date of Commencement and Determination of Annual Assessment: The monthly assessment provided for herein shall commence as to all Lots on the first day of the month following the conveyance of a Lot to a Purchaser. The first assessment shall be adjusted according to the number of months remaining in the calendar year. On or before the 30th day of November in each year, the Board of Directors of the Association shall fix the amount of the monthly assessment to be levied against each Lot in the next calendar year. Written notice of the figure at which the Board of Directors of the Association has set the monthly assessment shall be sent to every Owner of a Lot on January 1st and July 1st of each year in advance for the six (6) month period, or

as directed by the Board of Directors of the Association. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessment on a specified Lot has been paid. A properly executed certificate of the Association as to the status of assessments on a particular Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association: Any assessments or charges which are not paid when due shall be delinquent. If an assessment or charge is not paid within thirty (30) days after the due date, it shall bear interest from the due date at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Lot Owner personally obligated to pay the same, or foreclose the lien herein retained against the Lot. Interest, costs and reasonable attorney's fees incurred in any such action shall be added to the amount of such assessment or charge. Each such Lot Owner by his acceptance of a Deed to a Lot, hereby expressly vests in the Association or its agents, the right and power to bring all actions against such Lot Owner personally for the collection of such assessments and charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure or deed of trust lien foreclosure on a real property, and such Lot Owner expressly grants to the Association a power of sale and non-judicial foreclosure in connection with said lien. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. The provisions contained herein authorizing, allowing and providing for a change in the covenants and restrictions shall in no way apply to any covenant or restriction which provides for a monthly assessment. In other words, no vote taken by lot owners shall in any way relieve said lot owners of their obligation to pay the monthly maintenance assessment provided for herein.

Section 9. Subordination of the Lien Mortgages: As hereinabove provided, the title to each Lot shall be subject to the Vendor's Lien securing the payment of all assessments and charges due the Association, but this Vendor's Lien shall be subordinate to any valid purchase money lien or mortgage created for improvements covering a Lot. Sale or transfer of any Lot shall not affect this Vendor's Lien. However, the sale or transfer of any Lot which is subject to any valid purchase money lien or mortgage, pursuant to a judicial or non-judicial foreclosure under such lien or mortgage shall extinguish the Vendor's Lien securing such assessment or charge as to payments which became due prior to such sale or transfer. So long as Mortgagee owns a lot or lots acquired through a judicial or non-judicial foreclosure, or by voluntary reconveyance from its debtor no charges or assessments shall accrue with respect thereto; however, upon a sale of such lot or lots to an Owner as herein defined, such lots and the new Owner thereof shall be responsible and liable for the payment of any charges or assessments thereafter becoming due in accordance with the terms hereof.

In addition to the automatic subordination provided hereinabove, the Association, in the discretion of its Board of Directors, may subordinate the lien securing any assessment provided for herein to any other mortgage, lien or encumbrance, subject to such limitations, if any, as such Board may determine.

Section 10. Exempt Property: All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Texas shall be exempt from the assessments and charges created herein. Notwithstanding the foregoing, no Lot which has been sold shall be exempt from said assessments and charges. All lot owners shall pay the assessments and charges regardless, and this provision may not be changed by a vote of the property owners.

ARTICLE V

Insurance

The Association, through the Board of Directors, or its duly authorized agent, shall have the authority to obtain the following types of insurance policies:

- (a) Property insurance covering the Common Area and all improvements thereon in an amount equal to the full replacement

value of the improvements and facilities located upon the Common Area and owned by the Association (including all building service equipment and the like) with an "agreed amount endorsement" or its equivalent, a "demolition endorsement" or its equivalent, and, if necessary, an "increased cost of construction endorsement" or "contingent liability from operation of building laws endorsement" or the equivalent, affording protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement in Texas, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage, and any such other risk as shall customarily be covered with respect to projects similar in construction, location and use;

- (b) A Comprehensive policy of public liability insurance covering all of the Common Area and insuring the Association, within such limits as it may consider acceptable (but with coverage of not less than \$1,000,000 for all claims for personal injury and/or property damage arising out of a single occurrence); such coverage to include protection against water damage liability, liability for nonowned and hired automobiles, liability for property of others, and any other coverage the Association deems prudent and which is customarily carried with respect to projects similar in construction, location, and use; and
- (c) A policy of fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association and all others who handle, or are responsible for handling funds of the Association; such fidelity bonds shall be of the kind and in an amount the Association deems necessary for the protection of the Owners.

Premiums for all such insurance policies carried by the Association shall be a common expense payable by assessments on all Lots. Liability and property insurance for Lots and the contents of residences shall be the responsibility of each individual Owner. All proceeds from policies held by the Association shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a federal governmental agency, with proviso agreed to by said bank or institution that such funds may be withdrawn only by signature of at least two (2) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. In no event shall the insurance company or the bank or other financial institution holding proceeds on a policy issued in the name of the Association be authorized to distribute any proceeds therefrom to the Declarant. Proceeds from such policies shall be used by the Association only for the benefit of its Members and where such proceeds arise out of an occurrence in which a building or improvement owned by the Association is damaged or destroyed, they shall be used to repair, restore and rebuild such building or improvements. In the latter event, the Board of Directors shall advertise for sealed bids from licensed contractors, and upon acceptance of a bid received thereby, may negotiate with the contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed improvements or buildings. In the event the insurance proceeds are insufficient to pay all costs of repairing and/or rebuilding said improvements to their original condition, the Association shall levy a special assessment for capital improvements against all Owners to make up the deficiency. This shall be done only after compliance with all the requirements for imposition of special assessments.

ARTICLE VI

Permitted Uses and Restrictions

LOT USE: Said land and premises shall be used solely for single family residential

purposes. The term "Residential Purposes", as used herein, shall be held and construed to exclude duplexes, or any other type of multi-family dwelling. No Lot shall be used for more than one residence, and its outbuildings. No Lot shall be used or occupied for trade or business of any kind.

EXISTING STRUCTURES: No existing structure shall be moved on said land and premises, and all improvements erected thereon shall be of a permanent type, character and construction. No building previously constructed elsewhere shall be moved on any Lot.

MINIMUM LIVING AREA: The minimum floor living area of the main structure of any dwelling exclusive of porches, terraces, garages and detached accessory buildings shall be 1200 square feet of heated living area. The minimum ground floor living area of one and one-half story and two-story residences, exclusive of porches, terraces, garages and detached accessory buildings shall be 800 square feet of heated living area.

ARCHITECTURAL CONTROL COMMITTEE: There is herewith created an Architectural Control Committee, hereinafter referred to as the Committee, and is composed of S. D. DAVID, JR., EDWARD BADOUH, JR., M. ROB EVERSBERG, and EDWARD BADOUH, all of New Braunfels, Texas. A majority of the Committee may designate a representative to act for it. In the event of death or resignation of any member of the Committee, the remaining shall have full authority to designate a successor. At any time after January 1, 2000, a majority of the lot owners in SUMMERWOOD SUBDIVISION, to include all units, may change the membership of the Committee or may withdraw or restore to the Committee any of the powers and duties.

APPROVAL OF PLANS: No building shall be erected, placed or altered on any lot until the construction plans and specifications, plan showing the location of the structure and the landscaping plan, have been approved by the Architectural Control Committee as to harmony of external design with existing structures, and as to location with respect to topography and finish grade elevation. A copy of such plans and specifications shall be delivered to Architectural Control Committee, for its permanent files. The Committee's approval or disapproval required in these covenants shall be in writing. A final inspection upon completion of construction is required to insure compliance with plans and specifications as submitted to the Architectural Control Committee.

ANIMALS: No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept, provided they are penned or leashed at all times, and that they are not kept, bred or maintained for any commercial purposes.

