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PATRICIA DYE

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR SADDLEWOOD ESTATES, SECTION THREE KERR COUNTY, TEXAS

THIS DECLARATION, made this 25 day of July 1996, by Saddlewood Partners I, Ltd., a limited partnership, ("Declarant"):

WITNESSETH

Declarant is the owner of all that certain real property (the "Property") located in Kerr county, Texas, consisting of 254.5 acres, more or less, more fully described by metes and bounds in Exhibit A, which is attached hereto and incorporated herein by reference for all purposes. A Plat of the Property, which Plat is recorded in Volume 6, Page 294, Plat Records of Kerr County, Texas, creates SADDLEWOOD ESTATES, SECTION THREE, a subdivision in Kerr County, Texas.

Declarant has devised a general plan of development for the Property which provides a common theme of development as a residential development for equestrian, agricultural, and residential purposes designed to protect and preserve the character and natural beauty of the Property over a long period of time.

This general plan will benefit the Property, the Declarant, and each Owner of an interest in the Property.

Declarant has caused Saddlewood Estates Owners Association, Inc. to be incorporated as a non profit corporation under the laws of the State of Texas. The power and duty of maintaining and administering the Property in accordance with the provisions, terms, and conditions of this Declaration, the Articles, and the Bylaws has been assigned to the Association and/or various committees, as hereinafter provided.

Therefore, in accordance with the doctrines of restrictive covenants and implied equitable servitude, Declarant desires to restrict the Property in accordance with the provisions, terms, and conditions of this Declaration in furtherance of this general development plan.

NOW, THEREFORE, it is declared that all of the Property shall be held, sold and conveyed subject to the following provisions, terms, and conditions:

A. DEFINITIONS: The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

1. "Architectural Control Committee" shall mean and refer to that Committee as defined subsequently in this Declaration.
2. "Articles" shall mean the Articles of Incorporation of the Association, and shall additionally include any amendments or supplements thereto as may be made from time to time.
3. "Association" shall mean and refer to the Saddlewood Estates Owners Association, Inc.
4. "Board" shall mean and refer to the Board of Directors of the Association.
5. "Bylaws" shall mean and refer to the Bylaws of the Association, and shall additionally include any amendments or supplements thereto as may be made from time to time.
6. "Common Areas" shall mean all areas of the Property designated as Common Area on the Plat.
7. "Declarant" shall mean Saddlewood Partners I, Ltd., and the successors and assigns of Declarant.
8. "Declaration" or "this Declaration" shall mean this document and shall additionally include any amendments or supplements hereto as may be made from time to time.
9. "Deed" shall mean a deed or other instrument conveying fee simple to, or a fee simple interest in, a "Lot".
10. "Lot" shall mean and refer to any Lot (with the exception of any Common Areas and any Open Areas) shown on the Plat.
11. "Member" shall mean and refer to a Member of the Association. Requirements for membership and voting rights of Members shall be as defined in the Articles and Bylaws.
12. "Open Areas" shall mean all areas of the Property

which are not designated as Lots, Common Areas, Recreational Trails, or road rights-of-way.

13. "Owner" shall mean and refer to (i) a record Owner of a fee simple interest in any Lot, and (ii) a purchaser of a fee simple interest in any Lot by contract for deed. The foregoing does not include any persons or entities who hold an interest in any Lot within the Property merely as security for the performance of an obligation.

14. "Plat" shall mean the Plat of the Property as filed of record in the office of the County Clerk of Kerr County, Texas, and shall additionally include any amendments, supplements, or replat thereto or thereof as may be made from time to time.

15. "Property" shall mean and refer to the real property described in Exhibit "A" attached hereto and shall additionally include all other real property which may subsequently be added to and made subject to this Declaration by amendment or supplement hereto.

16. "Recreational Trails" shall mean those areas referred to as "horse/walking trails" on the Plat. The Recreational Trails are Common Areas.

17. "Rules and Regulations" shall mean any Rules and Regulations adopted by the Association and/or its various committees, as may be permitted by this Declaration, the Articles, or the Bylaws, and shall additionally include any amendments or supplements thereto as may be made from time to time.

18. "Wildlife Committee" shall mean and refer to that Committee as defined subsequently in this Declaration.

B. COVENANTS BINDING:

1. PROPERTY BOUND: The Property shall be subject to all provisions, terms, and conditions found in this Declaration. The provisions, terms, and conditions of this Declaration shall be for the benefit of, and shall run with and bind the Property.

2. OWNERS BOUND: All provisions, terms, and conditions of this Declaration shall be binding upon and for the benefit of each Owner and his heirs, executors, administrators, trustees, personal representatives, successors and assigns. Each Owner,

for himself, his heirs, executors, administrators, trustees, personal representatives, successors and assigns expressly agrees to pay, and to be personally liable for, all assessments provided for hereunder, and to be bound by all of the provisions, terms, and conditions of this Declaration, the Articles, and the Bylaws. Each Owner shall be and remain personally liable, regardless of whether he has transferred title to his Lot, for the amount of assessments on his Lot (together with interest thereon, cost of collection and attorneys' fees, if any) which fell due while he was the Owner. An Owners personal liability shall not pass to a successor Owner unless expressly assumed by a successor Owner. Any assumption of personal liability by a successor Owner shall not relieve the prior Owner of personal liability.

C. COVENANTS AND USE RESTRICTIONS:

1. USE, SIZE AND COMPOSITION: The Property shall be used for residential, recreational, ranching, and agricultural purposes only, and shall not be used for any mercantile or commercial purposes. No building shall be erected, altered or permitted to remain on any Lot other than no more than three (3) residential structures with the main structure to be not less than 1,800 square foot of living area. No structure shall exceed two stories in height. A separate private garage (or other covered car parking facility) for not more than four automobiles is also permitted. Appurtenant structures may be placed on a Lot as may be approved by the Architectural Control Committee. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.
2. MOBILE HOMES: Modular, ready-built, manufactured homes, mobile homes, and pre-existing structures are prohibited from being placed on any Lot.
3. SET BACKS: No structure other than fencing, walls, planters, and hedges shall be placed on any Lot less than 125 feet from a roadway property line or lines, 50 feet from any side property line or 50 feet from the back property line. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.
4. BURNING: No fires shall be permitted on any

portion of Property unless approval is obtained in advance. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

5. OFFENSIVE USE: No offensive, noxious, profane or unlawful use shall be made of any of the Property.

6. SUBDIVISION: No Lot may be further divided without permission of the Association. Under no circumstances may a Lot be subdivided into Lots which contain less than three (3) acres. Notwithstanding the provisions, terms, and conditions of this paragraph or any other provision, term, or condition of this Declaration; the provisions, terms, and conditions of this paragraph shall not apply to any Lot owned by Declarant.

7. CONSTRUCTION: All structures shall be of new construction. No structure shall be constructed on any Lot without first submitting the plans, drawings and specifications to the Architectural Control Committee for approval. The Architectural Control Committee shall indicate approval by signing and dating the submitted plans, drawings, and specifications, and retaining a copy of same. Shiny roofs or siding are prohibited. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

8. CONSTRUCTION COMPLETION: Construction of a structure must be completed within one (1) year from the time construction commenced.

9. WATER SYSTEMS: Individual wells or water systems are prohibited.

10. SEWAGE: Individual sewage disposal systems shall be located, constructed and equipped in compliance with the rules and regulations of all governmental authorities and agencies having jurisdiction.

11. FENCES: No fence shall be constructed, situated or located a distance less than thirty (30) feet from the roadway property lines of any Lot. All fences placed or constructed on any Lot shall be of similar design and equal quality to the fences then existing on the Property and shall be approved by the Architectural Control Committee. Any fence fronting any roadway shall be the standard four (4) board, dark

brown wooden fence similar in design, size shape, color and construction to the standard fence fronting the roadway at the entry of Saddlewood Estates. Any fence constructed on the side or rear of any Lot may be the same as above or (a) net wire or chain link fencing with dark brown posts; (b) painted or stained wood; and (c) stone, rock or brick construction that is similar to the residence exterior construction. Rear yard fencing may be wooden or an approved design, providing it is painted or stained on all sides. No fence may be installed across Common Areas or easement areas. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

12. ANTENNAS: No exterior television, radio or other antenna of any type shall be placed, allowed, or maintained upon any Lot unless screened from view of all other Lots, Common Areas, Recreational Trails, and road rights-of-way, and must have written approval of the Architectural Control Committee. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

13. ROADWAY PARKING: Parking on road right-of-ways is restricted to deliveries, pickup or short time guests and invitees.

14. STORAGE: No exterior storage of any items of any kind shall be permitted except with prior written approval and authorization of the Architectural Control Committee. Any such storage as is approved and authorized shall be in areas attractively screened or concealed from view from all other Lots, Common Areas, Recreational Trails, and road rights-of-ways. This provision shall apply without limitation to all exterior storage and shall include, but not be limited to, wood piles, camping trailers, boat trailers, travel trailers, boats, pickup camper units, automobiles, trucks or other vehicles. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

15. GARBAGE: No garbage or trash shall be placed outside the exterior of any structure, except in containers meeting specifications of the Association, and the placement, maintenance, and appearance of all such containers shall be subject to Rules and

Regulations of the Association. All rubbish, trash and garbage shall be regularly removed from each Lot and shall not be allowed to accumulate thereon.

16. OUTSIDE LIGHTING: No outside lighting other than indirect lighting, shall be placed, allowed or maintained on any Lot without prior written approval and authorization of the Architectural Control Committee. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

17. ANIMALS: Dogs, cats, horses, birds or fish may be kept on a Lot in reasonable numbers, so long as, in the discretion of the Association, such animals are not, or do not become a nuisance, threat or otherwise objectionable to other Owners. Swine are not permitted. Other animals not mentioned herein must be approved by the Wildlife Committee. All animals must be kept on leash or in fenced areas, and be on leash when off the Lot. The Wildlife Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

18. ENCROACHMENTS: No tree, shrub, or plant of any kind on any Lot shall be allowed to overhang or otherwise encroach upon any Common Areas, Recreational Trails, or road rights-of-ways from ground level to a height of seven (7) feet without the prior written approval and authorization of the Architectural Control Committee. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

19. SERVICE LINES: No water, sewer, service lines of any nature or kind shall be placed, allowed or maintained upon or above the ground on any Lot, except to the extent, if any, underground placement thereof may be prohibited by law or would prevent the subject line from being functional. The foregoing shall not prohibit service pedestals and above ground switch cabinets and transformers where required.

