

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
WINDERMERE AIRPARK
BURNET COUNTY, TEXAS**

This Declaration, made on the date hereinafter set forth by Windermere Airpark, L.L.C., hereafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the County of Burnet, State of Texas, known as Windermere Airpark, which is more particularly described in the Plat recorded in Cabinet 2, Slide 106 D, of the Plat records of Burnet County, Texas, and

WHEREAS, Declarant desires to hold, sell and convey said property, and ingress and egress easements, subject to the following covenants, restrictions, reservations, taxiway easements, runway easements, and easements, which are for the purpose of establishing a uniform plan for the development, usage, improvement and sale of said property, and to insure the preservation of such uniform plan for the benefit of both present and future owners of the lots within said subdivision, and present and future users of the taxiway easements;

WHEREAS, the roads and taxiways are not maintained by the county and the County of Burnet will not accept the streets and roads in a Private Subdivision for Maintenance.

NOW, THEREFORE, Declarant hereby adopts the following conditions, covenants and restrictions which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the subdivision, and taxiways, and which shall be applicable to the lots in said subdivision and shall run with the land and shall bind all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefits of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Windermere Airport Taxiway Association, Inc., which is an association composed of all the Owners of Lots and users granted use of the ingress and egress easements located on and adjoining the property, which association is a Texas non-profit, corporation, its successors and assigns.

Section 2. "Property" or the "Subdivision" shall mean and refer to that certain real property hereinbefore described and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Lot" shall mean and refer both to each plot of land shown upon the recorded subdivision map upon which there has been or will be constructed a airplane hangar, and to any improvements constructed or to be constructed thereon, but shall not mean or include any common area.

Section 4. "Owner" shall mean and refer to the record Owner whether one or more persons or entities, of a fee simple title, to any lot which is a part of the Property, or a person or entity that has been assigned the rights to use the taxiway and runway, including contract sellers and lessors, but excluding those having such interest merely as security for the performance of an obligation.

Section 5. "Developer or Declarant" shall mean Windermere Airpark, L.L.C., its successors or assigns.

Section 6. "Common Area" shall mean and refer to all those areas of land within the subdivision, together with such other property as the Association may, at any time, or from time

to time, acquire by purchase or otherwise, subject, however to the easements, limitations, restrictions, dedications, and reservations applicable thereto by virtue hereof and/or by virtue of the Subdivision Plat and/or by virtue of the prior grants or dedications by Declarants or Declarant's predecessors in title. References herein to the Common Areas in the Subdivision shall mean and refer to Common Areas as defined respectively in this Declaration and all supplemental declarations.

Section 7. "Common Area Expenses" shall mean all the expenses necessary to maintain, replace, repair and expand the Common Area, the Common Facilities as well as to operate the Association, including, but not limited to, casualty and liability insurance, directors and officers liability insurance.

Section 8. "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Areas. Also, in some instances, Common Facilities may consist of improvements for the use and benefit of the Owners of the Lots in the Properties, as well as other Owners in the subdivision, and others granted the use of the taxiway and runway easements, constructed on portions of one or more Lots or on acreage brought within the scheme of the Declaration. By way of illustration, Common Facilities may include, but not necessarily be limited to, the following: roadways, taxiways easements, runway easement, structures for recreation, storage or protection of equipment; common driveways; landscaping; and other similar and appurtenant improvements. References here to the "Common Facilities (any common facility) in the subdivision" shall mean and refer to Common Facilities as defined respectively in the Declaration and all supplemental declarations.

Section 9. "Supplemental Declaration" shall mean and refer to any supplemental declaration of covenants and restrictions bringing additional property within the scheme of the Declaration under the authority provided in the Declaration. References herein (whether specific or general) to provisions set forth in "all (any) Supplemental Declarations" shall be deemed to relate to the respective properties covered by such Supplemental Declarations.

Section 10. "Easements" shall mean and refer to the various utility or other easements of record, those shown on the map or plat of the subdivision and such other easements as created or referred to in this Declaration.

Section 11. "The "Declaration" shall mean and refer collectively to the covenants, conditions, restrictions, reservation, easements, liens and charges imposed by or expressed in this Declaration.