DISPOSAL OF GARBAGE AND TRASH: No Lot shall be used or maintained as a dumping ground. No rubbish, trash, garbage or any other waste, shall be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such materials shall be kept in a clean sanitary condition. No trash, ashes or other refuse may be thrown or dumped on any vacant lot in said addition. Trash, garbage and any other waste shall be kept in covered containers and as prescribed by the City Ordinances of the City of New Braunfels, Texas. Grass, weeds and vegetation on each Lot sold shall be mowed regularly and drainage areas over and across any part of a lot shall be kept clean and open so as to maintain the same in a neat and attractive manner. Dead trees, shrubs, vines and plants shall be removed within a reasonable time from the property. Until a home or residence is built on a Lot, SUMMERWOOD DEVELOPMENT CORPORATION, may have the grass, weeds and vegetation cut when and as often as the same is necessary in its judgment and may have dead trees, shrubs and plants removed and the owner or buyer under contract or deed of such Lot shall be obligated to reimburse SUMMERWOOD DEVELOPMENT CORPORATION, for the cost of such work, and such cost may be assessed and be declared a lien on the land.

SIGNS: No sign of any kind shall be displayed to the public view on any lot except one sign of not more than five (5) square feet advertising the property for sale or rent, except signs used by a builder to advertise the property during the construction and sales period.

DRILLING AND MINING: No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil well, tanks, tunnels, mining excavations or shafts be permitted upon or in any Lot.

GARAGE: Any residence constructed on said premises shall be required to have a garage, sufficient to store a minimum of two (2) cars. The exterior of the garage shall be constructed of the same material as that of the main residence. At the time of the erection of a residence on any Lot, a garage sufficient to store a minimum of two (2) cars shall be erected thereon. Garages attached to residences may be converted to living areas provided that sufficient driveway space in side yards remains, as is elsewhere provided for herein, and that an additional garage sufficient to store a minimum of two (2) cars must be built in compliance with these restrictions within three (3) months after such conversion, all to be subject to the written approval of the Architectural Control Committee.

OBSTRUCTION OF VIEW: No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines, and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No trees shall be permitted to remain within such distance of such intersection unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

EASEMENTS: Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. No structure shall be erected within such easements and no fence shall be constructed across such easement.

EXTERIOR WALLS: The exterior walls on all residences shall be of brick, stone, rock or wood. No asbestos siding in present form can be used on the exterior walls. The outer walls of the main residence building shall be at least sixty percent (60%) by area composed of rock, brick, stucco on tile, or stucco over wood framing, however, in the case of one and one-half story, two-story dwellings or a split level dwelling, part of which is two-story, the outer walls of the upper story area thereof may be exempted from the above masonry requirements provided that the plans and the materials specified for such upper story outer walls are approved in writing by the Architectural Control Committee named or referred to in said restrictions.

ROOFING: The use of asphalt rolled roofing of any type, or corrugated metal roofing is prohibited on any dwelling erected in this Subdivision, unless said prohibited materials be completely covered with some type of stone, rock, gravel, tile or composition roofing or shingles. A minimum roof weight of 250# or more.

NOXIOUS OR OFFENSIVE ACTIVITY: No noxious or offensive activity shall be carried on upon any Lot, or shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

COMMERCIAL VEHICLES AND HOUSE TRAILERS: No commercial vehicle with more than four (4) wheels shall be parked in this Subdivision excepting temporary parking of moving and storage trucks and vehicles necessary for construction of improvements on said Subdivision, and no house trailers, or "campers" may be parked on any lots or in the streets of said Subdivision permanently.

MOBILE HOMES: No mobile homes shall be placed on any lot either temporarily or permanently. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other out-building shall be used on any lot at any time as a residence, either temporarily or permanently.

TERMINATION OF COVENANTS: These covenants are to run with the land and shall be

binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date these covenants are recorded, unless changed in whole or in part by an instrument signed by a majority of the then owners of the Lots, after which time such covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of Lots have been recorded, agreeing to change said covenants in whole or in part. These Protective Covenants or any provision hereof or any covenant, condition or restriction contained herein may be modified, amended, terminated or extended with the written consent of the owners of seventy-five percent (75%) of the Lot owners within SUMMERWOOD SUBDIVISION; provided, however, that so long as the Declarant owns at least five percent (5%) of the Lots within SUMMERWOOD SUBDIVISION, no such amendment, modification, termination or extension shall be effective without the written approval of the Declarant. No such modification, amendment, termination or extension shall be effective until a proper instrument in writing has been executed and acknowledged and filed for record in the real property records of Comal County, Texas.

MAINTENANCE OF LOTS: All Lots shall be maintained in a neat, tidy and trim condition at all times. All Lots with residences constructed upon them shall be maintained in a neat, tidy and trim condition at all times.

The owner and lessee of any property within SUMMERWOOD SUBDIVISION, UNIT V, shall have the responsibility of keeping the premises, building, improvements, appurtenances and landscaping in a well maintained, safe, clean and attractive condition at all times. If, in the opinion of the Architectural Control Committee, any such owner or lessee shall fail in his duty and responsibility of maintenance, the Architectural Control Committee may give such owner or lessee, or both, notice of such fact, and thereupon such owner or lessee, shall, within ten (10) days of such notice, undertake the care and maintenance required to restore said owner's or lessee's property to a safe, clean and attractive condition. Should any such owner or lessee fail to fulfill this duty and responsibility after such notice, the Architectural Control Committee shall have the right and power to perform such care and maintenance and the owner and the lessee, if any, of the property upon which said maintenance work is performed, and such Owner and Lessee shall be liable for the cost of such work and shall promptly reimburse the Architectural Control Committee for the cost thereof. Entry by the Architectural Control Committee, its agents or employees upon the property of the owner or lessee and all action taken thereupon in connection with the care and maintenance of such property shall not be deemed a trespass and all claims for damages by reason thereof are hereby expressly waived. If any owner or lessee shall fail to reimburse the Architectural Control Committee within thirty (30) days after being billed for the services herein set forth by such committee, then the cost of such services shall be a debt of such owner and the lessee, if any, payable to the Architectural Control Committee and shall be a lien against such owner's and lessee's interest in said property. If any legal or equitable proceeding for the collection of any such debt are instituted, the losing party or parties shall pay the attorney's fees of the prevailing party or parties in such amount as may be fixed by the court in such proceedings. The owner or occupant, as the case may be, agrees by the purchase or occupation of any Lot in this Subdivision to pay such statement immediately upon receipt thereof. All remedies provided herein or at law or in equity shall be cumulative and not exclusive.

RIGHT TO ENFORCE: Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenants, either to restrain or to recover damages.

DRIVEWAYS: All driveways in the addition shall be concrete. No boat, trailer, or any portion thereof shall be parked on any Lot in front of the front main wall line of the respective house unless same be parked in a garage constructed as specified in these restrictions. The parking or standing of motor vehicles on any lot in front of any residence, other than on the driveway and in the garage, is prohibited.

NUISANCE: No nuisance of any kind shall be created or permitted.

VIOLATION OF RESTRICTIONS AND COVENANTS: If any person or persons shall violate or attempt to violate any of the restrictions and covenants herein, it shall be lawful for any other person or persons owning any real property situated in SUMMERWOOD SUBDIVISION, to prosecute proceedings at law or in equity against the person violating or attempting to violate any such restriction and covenant, and either prevent him or them from so doing, or to correct such violation or to recover damages or other dues for such violation. Failure to enforce any covenant or restriction herein contained

shall in no event be deemed a waiver of the right to do so thereafter against any person who has violated a covenant or expressed an intent to violate a covenant or is in the process of violating a covenant. Invalidation of any one or any part of these restrictions by judgment or Court order shall in no way affect any of the other provisions or part of provisions which shall remain in full force and effect.

MAILBOXES: Mailboxes shall be under the control of the Architectural Control Committee.