20. SIGNS: No exterior signs or advertisements of any kind may be placed, allowed or maintained on any Lot without prior written approval and authorization of the Architectural Control Committee, except that mailboxes and residential nameplates may be placed and maintained in conformity with such Rules and regulations as may be

adopted by the Architectural Control Committee. For Sale and For Lease signs are not permitted unless approved by the Architectural Control Committee. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

21. REPAIRS: No repair or maintenance of any detached machinery, equipment or fixtures, including without limitation motor vehicles, shall be made upon any portion of any Lot within view of all other Lots, Common Areas, Recreational Trails, or road rights-of-ways, without prior written approval of the Association.

22. OIL AND MINERAL ACTIVITY: No oil, gas, or other mineral exploration, drilling, development or refining operations shall be permitted. No drilling, quarrying, or mining operations of any kind, including, but not limited to, oil wells, surface tanks, tunnels, mineral excavation, or shags shall be permitted upon or under any Lot. No structure designed for drilling, transporting, storing, or refining oil, gas, or other minerals shall be erected, maintained or permitted on any Lot.

23. VIOLATION OF DECLARATION: No Lot shall be maintained or utilized in violation of this Declaration the Articles, or the Bylaws.

24. MOTOR VEHICLES. Motor vehicles may be parked only in a carport, driveway, or parking areas designated by the Association, unless otherwise authorized by the Association in writing. No buses, vans, trucks, or other vehicles having a carrying capacity in excess of one ton or designed for commercial purposes shall be placed, allowed or maintained upon any Lot except with the prior written approval of the Association in areas attractively screened or concealed from view of all other Lots, Common Areas, Recreational Trails, and road rights-of-ways.

25. GARAGES AND CARPORTS: The interiors of all carports shall be maintained in a neat, clean and sightly condition. No carport shall be used for storage. No power equipment, hobby shops or carpenter shops shall be maintained in any carport. No overhaul, repair or maintenance work of any nature shall be conducted therein, including, but not limited to,

detached machinery, equipment, fixtures, or motor vehicles. Garages shall not face the street. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

26. WALLS, FENCES, PLANTERS AND HEDGES: The following (as to any wall, fence planter or hedge permitted by the Architectural Control Committee) shall apply:

a. No wall or fence shall be erected or maintained nearer than thirty (30) feet to a Lot property line bordering on a road right-of-way.

b. No planter (inclusive of vegetation planted therein), or hedge in excess of two (2) feet high shall be erected or maintained nearer than thirty (30) feet to a Lot property line bordering on a road right-of-way. No wall, fence, planter, or hedge shall, in the sole and exclusive judgment of the Architectural Control Committee, unduly interfere with the view from any other Lot.

The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

27. HUNTING: Hunting on any Lot is prohibited.

28. FIREARMS: Discharge of any pistol, rifle, shotgun, or any other firearm, or any bow and arrow or other device capable of killing or injuring is prohibited.

28. DRIVEWAYS: Driveways shall be hard surfaced and shall be constructed with a minimum width of nine (9) feet along their entire length. The width of each driveway at its entrance to the road must flair to a minimum width of (i) 16 feet; or (ii) the minimum width required by the Kerr County Subdivision Rules and Regulations; which ever is greater. Dust producing driveways are not permitted.

29. LANDSCAPING AND EXCAVATION: All landscaping, including, but not limited to, design, tree and plant types, must be approved in writing by the Architectural Control Committee. Each Lot must be landscaped in an acceptable an approved manner and design within ninety (90) days after construction of the first residence structure has been completed. Digging of dirt or

removal of dirt from any Lot is prohibited except as necessary in conjunction with landscaping or construction on such Lot. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

30. ROOFING MATERIAL: All roofing material for any structure shall be of either standing seam metal, wood shake, tile, or the top grade heavyweight composition or fiberglass shingle. Shiny roofs are prohibited. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

31. CONSTRUCTION DEBRIS: During construction the Owner of a Lot or his contractor must (i) provide a temporary portable toilet and (ii) maintain and keep the Lot clean and free of excess debris at all times. After completion of construction the Owner or contractor shall immediately remove all remaining construction debris from the Lot, leaving it in a clean and well kept condition.

D. ASSIGNMENTS AND POWERS:

1. ARCHITECTURAL CONTROL COMMITTEE: The Architectural Control Committee is hereby assigned the power and duty of maintaining and administering all provisions, terms, and conditions of this Declaration wherein the Architectural Control Committee is named as the responsible party. The Architectural Control Committee shall have the power to grant reasonable variances concerning any or all of such provisions, terms, and conditions because of topography, unusual Lot location or configuration, or such other reasons as the Architectural Control Committee shall find to be in the best interest of the Property and the Owners. The Architectural Control Committee may adopt reasonable Rules and Regulations concerning any or all of such provisions, terms, and conditions. The Association shall enforce all decisions, variances, and Rules and Regulations of the Architectural Control Committee.

2. WILDLIFE COMMITTEE: The Wildlife Committee is hereby assigned the power and duty of maintaining and administering all provisions, terms, and conditions of this Declaration wherein the Wildlife Committee is named as the responsible party. The Wildlife Committee shall have the power to grant reasonable variances

concerning any or all of such provisions, terms, and conditions because of topography, unusual Lot location or configuration, or such other reasons as the Wildlife Committee shall find to be in the best interest of the Property and the Owners. The Wildlife Committee may adopt reasonable Rules and Regulations concerning any or all of such provisions, terms, and conditions. The Association shall enforce all decisions, variances, and Rules and Regulations of the Wildlife Committee.

3. ASSOCIATION: The Association is hereby assigned the power and duty of maintaining and administering all provisions, terms, and conditions of this Declaration wherein the Architectural Control Committee or the Wildlife Committee are not named as the responsible party. The Association shall have the power to grant reasonable variances concerning any or all of such provisions, terms, and conditions because of topography, unusual Lot location or configuration, or such other reasons as the Association shall find to be in the best interest of the Property and the Owners. The Association may adopt reasonable Rules and Regulations concerning any or all of such provisions, terms, and conditions. The Association shall enforce all decisions, variances, Rules and Regulations of the Association.

E. EASEMENTS RESERVED: Easements for various purposes are reserved on the Plat. Full ingress and egress to the easements is hereby reserved at all times over the entire Property. Any party having rights to use of an easement shall have the right to remove any obstruction found on any easement which might interfere with use of the easement by such party.

F. ASSOCIATION ASSESSMENTS:

1. ANNUAL ASSESSMENT: The Association may assess an annual assessment against each Lot. The Association will for each year fix the annual assessment at a total amount estimated in good faith by the Association to approximate the costs and expenses of the Association for the purposes hereinafter specified, for the next calendar year. The annual assessment for calendar year 1996 is \$75.00 per acre. The annual assessment shall be adjusted as necessary at the end of each calendar year.

The annual assessment shall be pro rated per acre against each Lot and shall be due and payable on

January 1st of each calendar year, in advance. If a Lot becomes subject to the annual assessment on a date other than January 1st, the annual assessment shall be pro-rated, and the Owner shall pay the pro-rated portion in advance, on the date the Lot becomes subject to the annual assessment.

The annual assessment shall be used for the following purposes:

- a. Office expense (including, but not limited to, salaries, communication expense, office supplies, equipment, utilities, etc...), accounting fees, legal fees, and such other costs, expenses, and professional fees as may be required by the Association.
- b. Maintenance, repair, and replacement of the roads and road right-of-ways as shown on the Plat in a condition equal or superior to the condition of the roads and road right-of-ways when originally installed.
- c. Maintenance, repair, and replacement of all drainage ditches, facilities, and improvements shown on the Plat, or located on road right-of-ways, easements, Common Areas, or Recreational Trails shown on the Plat. Such ditches, facilities, and improvements shall be maintained in a condition equal or superior to their original condition when originally installed.
- d. Maintenance, repair, or replacement of the outside fence in a condition equal or superior to the condition of the outside fence when originally installed.
- e. Costs of preparation of any tax returns or other documents or reports required to be filed by the Association by any governmental agency or authority; to include payment of taxes, fees, and other charges and costs required to be paid by or to such governmental agency or authority.
- f. The Association expense for Security as may be required by the Association.
- g. Maintenance, repair, and replacement of the Common Areas and all common improvements and facilities located thereon (not including utility

- improvements or facilities) in a condition equal or superior to their original condition when originally installed.
- h. The Association expense of Insurance as may be required by the Association.
 - i. The Association expense for garbage and trash removal;
 - j. Costs and expenses incurred by the Association in enforcing the provisions, terms, and conditions of this Declaration.
 - k. Costs and expenses incurred by the Architectural Control Committee in fulfilling and carrying out its powers, duties, and obligations pursuant to this Declaration.
 - l. Costs and expenses incurred by the Wildlife Committee in fulfilling and carrying out its powers, duties, and obligations pursuant to this Declaration.
 - m. Miscellaneous costs and expenses incurred by the Association in fulfilling and carrying out its powers, duties, and obligations pursuant to this Declaration, the Articles, and the Bylaws.
2. SPECIAL ASSESSMENTS: The Association may make special assessments as follows:
- a. ANNUAL ASSESSMENT PURPOSES: In the event the Association expends or anticipates that it will be required to expend funds for any of the annual assessment purposes in excess of the annual assessment funds collected by the Association, the Association may make a special assessment per acre against each Lot for such excess funds expended or to be expended. Any special assessment in excess of \$100.00 per acre will require a majority vote of the Members of the Association entitled to vote.
 - b. IMPROPER MAINTENANCE BY OWNER: In the event any portion of a Lot or structure thereon is, in the judgment of the Architectural Control Committee, (i) not maintained in a manner which complies with the provisions, terms, and conditions of this Declaration; or (ii) presents a

public or private nuisance, or (iii) substantially detracts from the appearance or quality of neighboring Lots, structures, or other areas of the Property; the Architectural Control Committee may specify the particular condition or conditions which exist, and deliver notice thereof to the Owner that unless corrective actions are taken within ten (10) days, the Association will cause such corrective actions to be taken at the Owner's expense. If, at the expiration of said ten (10) day period, the requisite corrective actions have not been taken, the Architectural Control Committee shall be authorized and empowered to cause such corrective actions to be taken. The cost of such corrective actions shall be assessed against the Lot and the Owner thereof, as a special assessment. The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this paragraph.

c. COMMON AREA DAMAGE: The Association may make a special assessment against any Owner and such Owner's Lot for the cost of repairing any damage caused to Common Areas, or improvements thereon, by such Owner, such Owner's family members, or a guest or invitee of such Owner or his family members.