Section 12. "Board of Directors" and "Board" shall mean and refer to the duly elected Board of Directors of the Association.

Section 13. "Member" or "Membership" shall mean every person or entity, whether Class "A" members or Class "B" members, who holds membership in the Association. Class "A" members are property owners of a lot/s in the Windermere Airpark subdivision, including future phases to the Windermere Airpark. Class "B" members are non-property owners that have been granted the easement use of the taxiways and/or runway, by deed, easement, or rental status.

Section 14. "Conveyance" Shall mean and refer to conveyance of a fee simple title to a lot.

Section 15. "Rules" shall mean and refer to the Rules and Regulations for the Project adopted by the Board pursuant to the Declaration.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and

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easement of enjoyment as well as an easement of ingress and egress in, to and over the Common Facilities which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Facilities;

(b) the right of the Association to suspend the voting rights and right to use the recreational or other facilities owned or operated by the Association, by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed ninety (90) days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of Common Area and/or Common Facilities to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless instruments signed by two thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded;

(d) the right of individual Owners to the exclusive use of parking spaces as provided in the article;

(e) the right of the Association to limit the number of guests of Owners;

(f) the right of the Association, in accordance with its Articles of Incorporation or by-laws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property. The rights of any such mortgagee in said properties shall be subordinate to the rights of the Owners hereunder.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Parking Rights. The use of any future parking areas situated in the Common Area shall be subject to the exclusive control and management of the Board of Directors of the Association, including the assignment of areas where airplanes, boats, boat trailers, etc., may or may not be parked or stored.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting. Each member shall be entitled to one vote for each membership position, whether Class "A" or Class "B". When more than one person holds an interest in any Lot, or rents long-term ("long-term" being four (4) or more months) usage of a hangar, and that person uses the taxiways for aviation purposes, then that person shall become a Class "B" member. Class "B" members' voting rights are limited to votes taken on the taxiways and runway easements that are not in the platted "subdivision" area of Windermere Airpark.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any

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Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interests, costs and reasonable attorney's fees, shall be a charge to the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Owners in the Properties; roadways and taxiways; and for the improvements and maintenance of the easements, Common Areas and Facilities.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment for shall be \$750.00 for Class "A" members and \$500.00 for Class "B" members. A portion of Class "A" annual assessments shall be equal to the Class "B" assessment, as determined by the board each year, shall be set aside in a separate reserve fund to assist in maintenance and repairs of the runway access easement and access and taxiway easements that are not within the boundaries of the platted subdivision. An additional "weight rate" assessment may be levied by the Board on those planes in excess of 10,000 pounds.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment and/or weight rate assessment may be increased each year not more than 10% (such percentage may be cumulative from year to year) above the minimum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 10% by the vote or written assent of 66-2/3% of members.

(c) The Declarant shall be exempt from all annual assessments and special assessments until such time as all the lots are sold in the "subdivision" and likewise for any such additions thereto as may hereafter be brought within the jurisdiction of the Association.

(d) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(e) Certain Class "B" members, as determined solely by the Board, may be entitled to a reduced assessment of a minimum of \$200.00.

Section 4. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the roads, taxiways, runway, Common Facilities, including fixtures and personal property related thereto, provided that any such assessment shall have the vote or written assent of 66 2/3% of each class of member.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than ninety (90) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called

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subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on an annual basis, or as otherwise approved by the Association. Except that roads, taxiways repairs and improvements in the "platted area" of Windermere Airpark are to be assessed only to each Class "A" owners and users of that platted section of Lots and collected upon sixty (60) day notice by the Association.

Section 7. Date of Commencement of Annual Assessments. The annual assessment as to all Lots and/or members shall commence on the first day of the month not more than ninety (90) days following first annual meeting. The annual assessment shall be due and payable in annual installments equal to one-twelfth (1/12) the annual assessment commencing on the dates provided hereinbefore. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 8. Replacement Reserve. There is hereby established a reserve out of said annual assessments for a fund for replacement of Common Facilities improvements, which fund shall be segregated and funded annually. Such fund to be in such amount as the Association deems adequate for such replacements.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. Each such Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the rights and power to bring all actions against such owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including judicial foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property, and such Owner hereby expressly grants to the Association a power of sale in connection with said lien. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Lot owners. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not effect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Insurance.