REMODELING OF RESIDENCES: Remodeling of a residence shall comply with these restrictions and may be performed only with the written approval of the Architectural Control Committee.

RESUBDIVIDING OF LOTS: No Lot shall be resubdividing or Lot lines changed without permission in writing from the Architectural Control Committee.

COMPLETION OF BUILDINGS: All building must be completed not later than six (6) months after laying foundation.

FENCES OR WALLS: No fences or walls taller than six (6) feet shall be erected, placed or altered on any lot, nor nearer to any street than the minimum set-back lines, unless approved by the Architectural Control Committee.

BUILDING HEIGHT: No building shall exceed the lesser of two and one-half (2-1/2) stories, or thirty-five (35) feet in height.

ENCLOSURE OF FOUNDATION: The foundation of any structure must be enclosed at the perimeter with masonry or wood construction which is in harmony with the remainder of the main dwelling.

STORAGE OF MATERIAL: No storage of any material shall be allowed except during construction of a residence.

WATER WELLS: No water well may be drilled on any Lot.

DIRT: The digging of dirt or the removal of any dirt from any Lot is expressly prohibited, except when necessary in conjunction with construction being done on such Lot.

TREES: No trees shall be cut on any lot except to provide room for construction of buildings or to remove dead or unsightly trees.

CLOTHES LINES: No clothing or other materials shall be aired or dried except in an enclosed structure, or in an area adequately screened by planting or fencing so as not to be seen from other Lots or adjacent streets.

RADIO OR TELEVISION ANTENNAE: No radio or television aerial wires or antennae shall be maintained on any portion of any Lot forward of the front of the building; nor shall any free standing antennae of any style be permitted upon the Lot which extends more than ten (10) feet above the height of the roof of the living unit on said Lot.

WORK ON AUTOMOBILES: No owner of any Lot nor any visitor or guest of any owner of any Lot shall be permitted to perform work on automobiles or other vehicles in driveways or streets abutting such Lots.

WINDOW UNITS: No window or wall type air conditioners shall be permitted to be used, erected, placed or maintained on or in any building so that the same is visible from the streets.

LANDSCAPING: All open, unpaved space, including, but not limited to, front, side and rear building set-back areas, shall be planted and landscaped and such landscaping shall be maintained in a manner determined to be adequate by the Architectural Control Committee. Landscaping in accordance with approved plans and specifications must be completed within thirty (30) days following the occupancy or completion of any building, whichever occurs first. This 30-day period may be extended in writing by the Architectural Control Committee, acting in its sole good faith discretion, in the event of delays caused by adverse weather conditions or other causes beyond the reasonable control of the property owner requesting such an extension.

The owner of each Lot used for a living unit, shall spot, sod or sprig with grass the area between the front of his living unit and the curb line of the abutting street. Trees and bushes will be required. The grass shall be of a type and with the standards prescribed by the Architectural Control Committee.

BUILDING MATERIAL: For the purposes of these protective covenants, when constructi material is specified herein, another material may be used in lieu thereof, provide that such substituted material is determined by the Architectural Control Committee to be of equivalent or better quality than the specified material.

EXTENSION OF RESTRICTIONS: The owner does not intend hereby nor shall any provisio of these Protective Covenants be construed to impose any restriction or limitation upon any other property not specifically described herein; and it is expressly unde stood and agreed in this connection that while other property has heretofore been s or developed by owner or owner's successors or assigns, these Protective Covenants shall not affect any such other property not described herein.

APPROVED CONTRACTORS: No construction of a building, structure, fence, wall, or ot improvements shall be commenced in SUMMERWOOD SUBDIVISION, UNIT III, until the con tractor to perform such construction shall have been approved in writing by the Arch tectural Control Committee.

SEVERABILITY: Invalidation of any one or more of the foregoing Protective Covenant restrictions, conditions or charges by judgment or Court shall not affect the valid of any other covenant, restriction, condition or charge set forth herein, which sha remain in full force and effect for all purposes.

Notwithstanding any of the above provisions, the Architectural Control Committee is hereby given the authority to waive in writing, any other restriction or covenant herein contained, when in the opinion of said Committee, the proposed waiver will add to the appearance and value of the subject property and to the subdivision as a whole and will not detract from the appearance or value of other properties in the subdivision.

SIDEWALKS: Sidewalks will be required to be installed on all Lots as per city spec ifications and subject to approval by the Architectural Control Committee.

EXECUTED this the ____ day of JULY, A.D. 1981.

A T T E S T:

SUMMERWOOD DEVELOPMENT CORPORATION

BY: _____
Secretary

BY: _____
EDWARD BADOUH, JR., President
SUMMERWOOD PROPERTY OWNERS ASSOCIATION, INC.

A T T E S T:

BY: _____
Secretary

BY: _____
EDWARD BADOUH, JR., President

THE STATE OF TEXAS |

COUNTY OF COMAL |

BEFORE ME, the undersigned authority, on this day personally appeared EDWARD BADOUH, JR., President of SUMMERWOOD DEVELOPMENT CORPORATION, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purposes and consideration therein express in the capacity therein stated and as the act and deed of said corporation. GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of JULY, A.D. 1981.

NOTARY PUBLIC IN AND FOR COMAL COUNTY,
T E X A S

THE STATE OF TEXAS |

COUNTY OF COMAL |

BEFORE ME, the undersigned authority, on this day personally appeared EDWARD BADOUH, JR., Presiden of SUMMERWOOD PROPERTY OWNERS ASSOCIATION, INC., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the _____ day of JULY, A.D. 1981.

NOTARY PUBLIC IN AND FOR COMAL COUNTY,
T E X A S

BEING 3.274 acres of land out of the Henry Foster Survey No. 34 and also being out of a 67.871 acre tract as described in Volume 1, pages 410-414, of the Deed Records of Comal County, Texas and being more particularly described as follows:

BEGINNING at a point on the East bank of the Guadalupe River, said point being South $51^{\circ} 19' 44''$ East 810.04 feet from the Northwest corner of above referenced tract, for the Northwest corner of this tract;

THENCE: North $53^{\circ} 45' 00''$ East 103.00 feet and North $78^{\circ} 45' 26''$ East 62.81 feet to a point on the side of a bluff for the Northeast corner of this tract;

THENCE: South $14^{\circ} 46' 32''$ East 142.46 feet to a point for an angle;

THENCE: South $26^{\circ} 31' 18''$ East 155.32 feet to a point for an angle;

THENCE: South $64^{\circ} 33' 09''$ East 153.39 feet to a point for an angle;

THENCE: South $40^{\circ} 50' 54''$ East 96.02 feet to a point for an angle;

THENCE: South $03^{\circ} 34' 29''$ West 27.38 feet and South $22^{\circ} 07' 20''$ West 70.81 feet to a point for an interior corner of this tract;

THENCE: South $70^{\circ} 52' 22''$ East 139.66 feet to a point for a corner;

THENCE: South $24^{\circ} 03' 49''$ West 57.77 feet to a point for an angle;

THENCE: Along a curve to the left and having a central angle of $07^{\circ} 27' 07''$, a radius of 222.05 feet, a tangent of 14.46 feet, a length of 28.88 feet, and a chord bearing and distance of South $20^{\circ} 18' 44''$ West, 28.86 feet to a point for the Southeast corner of this tract;

THENCE: North $77^{\circ} 08' 47''$ West 86.88 feet to a point for an angle;

THENCE: Along a curve to the left and having a central angle of $30^{\circ} 01' 37''$, a radius of 209.46 feet, a tangent of 56.18 feet, a length of 109.77 feet and a chord bearing and distance of South $86^{\circ} 48' 01''$ West 108.52 feet to a point for a corner;

THENCE: North $22^{\circ} 08' 50''$ West 120.0 feet and North $86^{\circ} 32' 53''$ West 220.55 feet to a point on the East bank of the Guadalupe River for the Southwest corner of this tract;

THENCE: Along the meanders of said river bank as follows:

North $04^{\circ} 01' 38''$ East 100.0 feet
North $06^{\circ} 30' 04''$ West 189.54 feet
North $23^{\circ} 30' 59''$ West 55.24 feet
North $26^{\circ} 28' 30''$ West 65.30 feet
North $05^{\circ} 14' 56''$ East 25.84 feet

to the PLACE OF BEGINNING and containing 3.274 acres of land more or less.