3. NOTICE/DUE DATE: Written notice of all assessments shall be delivered to the Owner or Owners of the Lot or Lots against which such assessments are made. Annual assessment notices shall state the amount of the annual assessment and that it is due and payable on or before January 1st, in advance. Special assessment notices shall state the amount of the special assessment that it is due and payable on or before thirty (30) days from the date of the notice. Such notices of assessment shall be deemed delivered when duly deposited in the custody of the United States Postal Service, postage prepaid, addressed to the Owner or Owners at the last known mailing address shown in the books and records of the Association.

4. LIEN FOR ASSESSMENTS:

a. IMPOSITION OF LIEN: At any time there is an unpaid annual or special assessment outstanding with respect to a Lot, the Association shall have the right to file of record with the County Clerk

of Kerr County, Texas, a written statement describing such Lot and declaring the amount of the unpaid annual or special assessment. Such filing shall automatically constitute a lien upon such Lot and the structures thereon (the "Assessment Lien") in favor of the Association for (i) the amount of such unpaid assessment, (ii) all costs and expenses of the Association, including, but not limited to, costs of enforcement, and (iii) interest at the highest rate allowed by applicable law on the assessment from its due date and on all costs and expenses from the date same were incurred. Upon payment of the Assessment Lien, the Association shall deliver to the Lot Owner an appropriate release of the Assessment Lien so paid.

b. TRUSTEE: For value received and to secure payment of said assessments, each Owner conveys such Owner's Lot to GARY E. KERSEY, Trustee, in trust. If an Owner defaults in the payment of any assessment and the default continues after recording of the Assessment Lien, then the Association may foreclose in accordance with the Texas Property Code as then amended and the Association may purchase the Lot at any foreclosure sale by offering the highest bid and then have the bid credited to the amount of the Assessment Lien. In the event of any sale hereunder, all prerequisites to the sale shall be presumed to have been performed, and in any conveyance given hereunder, all statements of facts, or other recitals therein made as to the nonpayment of money secured, or as to the request to the trustee to enforce the trust, or as to the proper and due appointment of any substitute trustee, or as to the advertisement of sale, or time, place, and manner of sale, or as to any other preliminary fact or thing, shall be taken in all courts of law or equity as prima facie evidence that the facts so stated or recited are true. At the option of the Association, a substitute trustee may be appointed without any formality other than a designation and recording of a substitute trustee, who shall thereupon become vested with and succeed to all the powers and duties given to the trustee herein named, the same as if such substitute trustee had been named original trustee herein. The defaulting Owner will pay all reasonable attorney's fees and

expenses which may be incurred by the Association in enforcing the terms hereof, or in any suit to which the Association may become a party where this Declaration is in any manner involved and all expenses incurred in presenting a claim against the estate of an Owner or a bankruptcy.

c. OWNER'S PROMISES: By becoming an Owner, as that term is defined in this Declaration, and accepting the document or documents by and through which he became an Owner (whether or not it shall be so expressed in such document or documents), each Owner, for himself, his heirs, executors, administrators, trustees, personal representatives, successors and assigns, covenants and agrees:

1. That Owner will pay all assessments, costs, expenses, and interest when due.

2. That Owner shall be, and remain, personally liable for any and all assessments, costs, expenses, and interest assessed against his Lot while he is (or was) the Owner thereof, and same shall be a continuing personal obligation of the Owner until paid in full.

3. That each Assessment Lien shall be a charge and continuing lien upon the Lot against which it was made.

G. DECLARANT EXEMPT FROM ASSESSMENTS: Notwithstanding any other provision found in this Declaration to the contrary, any Lot or other real property owned by Declarant shall be exempt from all assessments, and no lien may be placed on any such Lot or other real property for same, nor shall the provisions of paragraph C., 6, hereinabove, entitled SUBDIVISION, apply to any Lot or other real property owned by Declarant.

H. ARCHITECTURAL CONTROL COMMITTEE: The Architectural Control Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this Declaration for which it has been named the responsible party. As the case may be, no structure, sign, walkway, roadway, landscaping, other improvements or things for which the Committee is the responsible party, shall be erected, placed or altered on any Lot or any other portion of the Property, until the Owner has made application in writing

to the Committee for approval and has submitted construction plans and specifications and a site plan showing the location of the structure or improvements, and such plans have been approved by the Committee as to use, quality of workmanship and materials, harmony of external design with existing structures, and location. The Architectural Control Committee is composed of three (3) members whose names are David M. Cummings, Jr., or his designee, B.K. Cummings, or her designee, and Jimmy Jones, or his designee. The address is 190 Fairway Drive, Kerrville, Texas 78028. Majority vote shall prevail on any issue or subject requiring a decision of the Committee. 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 members shall have full authority to designate a successor. Declarant reserves the right to replace, with or without cause, at Declarant's sole discretion, members of the Committee. Neither the members of the Committee nor its representatives shall be entitled to any compensation for services performed. Neither the Association nor any other party shall have the right to exercise any powers or duties of the Committee, remove or replace any Member of the Committee, or exercise any power or control over the Committee. The powers and duties of the Committee shall cease and terminate twenty (20) years after the date of this instrument, and any approval required by the Committee shall not thereafter be required unless prior to said date and effective thereon, the Association shall execute and file for record an instrument appointing a representative or representatives, who shall thereafter exercise the same powers and duties granted herein to the Committee. The Committee's approval or disapproval as required herein, shall be in writing. If the Committee, or its designated representatives, fails to give written approval or disapproval within thirty (30) days after plans and specifications have been submitted, or if no suit to enjoin the construction has been commenced prior to the completion of the improvements, the proposed plans shall be considered approved and the requirements of this Declaration shall be deemed to have been fully satisfied.

I. WILDLIFE COMMITTEE: The Wildlife Committee shall be responsible for maintaining and administering the provisions, terms, and conditions of this Declaration for which it has been named the responsible party. The Wildlife Committee shall be composed of three members whose names are David M. Cummings, Jr., or his designee, B.K. Cummings, or her designee, and Jimmy Jones, or his designee. Majority vote shall prevail on any issue or subject requiring a decision of the Committee. The Committee may designate a

representative to act for it. In the event of the death or resignation of any member of the Committee, the remaining members shall have full authority to designate a successor. Declarant reserves the right to replace, with or without cause, at Declarant's sole discretion, members of the Committee. Neither the Members of the Committee nor its representatives shall be entitled to any compensation for services performed. Neither the Association nor any other party shall have the right to exercise any powers or duties of the Committee, remove or replace any member of the Committee, or exercise any power or control over the Committee. The powers and duties of the Committee shall cease and terminate twenty (20) years after the date of this instrument, and any approval required by the Committee shall not thereafter be required unless prior to said date and effective thereon, the Association shall execute and file for record an instrument appointing a representative or representatives who shall thereafter exercise the same powers and duties granted to the Committee. The Committee's approval or disapproval shall be in writing. If the Committee fails to give written approval within thirty (30) days, then the question or issue on which the Committee failed to give written approval shall be considered disapproved.

In addition to maintaining and administering any other provision, term, or condition of this Declaration for which it has been named the responsible party, the Committee shall be responsible for overseeing management of the free roaming wildlife within the Property, and shall sit as a Board of Arbitration with respect to all disputes concerning wildlife between Owners. The Committee's decision regarding a dispute between Owners concerning wildlife shall be final and shall be binding on all parties thereto.

J. ASSOCIATION VOTING RIGHTS: Members of the Association shall have voting rights as stated in the Articles of Association for the Association and/or By-Laws of the Association. Quorum and voting requirements shall be as stated in the Articles of Association for the Association and/or By-Laws of the Association. Notwithstanding any other provision, term, or condition of this Declaration, the Articles, or the Bylaws to the contrary, any Owner against which there are due and outstanding unpaid assessments, costs, expenses, or interest shall not have voting rights until all such assessments, costs, expenses, or interest are paid in full.

K. DELEGATION OF POWERS AND DUTIES: Notwithstanding any other provision, term, or condition of this Declaration, the

Articles, or the Bylaws to the contrary, the Association and the Board has exclusively transferred, assigned, granted, conveyed, and delegated and by these presents exclusively transfers, assigns, grants, conveys, and delegates unto Declarant, all powers, rights, and duties of the Association and the Board, for the benefit of the Property and the Owners. Declarant shall have the exclusive right to exercise the powers, rights, and duties of the Association and the Board, and the sole responsibility and authority to manage the business and affairs of the Association and the Board, until Declarant terminates same. Without limiting the generality of the foregoing full and complete transfer, assignment, grant, conveyance, and delegation, Declarant shall have the following powers, rights, and duties:

1. To pay from Association funds all costs and expenses required or allowed to be paid by the Association under the provisions, terms, and conditions of this Declaration.
 2. To enter into contracts and agreements for the performance of all duties, powers, and obligations of the Association and/or Board.
 3. To execute all declarations of ownership and other documents for tax assessment purposes with regard to the Property on behalf of the Association and/or all Owners.
 4. To enter into contracts, maintain one or more bank accounts and generally, to have all rights and powers necessary or incidental to the operation and management of the Association and/or the Board.
 5. To protect or defend the Property from loss or damage by suit or otherwise.
 6. To maintain adequate Association financial reserves in order to perform and exercise the powers, rights, and duties of the Association and/or Board.
 7. To enforce the terms, and conditions of this Declaration, including, but not limited to, any variances, rules and regulations, or assessments made hereunder and to enjoin and seek damages from any Owner.
- L. INSURANCE: Each Owner shall a fire and extended coverage insurance policy with respect to all insurable structures on such Owner's Lot. Such insurance shall be

for the highest insurable value of the structures insured.

M. WATER SYSTEM: Declarant has caused a water system to be installed on the Property. The Plat shows certain Lots designated as "well Lots". Well lots are reserved for use as water well sites and the placement of other machinery, equipment, structures, and improvements necessary for the water system. Notwithstanding any other provision, term, or condition of this Declaration to the contrary, all provisions, terms, and conditions of this Declaration shall apply to the well Lots to the extent that such provisions, terms, and conditions do not unreasonably interfere with use of the well Lots as part of the water system.