(a) The Board of Directors of the Association shall obtain and continue in effect blanket property insurance to insure the buildings and structures in the Common Areas if any, and the Association against risks of loss or damage by fire and other hazards as are covered under standard extended coverage provisions, and said insurance may include coverage against vandalism.

(b) The Board of Directors of the Association shall obtain comprehensive public liability insurance in such limits as it shall deem desirable, insuring the Association, its Board of Directors, agents and employees, and each Owner, from and against all liability in connection with the Common Areas.

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(c) Each Owner shall be responsible at his own expense and cost for his own personal insurance on the building and contents of his hangar, and his additions and improvements thereto, including decorations, furnishings and personal property therein, and his personal property stored elsewhere on the Properties; and for his personal liability not covered by liability insurance for all Owners obtained as a part of the common area.

(d) All costs, charges and premiums for all insurance that the Board of Directors authorizes as provided herein shall be a common expense of all Owners and be a part of the maintenance assessment.

ARTICLE V

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Designation of Committee. Until such time as the Declarant has sold sixty percent (60%) of the platted lots, all power of Architectural control, as the committee, shall remain with the Declarant. Thereafter, the Association shall have an Architectural Control Committee which shall consist of three (3) or five (5) Class "A" members (as the Board of Directors may determine) who shall be natural persons, and who shall be appointed by the Board of Directors of the Association. The Board of Directors shall have the exclusive right and power at any time and from time to time to create and fill vacancies of the Architectural Control Committee.

Section 2. Limitation of Powers. The Architectural Control Committee powers shall be limited to the architectural control of the platted subdivision area and any annexation thereto.

Section 3. Advance Approval. No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans, specifications showing the nature, kind, shape, height, materials, color and location, of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to the surrounding structures and topography by the Architectural Control Committee. The Architectural Control Committee shall have the power to employ professional consultants to assist it in discharging its duties. The decision of the Architectural Control Committee shall be final, conclusive and binding upon the applicant.

Section 4. Basis of Approval. Approval of plans and specifications shall be based, among other things, on adequacy of site dimensions, structural design, conformity and harmony of external design and of location neighboring structures and sites, relation of finish grades and elevations to neighboring sites, and conformity to both the specific and general intent to the protective covenants.

Section 5. Failure of the Committee to Act. If the Architectural Control Committee fails to approve or disapprove such plans and specifications or to reject them as being inadequate within forty-five (45) days after said plans and specifications have been submitted to it by certified mail, approval will not be required and this Article will have been deemed to have been fully complied with. All plans and specifications shall be submitted in writing over the signature of the owner of the property or its authorized agent. The Architectural Control Committee shall have the right to require any Owner to remove or alter any structure which has not received approval or is built other than per the approved plans. Requirement of this Article is in addition to any approvals or permits required by any appropriate governmental authority. Approval of plans as complying with the applicable minimum construction standards adopted and promulgated from time to time for this subdivision by Declarant or its assigns, shall be only for such purposes and shall indicate Declarant's approval for any other purpose.

Section 6. No Liability. Neither Declarant, the Association, the Board of Directors or the Architectural Control Committee or the member's thereof shall be liable in damages to

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anyone submitting plans and specifications to them for approval, or to any Owner of Property affected by these restrictions by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications.

ARTICLE VI

MAINTENANCE AND REPAIRS

Section 1. By the Owner. The Owner is responsible for all exterior maintenance on his or its lot, and in the event such Owner shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to Board of Directors of the Association; then, after approval by a majority vote of the Board of Directors, the Association shall have the right, through its agent and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and any improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.

Section 2. By the Association. The Association, as a common expense of all Owners, shall perpetually care for, maintain and keep in good repair the Common Areas and Facilities and all parts thereof, including but not limited to, private streets, taxiways, parking areas in the private streets and improvements and facilities owned by the Association, except that it shall be the obligation of each Owner, and not the obligation of the Association, to pay for the cost of repair and maintenance of private driveway, sidewalk and fence or fences which are appurtenant to his Lot.