EXHIBIT "A"

Being 67.830 acres of land out of the Henry Foster Survey No. 34, and being all of a 0.161 acre tract as described in Volume 191, pages 283-284, and also being out of 67.871 acre tract as described in Volume 191, pages 410-414 of the Deed Records of Comal County, Texas, and being more particularly described as follows:

BEGINNING: At an iron pin found at the intersection of the West R.O.W. line of Loop 337, and the Northwest line of 26 foot wide County Road, said point being the Southeast corner of the above referenced 67.871 acre tract, for the Southeast corner of this tract;

THENCE: With the Northwest line of the aforementioned County Road and with fence, South 46° 22' 52" West a distance of 1291.31 feet along the Southeast line of this tract to a fence corner in the Northeast line of a County Road known as Wood Lane, for the most Southern corner of this tract;

THENCE: With said road, North 77° 58' 35" West a distance of 454.36 feet along a fence to an iron pin found for the Southwest corner of this tract;

THENCE: North 15° 35' 32" East a distance of 720.87 feet along a fence to an iron pin found at fence corner for an interior corner of this tract;

THENCE: North 56° 06' 23" West a distance of 115.52 feet along a fence to an iron pin found on the East bank of the Guadalupe River;

THENCE: With the meanders of the Guadalupe River as follows:

North 31° 12' 13" East	139.24 feet
North 23° 25' 48" East	242.94 feet
North 14° 19' 00" East	215.14 feet
North 09° 24' 09" East	229.42 feet
North 04° 01' 40" East	232.49 feet
North 06° 30' 04" West	189.54 feet
North 23° 30' 43" West	55.25 feet
North 26° 28' 29" West	65.30 feet
North 05° 14' 26" East	25.84 feet
North 33° 56' 15" West	69.39 feet
North 59° 00' 19" West	59.99 feet
North 36° 04' 27" West	91.74 feet
North 42° 46' 03" West	91.48 feet
North 62° 26' 26" West	79.88 feet
North 53° 41' 30" West	110.38 feet
North 78° 08' 35" West	31.63 feet
North 51° 47' 09" West	77.32 feet
North 42° 01' 03" West	46.34 feet
North 60° 39' 44" West	78.58 feet
North 58° 04' 42" West	88.53 feet

to an iron pin set on the East bank of the Guadalupe River for the Northwest corner of this tract;

THENCE: North 50° 25' 28" East a distance of 1209.08 feet along a fence for the North line of this tract to an iron pin found;

THENCE: South 14° 44' 22" East a distance of 50.00 feet along a fence to an iron pin found for an interior corner;

THENCE: North 58° 23' 06" East a distance of 234.62 feet partly with fence to an iron pin set in the West line of Loop 337 for the Northeast corner of this tract;

THENCE: South 07° 38' 00" East a distance of 867.79 feet along the West line of Loop 337 to a concrete monument at the P.C. of a curve to the left;

THENCE: Along said R.O.W. line and said curve, having a central angle of 07° 20' 57", a radius of 3929.80 feet, a tangent of 252.37 feet, a length of 504.06 feet, and a chord bearing and distance of South 11° 18' 06" East 503.71 feet to an iron pin set in the same for an angle point;

THENCE: Continuing on along said R.O.W. line as follows:

South 08° 42' 53" East	156.0 feet
South 18° 18' 53" East	155.47 feet
South 25° 45' 38" East	203.96 feet
South 20° 16' 42" East	499.40 feet
South 01° 56' 05" East	131.22 feet
South 48° 27' 17" West	108.47 feet
South 42° 14' 18" East	129.02 feet
South 00° 15' 35" East	18.13 feet
South 16° 09' 24" East	21.36 feet

to the Place of Beginning and containing 67.830 acres of land, more or less.

SAVE AND EXCEPT:

A 13.064 acre tract of land out of the Henry Foster Survey No. 34, and being all of a 0.161 acre tract as described in Volume 191, pages 283-284, and also being out of a 67.871 acre tract as described in Volume 191, pages 410-414 of the Deed Records of Comal County, Texas, and being more particularly described in three separate tracts as follows:

COMMERCIAL TRACT "A" - 4.253 ACRES

BEGINNING: At a concrete R.O.W. monument for the South corner of this tract, said point being North 16° 08' 40" West 21.36 feet, North 00° 15' 10" West 18.13 feet, and North 42° 14' 20" West 129.02 feet from the Southeast corner of the aforementioned 67.871 acre tract, being the intersection of the West line of Loop 337 and the Northwest line of a 26 foot wide County Road;

THENCE: North 57° 17' 46" West 180.35 feet, North 12° 46' 46" West 237.98 feet, North 24° 53' 53" West 237.05 feet, and North 28° 38' 28" West 135.92 feet to a point for a corner of this tract;

THENCE: North 35° 27' 13" East 162.58 feet and North 35° 00' 00" East 129.75 feet to a point in the West R.O.W. line of Loop 337 for the Northeast corner of this tract;

THENCE: South 18° 18' 53" East 49.85 feet, South 25° 45' 38" East 203.96 feet, South 20° 16' 42" East 499.40 feet, South 01° 56' 05" East 131.22 feet, and South 48° 27' 17" West a distance of 108.47 feet along the West line of Loop 337 to the Point of Beginning and containing 4.253 acres of land, more or less.

COMMERCIAL TRACT "B" - 2.956 ACRES

BEGINNING at a point in the West R.O.W. line of Loop 337, said point being South 07° 38' 00" East 867.79 feet and South 07° 47' 00" East 20.0 feet from the Northeast corner of above referenced 67.871 acre tract, for the Northeast corner of this tract;

THENCE: In a Southeasterly direction, along said R.O.W. line and curve to the left having a central angle of 07° 03' 27", a radius of 3929.80 feet, a tangent of 242. feet, a length of 484.06 feet, and a chord bearing and distance of South 11° 26' 50" East 483.75 feet to the end of said curve;

THENCE: South 08° 42' 53" East 156.0 feet and South 18° 18' 53" East 105.62 feet along the West R.O.W. line of Loop 337, to a point in the same for the Southeast corner of this tract;

THENCE: South 35° 00' 00" West 129.75 feet and South 35° 27' 13" West 162.58 feet to a point for the Southwest corner of this tract;

THENCE: North 24° 03' 49" East 32.80 feet to the beginning of a curve to the left for an angle point;

THENCE: Along said curve, having a central angle of 69° 19' 42", a radius of 283. feet, a tangent of 196.09 feet, a length of 343.12 feet and a chord bearing and distance of North 10° 36' 04" West 322.58 feet to the end of said curve;

FIELD NOTES
FOR
SUMMERWOOD SUBDIVISION
UNIT FIVE - TOWNHOUSES

Being 2.536 acres of land out of the Henry Foster Survey No. 34, and being out of a tract called 67.871 acres described in Volume 191, Pages 410-414 of the Deed Records of Comal County, Texas, and being more particularly described as follows:

BEGINNING: At the intersection of the Northwest line of Frostwood Drive and the South line of Sandalwood Drive for the most Eastern corner of this tract;

THENCE: With the Northwest line of Frostwood Drive, S 46° 22' 52" W 540.00 feet to the South corner of this tract;

THENCE: N 43° 37' 08" W 105.57 feet and N 74° 24' 28" W 111.88 feet to the most Western corner of this tract;

THENCE: N 15° 35' 32" E 270.00 feet, with the Southeast line of Riverside Drive to the Northwest corner of this tract;

THENCE: S 74° 24' 28" E 255.96 feet to an interior corner of this tract;

THENCE: N 46° 22' 52" E 193.44 feet to a point for corner;

THENCE: Along the South line of Sandalwood Drive along the arc of a curve to the right, said curve having a delta angle of 28° 00' 26", a radius of 261.93 feet, and an arc length of 128.04 feet to the Point of Beginning and containing 2.536 acres of land, more or less.