N. MODIFICATION AND AMENDMENT: Any term or condition of this Declaration may be altered, amended, modified, supplemented, or revoked in whole or in part, as follows:

1. By Declarant by instrument duly filed of record in Kerr County, Texas, notwithstanding any other provision, term, or condition of this Declaration to the contrary.

2. By eighty (80%) percent of the Members of the Association entitled to vote, evidenced by instrument bearing the signatures of such members, duly filed of record in Kerr County, Texas.

O. DURATION: The provisions, terms, and conditions (as may be altered, amended, modified, supplemented, or revoked in accordance with the foregoing paragraph entitled MODIFICATION AND AMENDMENT) of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by Declarant, the Association, the Owner of any Lot or real property subject to this Declaration, and all of their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date that this Declaration is recorded.

After expiration of such twenty (20) year term, the provisions, terms, and conditions (as may be altered, amended, modified, supplemented, or revoked in accordance with the foregoing paragraph entitled MODIFICATION AND AMENDMENT) of this Declaration shall be automatically extended for successive periods of ten (10) years unless an instrument signed by eighty (80%) percent of the Members of the Association entitled to vote has been recorded, agreeing to abolish this Declaration.

P. ASSOCIATION FUNDS EXPENDITURES: The judgment of Declarant, the Association, and/or the Board, and their respective successors and assigns, in the allocation and expenditure of Association funds shall be final so long as such judgment is exercised in good faith. The enumeration in this Declaration, in the Articles and/or in the Bylaws of services for which Association funds may be expended carries no obligation for the Association to furnish any of such services except to the extent of funds actually received by the Association.

Q. ENFORCEMENT: Enforcement of the provisions, terms and conditions of this Declaration shall be in Kerr County, Texas, and same may be enforced by Declarant, the Association, or any other person or entity having legal standing to enforce same, by any legal method, including, but not limited to, suit and injunction. The prevailing party shall be entitled to recover damages, costs, and attorneys fees. Failure to enforce any provision, term, or condition of this Declaration shall in no event be deemed waiver of the right to do so thereafter.

R. ACCEPTANCE: Each Owner, by acceptance of the document or documents by and through which he became an Owner, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions, terms, and conditions found in this Declaration, the Articles and/or Bylaws, and additionally acknowledges that such documents set forth a general scheme for improvement and development of the Property.

S. INVALIDITY: Invalidation of any provision, term, or condition of this Declaration shall in no way affect any other provision, term, or condition, all of which shall remain in full force and effect.

T. HEADINGS: Headings contained in this Declaration are for reference purposes only.

U. RESUBDIVISION AND REPLATTING: Notwithstanding any other provision, term, or condition of this Declaration to the contrary, Declarant reserves the right to resubdivide and/or replat at any time, any Lot or Lots owned by Declarant, without consent of the Association or any other party.

V. ADDITIONAL REAL PROPERTY: Notwithstanding any other provision, term, or condition of this Declaration to the contrary, Declarant may add and incorporate additional real property into this Declaration and the Association. The

addition may be made by filing an amendment or supplement to this Declaration of record in Kerr County, Texas. After the addition is made the real property added shall thereafter be considered a part of the Property and shall be subject to all provisions, terms, and conditions of this Declaration, the Articles, and the Bylaws.

Each amendment or supplement which adds real property to this declaration shall:

1. Describe the real property to be added;
2. State the number of Lots in such real property to be added;
3. State that such real property to be added and any permanent improvements thereon are subjected to the provisions, terms, and conditions of this Declaration, the Articles, and the Bylaws;and
4. State that each Owner (excluding Declarant) of a Lot therein, his heirs, executors, administrators, trustees, personal representatives, successors and assigns, will be personally liable for all Assessments, costs, expenses, and interest charged by the Association, and will be personally be bound by all provisions, terms, and conditions of this Declaration, the Articles, and the Bylaws.

W. NOTICES: Any notice required to be given to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mails, postage prepaid, addressed to the last known address of such Member or Owner as shown on the records of the Association.

X. MISCELLANEOUS:

1. INTERPRETATION OF DECLARATION: Notwithstanding any other provision, term, or condition of this Declaration to the contrary, Declarant shall have the exclusive right to construe and interpret the provisions, terms, and conditions of this Declaration. Declarant's interpretation hereof shall be final, conclusive, and binding.
2. DECLARANT'S SUCCESSORS AND ASSIGNS: Any reference in this Declaration to Declarant shall include all successors and/or assigns of Declarant.

3. ASSIGNMENT BY DECLARANT: The rights, powers, and duties of Declarant may be assigned in whole or in part to any person or entity (one or more). Such assignment(s) must be in writing, and filed of record in Kerr County, Texas.

4. ENCROACHMENT EASEMENT: Each Lot shall be subject to an easement for overhangs and minor encroachments by walls, structures and fences upon adjacent Lots as constructed, reconstructed, or repaired in accordance with the original plans and specifications approved by the Architectural Control Committee.

5. COMMON AREAS:

a. Only Owners and their guests may use Common Areas. Owners may not charge non-owners for the use of Common Areas. Owners and/or guests may not misuse or abuse the Common Areas.

b. No motor vehicles or motorized equipment of any nature are allowed on Recreational Trails or in any other Common Areas except for driveways and parking areas specifically designed for motor vehicles. Utility providers involved in installing, maintaining, repairing, or replacing utilities or equipment are exempted from this prohibition.

c. All guests must be accompanied at all times by an Owner or an Owner family member when using Common Areas.

d. Any Owner or Member who continually violates the Rules and Regulations regarding Common Areas is subject to suspension of all rights and privileges regarding Common Areas.

e. All Common Areas are to be maintained and administered by the Association.

IN THE WITNESS WHEREOF, Declarant has executed this instrument on July 25, 1996.

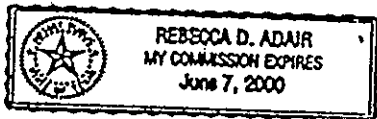
Saddlewood Partners 1, LTD.

By: [Signature]
DAVID M. CUMMINGS, JR.,
President of SADDLEWOOD I,
L.C., General Partner of
SADDLEWOOD PARTNERS I, LTD.

STATE OF TEXAS *

COUNTY OF KERR *

This instrument was acknowledged before me on the 25th day July
1996, by David M. Cummings, Jr. President of Saddlewood I, L.C., General
Partner of Saddlewood Partners I, LTD.



[Signature]
Notary Public, State of Texas
My Commission Expires: 6/7/00

Filed By & Return to:
Saddlewood Partners I, Ltd.
190 Fairway Dr.
Kerrville, Tx 78028.
ATTN: David M. Cummings, Jr.

Provisions herein which restrict the sale, rental or use of the described property
because of color or race is invalid and unenforceable under Federal Law.
THE STATE OF TEXAS
COUNTY OF KERR

I hereby certify that this instrument was FILED in File Number Sequence on the
date and at the time stamped herein by me and was duly RECORDED in the
Official Public Records of Real Property of Kerr County, Texas on

RECORD Real Property
VOL 861 PG 633

RECORDING DATE

JUL 31 1996

JUL 31 1996



Patricia Dye
COUNTY CLERK, KERR COUNTY, TEXAS



Patricia Dye
COUNTY CLERK, KERR COUNTY

PROPERTY:

Re: description of 254.5 acres, Kerr County, Texas.

All that certain tract or parcel of land, lying and being situated in the County of Kerr; State of Texas; comprising 254.5 acres, more or less; being approximately 8 acres out of original Survey No. 141, Joseph S. Anderson, Abstract No. 2; approximately 162 acres out of original Survey No. 140, Mordecai Primrose, Abstract No. 267; approximately 64 acres out of original Survey No. 1472, Mima Wilson, Abstract No. 815, approximately 4.2 acres out of original Survey No. 1473, H. E. & W. T. R. R. CO., Abstract No. 777 and approximately 16.3 acre out of original Survey No. 1474, L. A. Rees, Abstract No. 1844; being part of that 521.39 acre tract II, which were conveyed to Lewis E. Brazelton, by General Warranty Deed in Lieu of Foreclosure dated the 22nd day of December, 1994, of record in Volume 784, at page 23, of the Real Property Records of Kerr County, Texas; and subject tract being more particularly described by metes and bounds, as follows, to wit:

BEGINNING at a 1/2" iron stake, the east corner of subject tract, in a southeast line of said 521.39 acre tract, which has coordinates of N= 804601.01 feet and E= 1938895.91 feet, and is located approximately a distance of 4434 feet a direction of S45°W (according to deed 784/23) and a distance of 4061.9 feet a direction of S48°11'W from the east or lower river corner of Survey No. 141, J. S. Anderson .

THENCE with a southeast line of said 521.39 acre tract, a direction of S.66°49'W., for a distance of 1436.5 feet, a fence corner post, and continuing a direction of S.44°06'W., for a distance of 549.7 feet, to a fence corner post, the north corner of Lot 7-A of Sheppard Hills Estates, Replat of Lots 7 & 8;

THENCE with a southeast to south line of said 521.39 acre tract, a line of said Sheppard Hills Estates, Replat of Lots 7 & 8, a direction of S.46°21'W., for a distance of 520.2 feet to a fence corner post, and continuing a direction of S.87°06'W., for a distance of 268.4 feet to a fence corner post, the southwest corner of said 521.39 acre tract;

THENCE with the southwest line of said 521.39 acre tract, a direction of N.44°40'W., for a distance of 95.7 feet, and continuing a direction of N.44°46'W., for a distance of 2924.4 feet to a fence corner post, the west corner of said 521.36 acre tract;

THENCE with the northwest line of said 521.36 acre tract, a direction of N.44°47'E., for a distance of 2949.6 feet to a north corner of subject tract;

THENCE with a northeast line of subject tract, a direction of S.52°03'E., for a distance of 422.4 feet to the point of curvature of a cul-de-sac circular curve to the right (clockwise);

THENCE with the arc of said cul-de-sac circular curve to the right (clockwise), having a central angle of $135^{\circ}13'$, a radius of 50.0 feet, the long chord bears a direction of $S.70^{\circ}10'E.$, for a distance of 92.5 feet, for a distance along said curve of 118.0 feet to the end of curve;

THENCE with a northeast line of subject tract, the northeast line of street, Roundup Trail, a direction of $S.55^{\circ}41'E.$, for a distance of 238.5 feet, and continuing a direction of $S.41^{\circ}33'E.$, for a distance of 255.5 feet to a re-entrant corner of subject tract;