I hereby certify that the above field notes were prepared from an actual survey made on the ground under my supervision, June 5, 1981.



S. Craig Hollmig
S. Craig Hollmig
Registered Public Surveyor

EXHIBIT (C)

AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS

JOY STREATER
COUNTY CLERK COMAL COUNTY

Joy Streater
10th pd

SUMMERWOOD SUBDIVISION, UNIT V

THE STATE OF TEXAS
COUNTY OF COMAL

*
: KNOW ALL MEN BY THESE PRESENTS:
*

WHEREAS, an amending plat of Block 11 of Summerwood Subdivision, Unit V, has been recorded creating three (3) lots now known as Lots 1A, 2A and 3A in Block 11 of Summerwood Subdivision, Unit V; and

WHEREAS, the original plat had four (4) lots in Block 11 designated for townhomes, and the re-designated lots, which are larger, are now to be used for patio homes; and

WHEREAS, the undersigned owner and representative of the Architectural Control Committee desires to modify the Restrictive Covenants in certain respects affecting only the three (3) lots described herein.

NOW, THEREFORE, the undersigned owner and developer and as representative of the Architectural Control Committee does hereby amend the above described Declaration of Covenants, Conditions, and Restrictions of Summerwood Subdivision, Unit V, in the following respects:

1. This amendment affects only Lots 1A, 2A and 3A, Block 11, Summerwood Subdivision, Unit V, as referenced on amending plat of Lots 1A, 2A and 3A, and common area, Block 11, Summerwood Subdivision, Unit V, recorded in Volume 10, Page 286 of the Map and Plat Records of Comal County, Texas.

2. The type of residential structures that shall be permitted on such lots are the style known as "patio homes" with zero lot lines.

3. The minimum floor living area of the main structure of any dwelling, exclusive of porches, terraces, garages and detached accessory buildings, shall be 1,400 sq. ft. of heated living area. The minimum ground floor living area of 1 1/2 story and 2 story residences, exclusive of porches, terraces, garages and detached accessory buildings, shall be 800 sq. ft. of heated living area.

All other covenants, conditions and restrictions of Summerwood Subdivision, Unit V, not in conflict with the amendments described herein shall remain in full force and effect as reflected in "Declaration of Covenants, Conditions and Restrictions, Summerwood Subdivision, Unit V, recorded in Volume 314, Pages 827-845 of the Official Public Records of Real Property of Comal County, Texas".

EXECUTED this the 10th day of JUNE, 1993.

SUMMERWOOD DEVELOPMENT CORPORATION

By: *Edward Badouh, Jr.*
EDWARD BADOUH, JR., President

SUMMERWOOD SUBDIVISION ARCHITECTURAL CONTROL COMMITTEE

By: *Edward Badouh, Jr.*
EDWARD BADOUH, JR., Member

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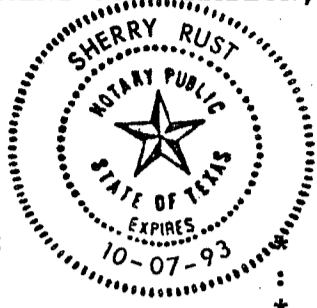
0905 0418

THE STATE OF TEXAS

*
:
*

COUNTY OF COMAL

This instrument was acknowledged before me on the 10th day of June, 1993, by EDWARD BADOUH, JR., President of SUMMERWOOD DEVELOPMENT CORPORATION, in the capacity therein stated.



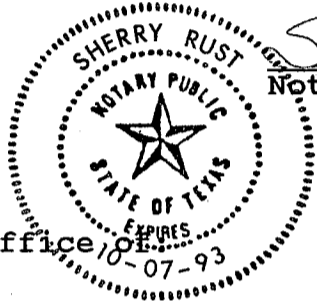
Sherry Rust
Notary Public, State of Texas

THE STATE OF TEXAS

COUNTY OF COMAL

*
:
*

This instrument was acknowledged before me on the 10th day of June, 1993, by EDWARD BADOUH, JR., Member of SUMMERWOOD SUBDIVISION ARCHITECTURAL CONTROL COMMITTEE, in the capacity therein stated.



Sherry Rust
Notary Public, State of Texas

Prepared in the Law Office of
Barry D. Moore
245 S. Seguin Avenue
New Braunfels, Texas 78130-5118

After recording, return to:
SAME

ame/summerwood/re

SUMMERWOOD PROPERTY OWNERS ASSOCIATION, INC.

I.

The SUMMERWOOD PROPERTY OWNERS'S ASSOCIATION, INC., hereinafter referred to as the "Association", is an association of land owners of land located in Comal County.

II.

The purpose of this Association is to unite all members so that they may cooperate with each other, in all activities necessary and useful or expedient to the maintenance of SUMMERWOOD SUBDIVISION, and that they may by their union, have greater strength in compelling the attention and assistance of others to this end.

III.

This Association is not organized for profit, but an assessment against members is necessary to fund operating expenses and retire debt. Any funds collected shall be held by this Association as Trustee only, to be expended for the purpose of benefiting the land owners directly in its use of the facilities.

IV.

This Association shall be governed by the Board of Directors, elected under the provisions of its By-Laws, which shall be approved by this membership, at a meeting called for that purpose.

B Y L A W S

The Association shall have at all times, a current mailing address and this address shall be known as SUMMERWOOD PROPERTY OWNERS' ASSOCIATION, INC., 245 South Seguin Street, New Braunfels, Texas 78130; an approved mail box shall be properly installed and maintained, in a convenient location, by the duly elected officers.

ARTICLE I

Definitions

Section 1. "Association" shall mean and refer to SUMMERWOOD PROPERTY OWNERS ASSOCIATION, INC., a Texas non-profit corporation, its successors and assigns.

Section 2. "Common Area" shall mean and refer to that portion of the Subdivision owned or acquired by the Association for the common use and enjoyment of Members of the Association and shall include, but is not limited to, all recreational facilities, tennis courts, community facilities, storage facilities, pumps, trees, landscaping, sprinkler systems, pavement, streets, median, pipes, wires, conduits and other public utility lines situated thereon. It is specifically understood and agreed that future Units will be added to SUMMERWOOD SUBDIVISION and that all such units shall have the use and benefit of the Common Area subject to the same restriction imposed in Articles I, II, III, IV and V contained in the Declaration of Covenants, Conditions and Restrictions of SUMMERWOOD Subdivision, Unit I. SUMMERWOOD DEVELOPMENT CORPORATION shall have sole discretion in adding these units. The Common Area is more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes.

Section 3. "Declarant" shall mean and refer to SUMMERWOOD DEVELOPMENT CORPORATION, its successors and assigns.

Section 4. "Purchaser" shall mean and refer to an individual who purchases a lot.

Section 5. "Lot" shall mean and refer to any of the numbered plots of land shown on the recorded map or plat of the Subdivision.

"Corner Lot" is a lot that abuts on more than one street. A Corner Lot shall be deemed to front on the street designated by the Architectural Control Committee.

Section 6. "Living Unit" shall mean and refer to any improvements on a Lot which are designed and intended for occupancy and use as a residence by one person, by a single family, or by persons living together as a single housekeeping unit.

Section 7. "Occupied Lot" shall mean and refer to any lot on which there is a Living Unit in which one or more persons are residing.

Section 8. "Member" shall mean and refer to every person or entity who holds a membership in the Association.

Section 9. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Subdivision, but excluding those having such interest merely as security for the performance of an obligation.

Section 10. "Subdivision" shall mean and refer to all designated residential property, whether included in this unit or in any future units to be platted, within the perimeter of the legal description of the real property described in Exhibit "B" attached hereto and make a part hereof and shall not include any property lying within the perimeter of Exhibit "B" which may in the future be platted as "Commercial" property.

Section 11. "Assessable Tract" shall mean and refer to any Lot in SUMMERWOOD SUBDIVISION.

Section 12. "Mortgagee" shall mean and refer to a person or entity which has advanced money to an Owner or to Declarant for the purchase or improvement of a lot or other property in the Subdivision.

ARTICLE II

Property Rights

Section 1. Owner's Easement of Access and Enjoyment: Every Owner shall have an easement of access and a right and easement of enjoyment in and to Common Areas and such easement shall be appurtenant to an shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated on the Common Area;
- (b) The right of the association to suspend a Member's voting rights and right to use the recreational and other facilities owned or operated by the Association, for any period during which any assessment against his Lot or any other sum due the Association by him remains unpaid; and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;

- (c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members;
- (d) The right of the Association to limit the number of guests of Members; and,
- (e) The right of the Association to encumber and secure debts against the Common Areas or a portion thereof to maintain, improve or construct facilities thereon or to refinance any debt secured by such property.

Section 2. Delegation of Use: Any Owner may delegate in accordance with the By-Laws of the Association, his right of enjoyment to the Common Area and facilities to members of his family, or his tenants, who reside on the Lot owned by him. If a residence is leased, then the lessee shall have the use of the Common Area, and the lessor shall have no rights to the Common Area. The Declarant, for each Lot owned within the Subdivision, hereby covenants, and each Owner of any Lot, by acceptance of a Deed therefore, whether it shall be expressed in the Deed or other evidence of the conveyance, is deemed to covenant that any lease executed on a Lot shall be in writing and contain provisions binding any lessee thereunder to the terms of this Declaration of Covenants, Conditions and restriction and any rules and regulation published by the Association applicable to the Lot and further providing that non-compliance with these terms of the lease shall be a default thereunder. When Owner leases to a tenant, Owner shall be obligated to furnish Declarant a copy of said lease within five (5) days from the date of said lease.

Section 3. Title to Common Area: Subject to the terms and provisions of any deed of trust or other lien instrument against the Common Areas or a portion thereof, the Common Area shall remain undivided and shall at all times be owned by the Association or its successors, it being agreed that provision is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Common Area. Notwithstanding the above, the Declarant reserves the right to grant, convey dedicate or reserve easement over, on or under the Common Area for utility services.

ARTICLE III

Membership and Voting Rights

Section 1. Membership: Every person or entity who is a record owner of a fee or undivided fee interest in a Lot which is a part of the Subdivision, shall hold a membership in the Association. The foregoing is not intended to include persons or entities who hold an interest in a Lot merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a Lot, except as to a lessee. Ownership of a Lot shall be the sole qualification for membership, except as to a Lessee. Any Mortgagee or lienholder who acquires title to any Lot which is a part of the Subdivision, through judicial or non-judicial foreclosure, or by voluntary reconveyance of the property from its debtor shall be a Class B Member of the Association.

Section 2. Voting Rights: There shall be two classes of membership entitled to voting rights in the Association and they shall be as follows:

(a) Class A: All Members in the Association, other than Declarant or Mortgagee, shall be considered Class A Members, and for each Lot owned shall be entitled to one vote on each matter coming before the Members at any meeting or otherwise, unless their voting rights have been suspended by the Board of Directors as hereinabove provided in Article II, Section 1(b). When a particular Lot is owned by more than one individual or entity, all the individuals or entities holding an ownership interest in that Lot shall be considered Class A Members, however, for the particular Lot they shall be entitled to a total of no more than one vote on each matter coming before the Members at any meeting or otherwise. The vote for such lot shall be exercised as they among themselves determine.

(b) Class B: Class B Members shall be those individuals or entities who are herein defined as Declarant or Mortgagee, and for each Lot owned they shall be entitled to fifty votes on each matter coming before the Members at any meeting or otherwise. When a particular Lot is owned by more than one such individual or entity, all such individuals or entities holding an ownership interest in that Lot shall be considered Class B Members, however, for that particular Lot they shall be entitled to a total of no more than fifty votes on each matter coming before the Members at any meeting or otherwise. The fifty votes for such Lot shall be exercised as they among themselves determine. Once a Lot is sold to an individual or individuals who would be classified as Class A Members, the fifty votes attached to that Lot shall be extinguished. All Class B Memberships shall cease and be automatically converted into Class A Memberships on the happening of either of the following events, whichever occurs earlier:

(i) When the total number of votes entitled to be cast by the Class A members at any meeting of the Members or otherwise equals the total number of votes entitled to be cast by the Class B Members; or

(ii) Ten (10) years from the date this Declaration of Covenants, Conditions and Restrictions is filed with the County Clerk of Comal County, Texas, for recordation in the Deed Records of Comal County, Texas.

ARTICLE IV

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation for Assessments: The Declarant, for each Lot within the Subdivision which shall be or thereafter become subject to the assessments hereinafter provided for, thereby covenants, and each Owner of any Lot which shall be or thereafter become assessable, by acceptance of a Deed therefor, whether or not it shall be expressed in the Deed or other evidence of the conveyance, is deemed to covenant and agree to pay the Association for the following:

- (a) Annual or monthly assessments or charges:
- (b) Special Assessments for capital improvements;
and,
- (c) Any other sums to the extent they are specifically provided for elsewhere in the instruments.

Such assessments or charges are to be fixed, established and collected as hereinafter provided. These charges and assessments, together with such interest thereon and cost of collection thereof, as hereinafter provided, shall be a charge on the land and shall be secured by a continuing Vendor's Lien upon the Lot against which such assessments or charges are made. Each such assessment or charge together with such interest, costs, and reasonable attorneys fees shall also be and remain the personal obligation of the individual or individuals who owned the particular Lot at the time the assessment or charge fell due notwithstanding any subsequent transfer of title to such Lot. The personal obligation for delinquent assessments and charges shall not pass to successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments: The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Subdivision. Without limiting the foregoing, the total assessments accumulated by the Association, insofar as the same may be sufficient, shall be applied toward the payment of all taxes, insurance premiums, assessments by SUMMERWOOD Property Owners Association, Inc., and repair maintenance and acquisition expenses incurred by the Association and at the option of the Board of Directors of the Association for any or all of the following purposes: lighting, improving and maintaining streets, alleyways, sidewalks, paths, parks, parkways, and esplanades in the Subdivision; collection and disposing of garbage, ashes, rubbish and materials of a similar nature; payment of legal and all other expenses incurred in connection with the collection, enforcement and administration of all assessments and charges and in connection with enforcement of this Declaration of Covenants, Conditions and Restriction; employing policemen or watchmen and/or a security service; fogging and furnishing other general insecticide services; acquiring and maintaining any amenities or recreational facilities that may be operated in whole or in part for the benefit of the Owners; and doing any other thing necessary or desirable in the opinion of the Board of Directors of the Association to keep and maintain the property in the Subdivision in neat and good order, or which they consider of general benefit to the Owners or occupants of the Subdivision, including the establishment and maintenance of a reserve for repair, maintenance, taxes, insurance, and other charges as specified herein. Such funds may also be used to repair, maintain and restore abandoned or neglected residences and Lots as hereinafter provided. It being understood that the judgement of the Board of Directors of the Association in establishing annual assessments, special assessments and other charges and in the expenditure of said funds shall be final and conclusive so long as said judgement is exercised in good faith. It is also specifically understood and agreed that First National Bank of New Braunfels, Texas, has advanced to SUMMERWOOD Property Owners Association, Inc., the sum of \$40,000.00 for the use and benefit of the Association to construct certain facilities on the common area described as Exhibit "A" attached hereto, and the assessments will be used to repay this indebtedness, and a first lien deed of trust has been executed by the Association against such Common Area to secure the payment of said debt.