THENCE with a northwest line of subject tract, a northwest line of street, Saddlewood Blvd., a direction of $N.35^{\circ}36'E.$, for a distance of 343.7 feet, to a north corner of subject tract;

THENCE with a northeast line of subject tract, a direction of $S.59^{\circ}31'E.$, for a distance of 60.2 feet, continuing a direction of $S.49^{\circ}04'E.$, for a distance of 360.0 feet, and continuing a direction of $S.49^{\circ}04'E.$, for a distance of 412.3 feet to the point of curvature of a cul-de-sac circular curve to the left (counterclockwise);

THENCE with the arc of said cul-de-sac circular curve to the left (counterclockwise), having a central angle of $160^{\circ}13'$, a radius of 50.0 feet, the long chord bears a direction of $S.44^{\circ}13'E.$, a distance of 98.5 feet, for a distance along said curve of 139.8 feet to the end of curve;

THENCE with a south line of street, Spring Branch Drive, a direction of $S.71^{\circ}11'E.$, for a distance of 378.1 feet, continuing a direction of $S.62^{\circ}11'E.$, for a distance of 336.2 feet, and continuing a direction of $S.53^{\circ}39'E.$, for a distance of 100.0 feet,

THENCE with a line of subject tract, a direction of $S.1^{\circ}51'W.$, for a distance of 164.3 feet, continuing a direction of $S.42^{\circ}20'W.$, for a distance of 70.3 feet, continuing a direction of $S.0^{\circ}00'E.$, for a distance of 320.0 feet, continuing a direction of $S.56^{\circ}31'W.$, for a distance of 423.6 feet, and continuing a direction of $S.62^{\circ}16'E.$, for a distance of 76.2 feet, to a northwest line of said street, Spring Branch Drive;

THENCE with a northwest line of said street, Spring Branch Drive, a direction of $S.42^{\circ}25'W.$, for a distance of 428.8 feet to the point of curvature of a cul-de-sac circular curve to the left (counterclockwise);

THENCE with the arc of said cul-de-sac circular curve to the left (counterclockwise), having a central angle of $286^{\circ}16'$, a radius of 50.0 feet, the long chord bears a direction of $S.47^{\circ}35'E.$, for a distance of 60 feet, for a distance along said curve of 249.8 feet to the end of curve;

THENCE with a southeast line of said street, Spring Branch Drive, a direction of $S.42^{\circ}25'E.$, for a distance of 15.1 feet to a re-entrant corner of subject tract;

THENCE with a northeast line of subject tract, a direction of $S.39^{\circ}59'E.$, for a distance of 432.1 feet to the place of beginning.

SUPPLEMENT II TO
DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS
FOR
SADDLEWOOD ESTATES, SECTION THREE
KERR COUNTY, TEXAS

WHEREAS, on July 25, 1996, SADDLEWOOD PARTNERS I, LTD., did execute that one certain document entitled "DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR SADDLEWOOD ESTATES, SECTION THREE", ("Declaration"), said Declaration recorded in Volume 861, Page 633, Real Property Records of Kerr County, Texas; and

WHEREAS, SADDLEWOOD PARTNERS I, LTD. was named Declarant ("Declarant"); in said Declaration; and

WHEREAS, on July 11, 1996 the Articles of Incorporation for SADDLEWOOD ESTATES OWNERS ASSOCIATION, INC. ("ASSOCIATION") were filed with the Secretary of State of Texas; and

WHEREAS, the Declaration provides that Declarant may add and incorporate additional real property into the Declaration and the Association; and

WHEREAS, the Declaration provides that the Association is granted certain rights, powers, and duties as states therein; and

WHEREAS, the Declaration provides that all rights, powers, and duties of the Association are transferred, assigned, granted, conveyed, and delegated to Declarant; and

WHEREAS, the Declaration and/or Articles or Bylaws of the Association provide that the Association may annex additional real property as a part of the Association.

NOW, THEREFORE, Declarant, in both the capacity of Declarant under the Declaration and Assignee of all rights, powers, and duties of the Association, does hereby:

1. Add and incorporate the real property described in Exhibit A, said Exhibit A hereby incorporated herein by reference for all intents and purposes as if copied herein verbatim ("PROPERTY ADDED"), into the Declaration.
2. Add and incorporate the PROPERTY ADDED into the Association.
3. For and on behalf of the Association, annex the

PROPERTY ADDED into the Association.

4. The total number of Lots to be added are thirty-nine (39), those being Lots 1 through 26, Block One, and Lots 1 through 13, Block Two, as shown on Plat of SADDLEWOOD ESTATES, SECTION ONE, recorded in Volume 6, Page 319, Real Property Records of Kerr County, Texas.

5. The PROPERTY ADDED and any permanent improvements thereon are hereby subjected to the provisions, terms, and conditions of the Declaration and the Articles and Bylaws of the Association.

6. Each Owner of a Lot located in the PROPERTY ADDED, his heirs, executors, administrators, trustees, personal representatives, successors, and assigns will be personally liable for all assessments, costs, expenses, and interest charged by the ASSOCIATION, and will be personally bound by all provisions, terms, and conditions of the Declaration and the Articles and Bylaws of the Association.

Executed on February 12, 1997.

SADDLEWOOD PARTNERS I, LTD.

FILED FOR RECORD
at 2:05... o'clock P.M. 95

FEB 13 1997

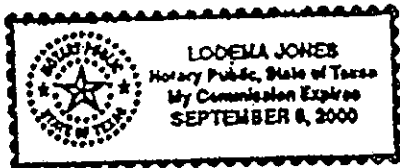
PATRICIA DYE
Clerk County Court, Kerr County, Texas
Patricia Dye Deputy

By: *[Signature]*
DAVID H. CUMMINGS, JR.,
President of SADDLEWOOD I,
L.C., General Partner of
SADDLEWOOD PARTNERS I, LTD.

STATE OF TEXAS

COUNTY OF KERR

This instrument was acknowledged before me on February 12, 1997, by DAVID H. CUMMINGS, JR., President of SADDLEWOOD I, L.C., General Partner of SADDLEWOOD PARTNERS I, LTD.



[Signature]
Notary Public, State of Texas
My Commission Expires: _____

Notary's Printed Name

Return to:
✓ Guy E. Kerney
222 Silas Baker South
Suite 527
Kerrville, Texas 78028

PROPERTY:

Re: description of 163.9 acres, Saddlewood, Section One, Kerr County, Texas.

All that certain tract or parcel of land, lying and being situated in the County of Kerr, State of Texas, comprising 163.9 acre: more or less, being approximately 145.0 acres out of original Survey No. 141, Joseph S. Anderson, Abstract No. 2, and approximately 18.9 acres out of original Survey No. 140, Mordecai Primrose, Abstract No. 267, being part of that 521.39 acre Tract II, and part of that 52.56 acre Tract III, which tracts were conveyed to Lewis E. Brazelton, by General Warranty Deed in Lieu of Foreclosure dated the 22nd day of December, 1994, of record in Volume 784, at page 23, of the Real Property Records of Kerr County, Texas, and subject tract being more particularly described by metes and bounds, as follows, to wit:

BEGINNING at a fence corner post and 1/2" iron stake, the most southerly east corner of said 521.39 acre tract, the south corner of that 38.5 acre tract which was conveyed from Linda Knapp, to Betty Fritts, by deed dated the 25th day of June, 1980, of record in Volume 236, page 540, of the Deed Records of Kerr County, Texas, being in the northwest line of that 246.2 acre tract which was conveyed from Alice Bank of Texas, to Donald D. Wilson, by deed dated the 13th day of August, 1993, of record in Volume 707, page 376, of the Real Property Records of Kerr County, Texas, being the southeast line of said Survey No. 141, the northwest line of Survey No. 142, J. S. Sydnor, located approximately 4434 feet S.45°W. (this being deed call 784/23) from the east or lower river corner of said Survey No. 141;

THENCE with the southeast line of said 521.39 acre tract, the northwest line of said 246.2 acre tract, along the southeast line of said Survey No. 141, along fence, a direction of S.45°10'W, for a distance of 2292.7 feet to the south corner of subject tract;

THENCE with division line of said 521.39 acre tract, a direction of N.24°26'W, for a distance of 831.9 feet to the southeast line of a proposed road;

THENCE continuing with division line of said 521.39 acre tract, the southeast line of said proposed road, a direction of N.55°14'E, for a distance of 72.7 feet to angle in said road;

THENCE continuing with division line of said 521.39 acre tract, crossing said proposed road, a direction of N.42°52'W, for a distance of 60.6 feet to the northwest line of said proposed road;

THENCE continuing with division line of said 521.39 acre tract, the northwest line of said proposed road, a direction of N.39°03'E. for a distance of 306.9 feet and a direction of N.35°32'E. for a distance of 103.9 feet to the point of curvature of a circular curve to the left;

THENCE continuing with division line of said 521.39 acre tract, the northwest line of said proposed road, along the arc of said circular curve to the left, (counter-clockwise), having a central angle of 9°16', a radius of 290.5 feet, the long chord bears a direction of N.30°54'E. for a distance of 46.9 feet, for a distance along said curve of 47.0 feet to a re-entrant corner of subject tract;

THENCE continuing with division line of said 521.39 acre tract, a direction of N.59°16'W. for a distance of 936.7 feet and a direction of N.59°16'W. for a distance of 15.2 feet to a fence corner post, the south corner of that 217.3 acre tract which was conveyed from Rex E. Thomas, M. D., to Lewfam, LTD, by deed dated the 1st day of October, 1989, of record in Volume 533, on page 200, of the Real Property Records of Kerr County, Texas, being a re-entrant corner of said 521.39 acre tract;

THENCE with the southwest line of said 217.3 acre Lewfam, LTD. tract, a northeast line of said 521.39 acre tract, along fence, a direction of N.40°19'E. for a distance of 2528.6 feet and a direction of N.40°19'E. for a distance of 2098.1 feet to its intersection with the southwest right of way line of proposed extension of Thompson Drive, the north corner of subject tract;

THENCE with the southwest right of way line of proposed extension of Thompson Drive, a direction of S.1°38'E. for a distance of 79.1 feet to an angle, continuing a direction of S.15°24'E. for a distance of 328.1 feet to an angle, continuing a direction of S.46°11'E. for a distance of 505.7 feet to an angle, continuing a direction of S.45°17'E. for a distance of 238.6 feet to a 1/2" iron stake set marking its intersection with the southeast line of said 52.56 acre tract, the northwest line of said 38.5 acre tract;

THENCE with the southeast line of said 52.56 acre tract, the northwest line of said 38.5 acre tract, along fence, a direction of S.25°50'W. for a distance of 430.4 feet to a fence corner post, continuing a direction of S.1°21'E. for a distance of 379.1 feet to a fence corner post, continuing a direction of S.13°15'W. for a distance of 193.1 feet to a fence corner post, continuing a direction of S.58°14'W. for a distance of 675.9 feet to a fence corner post, and continuing a direction of S.32°24'W. for a distance of 1240.2 feet to a fence corner post, the west corner of said 38.5 acre tract, the south corner of said 52.56 acre tract;

THENCE with the southwest line of said 38.5 acre tract, along fence, a direction of S.45°15'E. for a distance of 473.3 feet to the place of beginning.