Section 3. Basis and Maximum Level of Annual Assessments:

Until January 1 of the year immediately following the conveyance of the first Lot to Owner, the maximum monthly assessment shall be Seven and No/100 (\$7.00) Dollars per Lot. From and after January 1 of the year immediately following the conveyance of the first Lot, the maximum annual assessment may be automatically increased, effective January 1 of each year, by Two and No/100 (\$2.00) Dollars per month or by an amount equal to a ten percent (10%) increase over the prior years annual assessment, whichever is greater, without a vote of the Members of the Association. From and after January 1 of the year immediately following the conveyance of the first Lot, any monthly assessment in excess of Two and No/100 (\$2.00) Dollars per month or ten percent (10%) must be approved by the Owners of two-thirds (2/3) of the Lots in the Subdivision. This increase shall become effective on the date specified in the document evidencing such approval only after such document has been filed with the County Clerk of Comal County, Texas, for recordation in the Deed Records of Comal County, Texas. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the monthly assessment at an amount not in excess of the maximum amount approved by the Owners. Should a duplex be constructed on a Lot in the Units designated in the Subdivision, then upon completion of the duplex and it being occupied the owner of the Lot shall pay Two (2) Assessments. The initial monthly amount of an occupied duplex shall be Fourteen and NO/100 Dollars (\$14.00).

Section 4. Special Assessments for Capital Improvements: In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction or unexpected repair or replacement or a particular capital improvement located upon Common Areas, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the written approval of the Owners of two-thirds (2/3) of the Lots in the Subdivision.

Section 5. Notice of Quorum for Any Action Authorized Under Sections 3 and 4: Written notice of any meeting of the Members of the Association called for purpose of taking any action authorized under Section 3 or 4 of this Article shall be sent to all members and shall be posted at a public place within the Subdivision not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of the Members holding fifty percent (50%) of all membership votes constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice and quorum requirements. In lieu of such a meeting and notice, a door-to-door canvass may be used to get the required written approval of the Owners as hereinafter provided.

Section 6. Rates of Assessment: Both monthly and special assessment shall apply to all Lots, except those owned by the Declarant or Mortgagee and must be fixed at uniform rates.

Section 7. Date of Commencement and Determination of Annual Assessment: The monthly assessment provided for herein shall commence as to all Lots on the first day of the month following the conveyance of a Lot to a Purchaser. The first assessment shall be adjusted according to the number of months remaining in the calendar year. On or before the 30th day of November in each year, the Board of Directors of the Association shall fix the amount of the monthly assessment to be levied against each Lot in the next calendar. Written notice of the figure at which the Board of Directors of the Association has set the monthly assessment shall be sent to every Owner of a Lot on January 1st and July 1st of each year in advance for the six (6) month period, or as directed by the Board of Directors of the Association. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer or the Association setting forth whether the assessment on a specified Lot

has been paid. A properly executed certificate of the Association as to the status of the assessments on a particular Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments; Remedies' of the Association: Any assessments or charges which are not paid when due shall be delinquent. If any assessment or charge is not paid within thirty (30) days after the due date, it shall bear interest from the due date at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Lot Owner personally obligated to pay the same, or foreclose the lien herein retained against the Lot. Interest, costs and reasonable attorney's fees incurred in any such action shall be added to the amount of such assessment or charge. Each such Lot Owner by his acceptance of a Deed to a Lot, hereby expressly vests in the Association or its agents, the right and power to bring all actions against such Lot Owner personally for the collection of such assessments and charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien foreclosure on a real property, and such Lot Owner expressly grants to the Association a power of sale and non-judicial foreclosure in connection with said lien. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9.

Subordination of the Lien Mortgages: As hereinabove provided, the title to each Lot shall be subject to the Vendor's Lien securing the payment of all assessments and charges due the Association, but this Vendor's Lien shall be subordinate to any valid purchase money lien or mortgage created for improvements covering a Lot. Sale or transfer of any Lot shall not affect this Vendor's Lien. However, the sale or transfer of any Lot which is subject to any valid purchase money lien or mortgage, pursuant to a judicial or non-judicial foreclosure under such lien or mortgage shall extinguish the Vendor's Lien securing such assessments or charge as to payments which became due prior to such sale or transfer. So long as Mortgagee owns a Lot or Lots acquired through a judicial or non-judicial foreclosure, or by voluntary reconveyance from its debtor no charges or assessments shall accrue with respect thereto; however, upon a sale of such Lot or Lots to an Owner as herein defined, such lots and the new Owner thereof shall be responsible and liable for the payment and any charges or assessments thereafter becoming due in accordance with the terms hereof.

In addition to the automatic subordination provided hereinabove, the Association, in the discretion of its Board of Directors, may subordinate the lien securing any assessment provided for herein to any other mortgage, lien or encumbrance, subject to such limitations, if any, as such Board may determine.

Section 10. Exempt Property: All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Texas shall be exempt from the assessments and charges created herein. Notwithstanding the foregoing, no Lot which has been sold shall be exempt from said assessments and charges. All Lot Owners shall pay the assessments and charges regardless, and this provision may not be changed by a vote of the property owners.

ARTICLE V
Insurance

The Association, through the Board of Directors, or its duly authorized agent, shall have the authority to obtain the following types of insurance policies:

- (a) Property insurance covering the Common Area and all improvements thereon in an amount equal to the full replacement value of the improvements and facilities located upon the Common Area and owned by the Association (including all building service equipment and the like) with an "agreed amount endorsement" or its equivalent, an "demolition endorsement" or its equivalent, and, if necessary, an "increased cost of construction endorsement" or "contingent liability from operation of building laws endorsement" or the equivalent, affording protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement in Texas, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage and any such other risk as shall customarily be covered with respect to projects similar in construction, location and use.
- (b) A Comprehensive policy of public liability insurance covering all of the Common Area and insuring the Association, within such limits as it may consider acceptable (but with coverage of not less than \$1,000,000 for all claims for personal injury and/or property damage arising out of a single occurrence); such coverage to include protection against water damage liability, for nonowned and hired automobiles, liability for property of others, and any other coverage the Association deems prudent and which is customarily carried with respect to projects similar in construction, location, and use; and,
- (c) A policy of fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association and all others who handle, or are responsible for handling funds of the Association; such fidelity bonds shall be of the kind and in an amount the Association deems necessary for the protection of the Owners.

Premiums for all such insurance policies carried by the Association shall be a common expense payable by the assessments on all Lots. Liability and property insurance for Lots and other contents of residences shall be the responsibility of each individual Owner. All proceeds from policies held by the Association shall be deposited with a bank or other financial institution, the accounts of which bank or institution are insured by federal governmental agency, with proviso agreed to by said bank or institution that such funds may be withdrawn only by signature of at least two (2) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. In no event shall the insurance company or the bank or other financial institution holding proceeds on a policy issued in the name of the Association be authorized to distribute any proceeds therefrom to the Declarant. Proceeds from such policies shall be used by the Association only for the benefit of its Members and where such proceeds arise out of an occurrence in which a building or improvement owned by the Association is damaged or destroyed, they shall be used to repair, restore and rebuild such building or improvements. In the event, the Board of Directors shall advertise for sealed bids from licensed contractors, and upon acceptance of a bid received thereby, may negotiate with the contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction or

rebuilding of such destroyed improvements or buildings. In the event the insurance proceeds are insufficient to pay all costs of repairing and/or rebuilding said improvements to their original condition, the Association shall levy a special assessment for capital improvements against all Owners to make up the deficiency. This shall be done only after compliance with all requirements for imposition of special assessments.