Record Real Property
Vol 887 Page 153

RECORDING DATE
FEB 14 1997



Patricia Dye
COUNTY CLERK, KERR COUNTY

Persons to whom this notice is given are hereby notified that the instrument described herein is a duly recorded instrument under Federal Law.
COUNTY OF KERR
I hereby certify that this instrument was FILED in the Public Records Office of the County of Kerr, Texas on
FEB 14 1997

FEB 14 1997



Patricia Dye
COUNTY CLERK, KERR COUNTY, TEXAS

RECORDER'S NOTE
AT TIME OF RECORDATION INSTRUMENT FOUND
TO BE INADEQUATE FOR BEST PHOTOGRAPHIC
REPRODUCTION DUE TO DEPTH & DARKNESS OF
PRINT, COLOR OF PRINT OR INK, BACKGROUND OF
PAPER, ILLEGIBILITY, CARBON OR PHOTO COPY, ETC.

4248

SUPPLEMENT I TO
DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS
FOR
SADDLEWOOD ESTATES, SECTION THREE
KERR COUNTY, TEXAS

WHEREAS, on July 25, 1996, SADDLEWOOD PARTNERS I, LTD., did execute that one certain document entitled "DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR SADDLEWOOD ESTATES, SECTION THREE", ("Declaration"), said Declaration recorded in Volume 861, Page 633, Real Property Records of Kerr County, Texas; and

WHEREAS, SADDLEWOOD PARTNERS I, LTD. was named Declarant ("Declarant"); in said Declaration; and

WHEREAS, on July 11, 1996 the Articles of Incorporation for SADDLEWOOD ESTATES OWNERS ASSOCIATION, INC. ("ASSOCIATION") were filed with the Secretary of State of Texas; and

WHEREAS, the Declaration provides that Declarant may add and incorporate additional real property into the Declaration and the Association; and

WHEREAS, the Declaration provides that the Association is granted certain rights, powers, and duties as states therein; and

WHEREAS, the Declaration provides that all rights, powers, and duties of the Association are transferred, assigned, granted, conveyed, and delegated to Declarant; and

WHEREAS, the Declaration and/or Articles or Bylaws of the Association provide that the Association may annex additional real property as a part of the Association.

NOW, THEREFORE, Declarant, in both the capacity of Declarant under the Declaration and Assignee of all rights, powers, and duties of the Association, does hereby:

1. Add and incorporate the real property described in Exhibit A, said Exhibit A hereby incorporated herein by reference for all intents and purposes as if copied herein verbatim ("PROPERTY ADDED"), into the Declaration.
2. Add and incorporate the PROPERTY ADDED into the Association.
3. For and on behalf of the Association, annex the

PROPERTY ADDED into the Association.

4. The total number of Lots to be added are three (3), those being Tracts (lots) 7-A, 8-A, and 8-B, as shown on Replat of Sheppard Hills Estates Tracts 7 and 8, said Replat, recorded in Volume 6, Page 289, Plat Records of Kerr County, Texas.

5. The PROPERTY ADDED and any permanent improvements thereon are hereby subjected to the provisions, terms, and conditions of the Declaration and the Articles and Bylaws of the Association.

6. Each Owner of a Lot located in the PROPERTY ADDED, his heirs, executors, administrators, trustees, personal representatives, successors, and assigns will be personally liable for all assessments, costs, expenses, and interest charged by the ASSOCIATION, and will be personally bound by all provisions, terms, and conditions of the Declaration and the Articles and Bylaws of the Association.

Executed on February 12, 19 97.

SADDLEWOOD PARTNERS I, LTD.

By: [Signature]
DAVID M. CUMMINGS, JR.,
President of SADDLEWOOD I,
L.C., General Partner of
SADDLEWOOD PARTNERS I, LTD.

STATE OF TEXAS

COUNTY OF KERR

This instrument was acknowledged before me on February 12, 19 97, by DAVID M. CUMMINGS, JR., President of SADDLEWOOD I, L.C., General Partner of SADDLEWOOD PARTNERS I, LTD.

[Signature]
LODEMA JONES Notary Public, State of Texas
Notary Public, State of Texas My Commission Expires: _____
My Commission Expires: SEPTEMBER 6, 2000
Notary's Printed Name _____

CONSENT AND AGREEMENT

We, BRADLEY BRYAN SUTHERLIN and KATHERINE BRINKMAN SUTHERLIN, are the owners of Tract 7-A, Sheppard Hills Estates, as shown on replat of Sheppard Hills Estates, Tracts 7 and 8, said replat recorded in Volume 5, Page 285, Plat Records of Kerr County, Texas.

We consent and agree to the "SUPPLEMENT I TO DECLARATIONS OF COVENANTS, CONDITIONS, AND RESTRICTIONS" for SADDLEWOOD ESTATES, SECTION THREE ("SUPPLEMENT I"), and agree that Tract 7-A shall hereafter be bound and subject to the terms and conditions of SUPPLEMENT I.

[Handwritten Signature]
BRADLEY BRYAN SUTHERLIN

[Handwritten Signature]
KATHERINE BRINKMAN SUTHERLIN

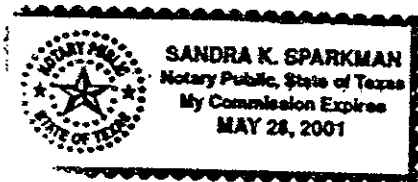
STATE OF TEXAS

COUNTY OF KERR

This instrument was acknowledged before me on June 2, 1997 by BRADLEY BRYAN SUTHERLIN and KATHERINE BRINKMAN SUTHERLIN.

Sandra K Sparkman
Notary Public, State of Texas
My Commission Expires: _____

Notary's Printed Name



*After Recording Return
Saddlewood Partners
190 Fairway
Kerrville, TX 78028*

FILED BY: KERR COUNTY ABSTRACT & TITLE CO.

FILED FOR RECORD
at 2:37 o'clock P.M.

JUN 16 1997

PATRICIA DYE
Clerk County Court, Kerr County, Texas
[Signature] Deputy

PROPERTY:

All that tract or parcel of land lying and being located in the County of Kerr, State of Texas, and being Tracts 7-A, 8-A, and 8-B, in accordance with the replat of Tracts 7 and 8, Sheppard Hills Estates, said replat recorded in Volume 6, Page 289, Plat Records of Kerr County, Texas.

Provisions herein which restrict the sale, rental or use of the described property because of sex or race is invalid and unenforceable under Federal Law, THE STATE OF TEXAS } COUNTY OF KERR

I hereby certify that this instrument was FILED in the File Number Sequence on the date and at the time stamped hereon by me and was duly RECORDED in the Official Public Records of Real Property of Kerr County, Texas on

RECORD Real Property
VOL 904 PG 57
RECORDING DATE

JUN 17 1997

JUN 17 1997



Patricia Dye
COUNTY CLERK, KERR COUNTY, TEXAS



Patricia Dye
COUNTY CLERK, KERR COUNTY, TEXAS

RECORDER'S NOTE
AT TIME OF RECORDATION INSTRUMENT FOUND
TO BE INADEQUATE FOR BEST PHOTOGRAPHIC
REPRODUCTION DUE TO DEPTH & DARKNESS OF
PRINT, COLOR OF PRINT OR INK, BACKGROUND OF
PAPER, ILLEGIBILITY, CARBON OR PHOTO COPY, ETC.

Page 1, EXHIBIT A; *[Signature]* Initials

SUPPLEMENT AND AMENDMENT
TO
DECLARATION FOR
SADDLEWOOD ESTATES

THIS AMENDMENT AND SUPPLEMENT TO DECLARATION is executed and delivered pursuant to and in amendment and supplementation of that certain Declaration of Covenants, Conditions and Restrictions (the "Declaration"), made and entered into on July 25, 1996, by SADDLEWOOD PARTNERS I, LTD., a limited partnership (the "Declarant"), which is recorded in Volume 861, Page 633, et seq., Real Property Records, Kerr County, Texas, as heretofore amended and supplemented, including, without limitation, Supplements I and II recorded in Volume 904, Page 57, and volume 887, Page 153, respectively, of Real Property Records, Kerr County, Texas; so that under and pursuant to the terms and provisions of the Declaration, the Declarant hereby supplements and amends the Declaration as follows, pursuant to Sections V and N of the Declaration, which provide that Declarant may amend, alter, modify and supplement the Declaration and may add and incorporate additional real property into the Declaration and thereafter such additional real property shall be considered a part of the Property (as defined in the Declaration):

1. Declarant hereby adds to the Declaration the property known as Saddlewood Estates, Section II, Kerr County, Texas, as shown on plat of said subdivision of record in Volume _____, Page _____, Plat Records, Kerr County, Texas. The number of lots as shown on the plat of Saddlewood Estates, Section II, Kerr County, Texas, shall be _____. The Property and permanent improvements thereon are subject to all provisions, terms and conditions of the Declaration, the Articles and Bylaws (as defined in the Declaration). Each Owner (as defined in the Declaration), excluding Declarant, of a Lot (as defined in the Declaration), and such Owner's heirs, executors, administrators, trustees, personal representatives, successors and assigns, will be personally liable for all assessments, costs, expenses, and interest charged by the Association (as defined in the Declaration) and will be personally bound by all provisions, terms, and conditions of this Declaration, the Articles and Bylaws.
2. The following restrictions of the Declaration are hereby modified, added and amended as follows:
 - A. In subparagraph 1 of Section C, the main structure shall be "not less than 2,400 square feet of living area".
 - B. An additional subparagraph 33 of Section C shall be added to read as follows:

"All electric power lines, cable television lines and telephone lines that run to the Lots for each residence from the main power source shall be located underground."