ARTICLE VI

MEETING OF MEMBERS:

An annual meeting of the membership shall be held on a date designated by the Board of Directors.

SPECIAL MEETINGS:

Special meetings of the membership may be called by the President, the Board of Directors, or not less than one-tenth (1/10) of the members having voting rights.

PLACE OF MEETINGS:

The Board of Directors may designate any place within Comal County, Texas for any annual meeting or for special meetings.

NOTICE OF MEETINGS:

Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than fifteen (15) nor more than ninety (90) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the Officers, or persons calling the meeting. In case of a special meeting or when required by statute or by these By-Laws, the purpose of purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States Mail addressed to the member at his designated address it appears on the records of the Association, with postage thereon prepaid.

QUORUM:

A quorum for the transaction of business shall be five percent (5%) of the voting membership, but not less than five (5) members. If a quorum is not present at any meeting of the members, a majority of the members present may adjourn the meeting from time to time without further notice.

PROXIES:

No member shall be entitled to designate and vote by proxy. Each member, unable to attend a property owners meeting, shall upon written request, be mailed a summary of the various proposals on the agenda. Said absent members shall be entitled to a written vote on any issue within fifteen (15) days of said proposals. Said vote shall be counted and the Board of Directors, or designated officer, shall reply to the absentee voter within fifteen (15) days giving the results of the proposals and the effect of his vote.

ARTICLE VII

GENERAL POWERS

BOARD OF DIRECTORS

The affairs of the Association shall be managed by the Board of Directors who shall be members in good standing in the Association. The number of Directors shall be five (5) with the retiring President as an ex-officio member for one year following his term of office. At the first election of Directors, the five who are elected shall serve until a successor is elected.

REGULAR MEETINGS:

A regular annual meeting of the Board of Directors shall be held without notice other than these By-Laws, immediately after, and at the same place, as the annual meeting of the membership. The Board of Directors may provide by resolution, the time and place for holding additional regular meetings of the Board without other notice than such resolution.

SPECIAL MEETINGS:

Special Meetings of the Board of Directors may be called by or at request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the board called by them.

QUORUM:

A majority of the Board of Directors shall constitute a quorum for the transaction of the business at any meeting of the Board, but if less than a majority of the Directors are present at said meeting, the Directors present may adjourn the meeting from time to time without further notice.

MANNER OF ACTING:

The act of a majority of the Board of Directors present at a meeting, at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these By-Laws.

VACANCIES:

Any vacancy occurring in the Board of Directors and any directorship to be filled by reason or resignation or any other reason, shall be filled by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

COMPENSATION:

No officer or member of the Board of Directors shall received any salary for their services as such to the Association.

ARTICLE VIII

OFFICERS:

The Officers of the association shall be a President, a Vice-President, a Secretary and a Treasurer. The secretary need not be a member of the Board of Directors.

ELECTION AND TERM OF OFFICE:

The officers and the Board of Directors shall be elected at the annual meeting. They shall hold office until their successors are duly installed or as otherwise provided. Any member of this Association in good standing shall be eligible to hold office. Also any person designated by the Declarant may hold office. The duties of the officers and the Board of Directors shall be those usually appertaining to such officers and as further provided in the By-Laws.

REMOVAL:

Any officer or director may be removed by the Board whenever in its judgement the best interest of the Association would be served thereby, but such removal shall be without prejudice to the officer so removed, AND MUST BE UNANIMOUS EXCEPT FOR THE OFFICER BEING CONSIDERED FOR REMOVAL.

VACANCIES:

A vacancy in any officer because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired term of office of the one vacating the office or post.

PRESIDENT:

The President shall be the principal executive officer of the Association and shall, in general, supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Board and membership. He may sign, with the secretary or any other proper officer of the Association any instruments which the Board of Directors have authorized be executed; and in general he shall perform all duties incident to the office of President.

VICE-PRESIDENT:

In the absence of the President or in the event of his inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to him by the President or the Board of Directors. There may be one or more Vice-Presidents.

SECRETARY:

The Secretary shall keep the minutes of the meeting of the members and the Board of Directors, see that all notices are duly given in connection with the provisions of these By-Laws or as required by law, be custodian of the Association records, keep a register of the post office address of each member, which should be furnished to the Secretary by such member; and in general perform all duties incident to that of the Office of the Secretary, and such other duties as from time to time may be assigned by the President or by the Board of Directors.

TREASURER:

The Treasurer, if required by the Board of Directors, shall furnish a bond for the faithful discharge of his duties and in such sum and with such surety as the Board shall determine, have charge and custody of the and be responsible for all funds and securities of the Association, receive and give receipts for monies, due and payable to the Association and deposit all monies in the name of the Association in such banks, trust companies or other depositories as shall be elected in accordance with the provisions of these By-Laws, and in general perform all duties incident to the Office of the Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors.

ARTICLE IX

DEPOSIT, FUNDS, AND CONTRACTS:

All funds of the Association shall be deposited in a federal insured bank in the name of the Association and all withdrawals by check, shall require the signature of the President, a Vice-President and/or the Treasurer. The Board of Directors may authorize other officers whenever necessary to enter into a contract or to execute or deliver any instruments in the name of and on behalf of the Association. (See Article VIII, Officers)

ARTICLE X

BOOKS AND RECORDS:

The Association shall keep a correct and complete set of books and records and shall keep minutes of the proceedings of the members, Board of Directors and committees having authority of the Board of Directors and shall keep at the principal office, the name and addresses of all members entitle to vote. The board of Directors has the right not to divulge the list of membership to those not having the right of inspection to the Association books. All books and records of the Association may in inspected by the Association members, in goods standing, for any proper purpose and at any reasonable time.

ARTICLE XI

CERTIFICATES OF MEMBERSHIP:

The Board of Directors may provide for the issuance of cards, evidencing the membership in the Association, the form of which shall be determined by the Board of Directors. Said cards shall be signed by the President and/or Secretary of this Association.

The Board of Directors may upon request, ask to be shown said cards, for admission to any meeting of the said Association. All cards evidencing membership in the Association shall be consecutively numbered and entered in an Association roster, showing date, name and address and number and termination of such membership, if such occurs.

Only those property owners who shall remain members in good standing of this Association shall be entitled to free and unrestricted use of the various common areas, amenities and recreational facilities.

A membership certificate, in good standing, shall be required for entrance to any common areas.

ARTICLE XII

FISCAL YEAR:

The fiscal year of this Association shall begin on the first day of November and end on the last day of October, in each year.

ARTICLE XIII

AMENDMENTS TO BY-LAWS:

These By-Laws may be altered or repealed and new By-Laws may be adopted by a majority of the membership present at any regular meeting or at any special meeting, if at least five (5) days written notice is given of intention to alter, amend or repeal or to adopt new By-Laws at such meeting. In the event such changes are made, and ratified by the Board of Directors, the membership of the Association should receive notice that such changes have been made, thereby allowing said members to keep their own copies of said By-Laws.

ARTICLE XIV

CONDUCT OF BUSINESS:

The conduct of business and the order of business shall, unless in conflict with these By-Laws, be in conformity with ROBERT'S RULES OF ORDER.

Reference is made to all restriction or record pertaining to the subdivision and they are incorporated herein for all purposes.

ADOPTED THIS 28th DAY OF Feb, A.D. 1978.

SUMMERWOOD PROPERTYOWNERS ASSOCIATION,
INC.

BY: Edward Badouh
EDWARD BADOUH, JR.
President