C. An additional subparagraph 34 of Section C shall be added to read as follows:

"The mail box design and location on each Lot for each residence shall be approved by the Architectural Control Committee in writing."

D. The Architectural Central Committee specified in Section H shall consist of two (2) members who are hereby designated to be David M. Cummings, Jr. and B.K. Cummings, and Jimmy Jones shall not be a member of the Architectural Central Committee.

E. Subparagraph 9 of Section C shall be amended to read as follows:

"9. Water Systems - Individual wells as water systems are prohibited except and excluding, and there shall be permitted, a water well on a Lot for landscaping large acreage areas, for second residential or guest structure (not main structure or residence), and for other special water uses, as may be approved by the Architectural ~~Control~~ ^{Central} Committee and the Declarant in writing."


pie

This Supplemental Declaration is executed on this 8 day of Feb., 2000.

DECLARANT:

SADDLEWOOD PARTNERS I, LTD.

BY: SADDLEWOOD I, L.C.,
General Partner

BY: 
David M. Cummings, Jr.
President

FILED FOR RECORD

at 8:40 o'clock A.M.

FEB 10 2000

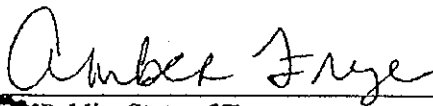
JANNETT PIEPER

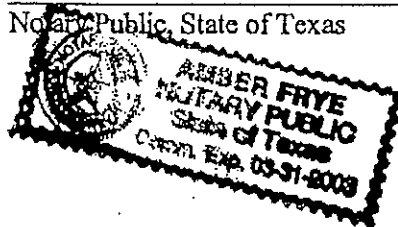
~~Clark County Court, Kerr County, Texas~~
~~Cheryl A. Thompson~~ Deputy

THE STATE OF TEXAS §

COUNTY OF KERR §

This instrument was acknowledged before me this 9th day of February, 2000, by DAVID M. CUMMINGS, JR., President of SADDLEWOOD PARTNERS I, LTD., a limited partnership, on behalf of said partnership.


Notary Public, State of Texas



CUMMINGS Supplement & Amendment

*Filed by return to:
Saddlewood Estates
190 January Drive
Kerrville, TX 78028*

RECORD Real Property
VOL. 1050 PG 509
RECORDING DATE

FEB 11 2000



Janett Pieper
COUNTY CLERK, KERR COUNTY, TEXAS

Provisions herein which restrict the sale, rental or use of the described property because of color or race is invalid and unenforceable under Federal Law, THE STATE OF TEXAS)
COUNTY OF KERR)

I hereby certify that this instrument was FILED in the File Number Sequence on the date and at the time stamped hereon by me and was duly RECORDED in the Official Public Records of Kerr County, Texas on

FEB 11 2000



Janett Pieper
COUNTY CLERK, KERR COUNTY, TEXAS

03549

2000-374

Filed By
Kerrville Title Company

RATIFICATION AND AMENDMENT
TO
SUPPLEMENT AND AMENDMENT
FOR
SADDLEWOOD ESTATES, SECTION TWO

VOL. 1063 PAGE 0660

THIS RATIFICATION AND AMENDMENT is executed and delivered by SADDLEWOOD PARTNERS I, LTD. ("Declarant") in ratification and amendment of the Supplement and Amendment executed by Declarant and recorded in Volume 1050, Page 507, Real Property Records, Kerr County, Texas; reference to which is hereby made for all purposes and the terms and provisions of which are hereby incorporated herein for all purposes.

Declarant hereby adds to the Declaration referenced in the Supplement and Amendment hereinabove referred to the property known as Saddlewood Estates, Section Two, and said Supplement and Amendment is hereby ratified in all respects and is amended to provide that reference to the Saddlewood Estates shall be Saddlewood Estates, Section Two, a subdivision of Kerr County, Texas, according to the plat recorded in Volume 7, Page 39 - 42, Plat Records, Kerr County, Texas, and the number of Lots as shown on the plat of said subdivision shall be 71.

Except as herein provided the referenced Supplement and Amendment shall remain in full force and effect.

This Ratification and Supplement is executed this 5 day of MAY, 2000.


DECLARANT:

SADDLEWOOD PARTNERS I, LTD.

BY: SADDLEWOOD I, L.C.

General Partner

By:



David M. Cummings, Jr.

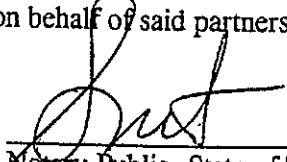
President

THE STATE OF TEXAS §

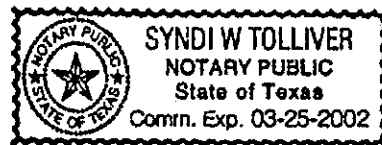
VOL. 1063 PAGE 0661

COUNTY OF KERR §

This instrument was acknowledged before me on May 5, 2000, by DAVID M. CUMMINGS, JR., President of SADDLEWOOD I, L.C., General Partner of SADDLEWOOD PARTNERS I, LTD., a Texas partnership, on behalf of said partnership.



Notary Public, State of Texas



AFTER RECORDING RETURN TO:
SADDLEWOOD PARTNERS I, LTD.
190 FAIRWAY DRIVE
KERRVILLE, TEXAS 78028

FILED FOR RECORD
at 4:15 o'clock P.M.

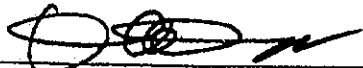
MAY 05 2000

JANNETT PIEPER
Clerk County Court, Kerr County, Texas
 Deputy

PARTNERSHIP CERTIFICATE

I, DAVID M. CUMMINGS, JR., hereby certify that I am now, and at all times mentioned herein have been, the President of SADDLEWOOD I, L.C., General Partner of SADDLEWOOD PARTNERS I, LTD., (the "Partnership"), and, as such I have access to the records of the Partnership, and the General Partner, which records reflect that the resolutions and matters attached hereto as Annex "I" have been duly adopted, approved and consented to by unanimous written consent, have not been amended, modified, or repealed in any respect, and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have duly executed this certificate as of 5-5, 2000.



DAVID M. CUMMINGS, JR.

RECORD Real Property
VOL 1063 PG 660
RECORDING DATE

MAY 08 2000



Janet Pieper
COUNTY CLERK, KERR COUNTY, TEXAS

Provisions herein which restrict the sale, rental or use of the described property because of color or race is invalid and unenforceable under Federal Law. THE STATE OF TEXAS } COUNTY OF KERR }
I hereby certify that this instrument was FILED in the File Number Sequence on the date and at the time stamped hereon by me and was duly RECORDED in the Official Public Records of Real Property of Kerr County, Texas on

MAY 08 2000



Janet Pieper
COUNTY CLERK, KERR COUNTY, TEXAS

SUPPLEMENTAL DECLARATION FOR
SADDLEWOOD ESTATES, SECTION THREE
KERR COUNTY, TEXAS

VOL. 1081 PAGE 0009

THIS SUPPLEMENTAL DECLARATION is executed and delivered pursuant to and in supplementation of those certain Declaration of Covenants, Conditions and Restrictions, made and entered into on July 25, 1996, by Saddlewood Partners I, Ltd. (the "Declarant"), which is recorded in Volume 0861, Page 633, Real Property Records, Kerr County, Texas; and Supplement I dated February 12, 1997, of record in Volume 0904, Page 057, Real Property Records, Kerr County, Texas, and Supplement II dated February 12, 1997, of record in Volume 0887, Page 153, Real Property Records, Kerr County, Texas (said Declaration, Supplement I and Supplement II being collectively called "Declaration"), so that under and pursuant to the terms and provisions of the Declaration, the Declarant and the Saddlewood Estates Owners Association, Inc., hereby supplement the Declaration as follows:

The lien of the assessments provided for in the Declaration shall be subordinate and inferior to the lien or equivalent security interest of any first mortgage or deed of trust now or hereafter placed upon a Lot subject to assessment if the mortgage or deed of trust is placed upon the Lot at a time when no default has occurred and is then continuing in the payment of any portion of the annual assessment for such Lot; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the time when the holder of any first mortgage or deed of trust comes into possession of a Lot under the provisions of the mortgage, by virtue of foreclosure of the mortgage, or by deed or assignment in lieu of foreclosure, or the time when a purchaser at any such foreclosure sale comes into possession, except for claims for a share of such charges or assessments resulting from a reallocation of such charges or assessments to all Lots including the mortgaged Lot in question. Such sale shall not relieve such Lots from liability for the amount of any assessments thereafter becoming due nor from the lien of any such subsequent assessment.

This Supplemental Declaration is executed on this 17th day of August, 2000.

DECLARANT:

SADDLEWOOD PARTNERS I, LTD.

BY: SADDLEWOOD I, L.C.,
General PartnerBY: David M. Cummings, Jr.
President

5-5-1

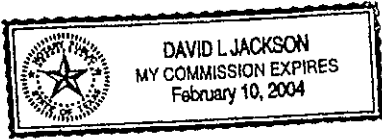
THE STATE OF TEXAS §

COUNTY OF KERR §

VOL. 1081 PAGE 0010

This instrument was acknowledged before me on the 17th day of August, 2000, by DAVID M. CUMMINGS, Jr. President of SADDLEWOOD I, L.C., General Partner of SADDLEWOOD PARTNERS I, LTD., a Texas partnership, on behalf of said partnership.

[Handwritten Signature]
Notary Public, State of Texas



Filed by & Return to:
David L. Jackson
820 Main St, Suite 100
Kerrville, TX 78028

FILED FOR RECORD
at 10:47 o'clock A.M

AUG 24 2000

JANNETT PIEPER
Clerk County Court, Kerr County, Texas
[Handwritten Signature] Deputy

Provisions herein which restrict the sale, rental or use of the described property because of color or race is invalid and unenforceable under Federal Law.
THE STATE OF TEXAS }
COUNTY OF KERR }

I hereby certify that this instrument was FILED in the File Number Sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Real Property of Kerr County, Texas on

AUG 25 2000



[Handwritten Signature]
COUNTY CLERK, KERR COUNTY, TEXAS

RECORD Real Property
VOL. 1081 PG 09
RECORDING DATE

AUG 25 2000



[Handwritten Signature]
COUNTY CLERK, KERR COUNTY, TEXAS

**SUPPLEMENT, CONSENT AND APPROVAL UNDER
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
SADDLEWOOD ESTATES, SECTION 3
KERR COUNTY, TEXAS**

WHEREAS, on July 25, 1996, SADDLEWOOD PARTNERS I, LTD., did execute that one certain document entitled "DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR SADDLEWOOD ESTATES, SECTION THREE, ("Declaration), said Declaration recorded in Volume 861, Page 633, Real Property Records of Kerr County, Texas; and

WHEREAS, SADDLEWOOD PARTNERS I, LTD. was named Declarant ("Declarant"); in said Declaration; and

WHEREAS, on July 11, 1996 the Articles of Incorporation for SADDLEWOOD ESTATES OWNERS ASSOCIATION, INC. ("Association") were filed with the Secretary of State of Texas; and

WHEREAS, the Declaration provides that the Architectural Control Committee ("Committee") includes B. K. Cummings and David M. Cummings, Jr. who may act for the Committee; and

WHEREAS, the Declaration provides that the Association is granted certain rights, powers, and duties as states therein; and

WHEREAS, the Declaration provides that all rights, powers, and duties of the Association are transferred, assigned, granted, conveyed, and delegated to Declarant; and

WHEREAS, by Supplement recorded in Volume 904, Page 57, Real Property Records, Kerr County, Texas, certain property was made part of the Declaration including Lot 8-B, Sheppard Hill Estates, per plat recorded in Volume 6, Page 289, Plat Records, Kerr County, Texas ("Property").

NOW, THEREFORE, Declarant, in both the capacity of Declarant under the Declaration and Assignee of all rights, powers, and duties of the Association, and the Committee do hereby agree, consent and approve the following:

1. The Property will be exempt from the 50 foot set back restrictions as described in covenant C-3 of the Declaration on the south side of the Property, which is intended to be the side of the lot which adjoins and is adjacent to lot 9 of Sheppard Hills Estates, Kerr County, Texas.
2. The Property will be exempt from the fencing restriction described in covenant C-11, insofar as it relates to the type of fence that can be constructed on any fronting roadway. The thirty (30) foot restriction from the roadway property line as described in the Declaration shall remain in force.

KS

3. The Property be subdivided into two lots of three (3) acres or more but in no circumstance may the Property be subdivided into lots which contain less than three acres pursuant to covenant C-6 of the Declaration.

EXECUTED on April 5, 2001.

COMMITTEE:

SADDLEWOOD PARTNERS I, LTD.

By: Beverly K Cummings
B. K. Cummings

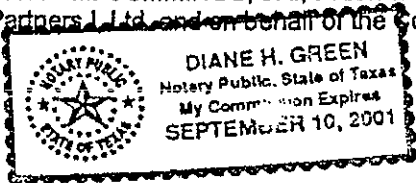
By: [Signature]
David M. Cummings, Jr.
President of Saddlewood I,
L.C., General Partner of
Saddlewood Partners I, Ltd.

By: [Signature]
David M. Cummings, Jr.

STATE OF TEXAS §

COUNTY OF KERR §

This instrument was acknowledged before me on April 5, 2001 by DAVID M. CUMMINGS, JR., President of Saddlewood I, L.C., General Partner of Saddlewood Partners I, Ltd. and on behalf of the Committee.

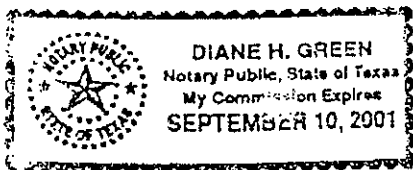


[Signature]
Notary Public, State of Texas
Commission Expires: 9-10-01

STATE OF TEXAS §

COUNTY OF KERR §

This instrument was acknowledged before me on April 5, 2001 by B. K. CUMMINGS and on behalf of the Committee.



[Signature]
Notary Public, State of Texas
Commission Expires: 9-10-01

cummings\Sutherlin re Supplement & Consent

FILED FOR RECORD
at 4:05 o'clock P M

APR 06 2001

FILED BY AND RETURN TO:

KERR COUNTY ABSTRACT & TITLE CO.
303 Earl Garrett Street
Kerrville, Texas 78028

JANINE I. [Signature]
Clerk County Court, Kerr County, Texas

Provisions herein which restrict the sale, rental or use of the described property because of color or race is invalid and unenforceable under Federal Law. THE STATE OF TEXAS } COUNTY OF KERR

I hereby certify that this instrument was FILED in the File Number Sequence on the date and at the time stamped hereon by me and was duly RECORDED in the Official Public Records of Real Property of Kerr County, Texas on

APR 09 2001



Janet Pieper
COUNTY CLERK, KERR COUNTY, TEXAS

RECORD Real Property
VOL. 1116 PG 253
RECORDING DATE

APR 09 2001



Janet Pieper
COUNTY CLERK, KERR COUNTY, TEXAS

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02363

AMENDED
SUPPLEMENT I TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
SADDLEWOOD ESTATES, SECTION THREE
KERR COUNTY, TEXAS

WHEREAS, on July 25, 1996, SADDLEWOOD PARTNERS I, LTD., did execute that one certain document entitled "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SADDLEWOOD ESTATES, SECTION" ("Declaration"), said Declaration recorded in Volume 861, Page 633, Real Property Records of Kerr County, Texas; and

WHEREAS, SADDLEWOOD PARTNERS I, LTD., was named Declarant ("Declarant") in said Declaration; and

WHEREAS, on July 11, 1996, the Articles of Incorporation for SADDLEWOOD ESTATES OWNERS ASSOCIATION, INC. ("Association") were filed with the Secretary of State of Texas; and

WHEREAS, the Declaration provides that Declarant may add and incorporate additional real property to and made subject to the Declaration by amendment thereof or supplement thereto; and

WHEREAS, Declarant added certain property to and made subject to the Declaration by document recorded in Volume 904, Page 57, Real Property Records, Kerr County, Texas ("Supplement").

NOW, THEREFORE, Declarant does hereby amend and restate the Supplement as follows:

1. Tracts 7-A, 8-A, and 8-B, in accordance with the replat of Tracts 7 and 8, Sheppard Hills Estates, said replat recorded in Volume 6, Page 289, Plat Records, Kerr County, Texas ("Property Added") is hereby added to the Declaration.
2. The total number of Lots to be added are three (3), those being Tracts (lots) 7-A, 8-A, and 8-B, as shown on replat of Sheppard Hills Estates Tracts 7 and 8, said replat, of record in Volume 6, Page 289, Plat Records, Kerr County, Texas.
3. The Property Added and any permanent improvements thereon are hereby subjected to the provisions, terms, and conditions of the Declaration and the Articles and Bylaws of the Association.
4. Each Owner of a Lot located in the Property Added, his heirs, executors, administrators, trustees, personal representatives, successors, and assigns will be personally liable for all assessments, costs, expenses, and interest charged by the Association, and will be personally bound by all provisions, terms and conditions of the Declaration and the Articles and Bylaws of the Association; provided, that

\$7

since the Added Property is located outside the gate of the main part of Saddlewood Estates and is of a different character than other property within Saddlewood Estates, the dues and assessments for the Property Added shall be fixed at \$25.00 per acre per year and in no event nor under any circumstance will the dues and assessments for the Property Added be greater than \$25.00 per acre per year and the Property Added shall be exempt from any special assessments.

- 5. The undersigned owners and lienholders of the Property Added hereby consent and agree to this Amended Supplement I to Declarations of Covenants, Conditions and Restrictions for Saddlewood Estates, Section Three.

EXECUTED on March 5, 2003.

SADDLEWOOD PARTNERS I, LTD.
BY: SADDLEWOOD I, L.C.,
General Partner

BY: [Signature]
David M. Cummings, Jr.
President

[Signature]
BRADLEY BRYAN SUTHERLIN, Individually and as
Managing Partner of Culebra Oil & Gas, LLC

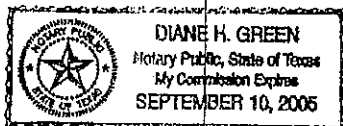
[Signature]
KATHERINE BRINKMAN SUTHERLIN

[Signature]
LEWIS BRAZELTON, TRUSTEE

THE STATE OF TEXAS §

COUNTY OF KERR §

This instrument was acknowledged before me on the 5 day of At March, 2003, by DAVID M. CUMMINGS, Jr. President of SADDLEWOOD I, L.C., General Partner of SADDLEWOOD PARTNERS I, LTD., a Texas partnership, on behalf of said partnership.

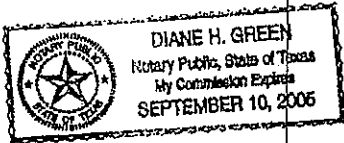


[Signature]
Notary Public, State of Texas

THE STATE OF TEXAS §

COUNTY OF KERR §

This instrument was acknowledged before me on the 5th day of March, 2003, by BRADLEY BRYAN SUTHERLIN*and KATHERINE BRINKMAN SUTHERLIN.



Diane H. Green
Notary Public, State of Texas

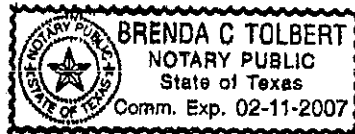
THE STATE OF TEXAS §

COUNTY OF Harris §

This instrument was acknowledged before me on the 5th day of March, 2003, by LEWIS BRAZELTON, TRUSTEE

Brenda C. Tolbert
Notary Public, State of Texas

*individually and as Manager of and on behalf of Culebra Oil & Gas, LLC.



*Return to:
Brad Sutherlin
821 B Carl Garrett
Kerrville, TX 78028
DF 22201*

FILED FOR RECORD
at 4:04 o'clock P M

MAR 12 2003

JANNETT PIERCE
Clerk County Court, Kerr County, Tex.

FILED BY: KERR COUNTY
ABSTRACT & TITLE CO.

Provisions herein which restrict the sale, rental or use of the described property because of color or race is invalid and unenforceable under Federal Law. THE STATE OF TEXAS } COUNTY OF KERR } I hereby certify that this instrument was FILED in the File Number Sequence on the date and at the time stamped hereon by me and was duly RECORDED in the Official Public Records of Real Property of Kerr County, Texas on

RECORD Real Property
VOL. 1253 PG 1771
RECORDING DATE

MAR 13 2003

MAR 13 2003



Janett Pieper
COUNTY CLERK, KERR COUNTY, TEXAS



Janett Pieper
COUNTY CLERK, KERR COUNTY, TEXAS

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