ARTICLE VII

USE RESTRICTIONS

The Lots, easements and taxiways shall be occupied and used as follows.

Section 1. Aviation Use. No Owner shall occupy the property as a residence or use his Lot or building thereon, or permit the same or any part thereof to be occupied or used for any purpose other than as an aviation hangar for the Owner, his family, guest and tenants. No commercial activities of a non-aviation nature are permitted. All Aviation related commercial activity shall be approved by the Board of Directors. Hobbies shall not be considered commercial activity.

No mobile homes or modular homes shall be allowed

Provided further that no building shall be erected, altered or permitted to remain on any single Lot, other than one aviation hangar, with building height restrictions as follows:

- (a) All hangars shall not exceed 25 feet in height above the foundation grade.

Section 2. Minimum Square Footage. The area of each hangar structure shall not be less than the following:

- (a) 1,400 square feet under roof for any hangar constructed.
- (b) No more than 350 square foot of the hangar may be used as an office, bathroom, or kitchen area unless otherwise approved by the Architectural Control Committee.

Section 3. Obstruction of Common Area. There shall be no obstruction of Common Area/Facilities, and taxiways. Nothing shall be stored in the Common Areas/Facilities or taxiways without prior written consent of the Board of Directors.

Section 4. Insurance. Nothing shall be done or kept in the Common Facilities which

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will increase the rate of insurance on the Common Facilities, without the prior written consent of the Board of Directors. No Owner shall permit anything to be done or kept in the Common Facilities which will result in the cancellation of insurance on any part of the Common Area, or which would be in violation of any law. No waste will be committed in the Common Facilities.

Section 5. Nuisances. No dangerous, noxious or offensive activity, including but not limited to hunting, shall be carried upon any Lot, or the Common Facilities, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the other Owners. No boat, boat trailer, motor home, travel trailer or business truck shall be permanently stored outside of any hangar unit or within the Common Facilities or adjacent streets. No repair work, dismantling or assembling of motor vehicles or any other machinery or equipment shall be permitted in any street, driveway, taxiway or yard adjacent to a street, or in the Common Facilities.

Section 6. Temporary Structures. No structures of a temporary character, trailer, basement, tent, shack, barn, or other out buildings shall be used or placed on the exterior of any Lot at any time.

Section 7. Signs. No sign of any kind shall be displayed to public view on any Lot or building without prior written permission from the Architectural Control Committee. Name and address signs with black letters of no more than 6" shall be deemed pre-approved.

Section 8. Oil and Mining Operations. No gas or oil drilling, gas or oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tunnels, mineral excavations or shafts be permitted upon or in any Lot.

Section 9. Livestock and Poultry. No livestock or poultry of any kind may be kept on any lot.

Section 10. Garbage and Refuse Disposal. No Lot shall be used or maintained as dumping ground for rubbish. Trash, garbage or other waste shall be kept enclosed by adequate protection so as to conceal them from public view. There is in favor of the Association the determination of the method of garbage disposal, that is, whether it shall be through public authority or through private garbage disposal contractor(s). No incinerators shall be allowed and other equipment for the storage or disposal of such materials shall be kept in clean and sanitary condition.

Section 11. Sewage Treatment. A membership fee and tap fees to the Windermere Oaks Water Supply Corporation servicing this property shall be required of all hangars with plumbing facilities. All grinder pumps shall be installed per the utility companies guidelines.

Section 12. Use of Common Facilities. No planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon said Property except such as are installed in accordance with the initial construction of the buildings located thereon or as approved by the Declarant or the Architectural Control Committee. Except for the right of ingress and egress and the right and easement of enjoyment as defined herein, the Owners are hereby prohibited and restricted from using any of said Property outside the exterior Property lines of each Lot, except as may be allowed by the Association's Board of Directors. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners of the Properties, and any additions thereto, and is necessary for the protection of said Owners. Any cooperative actions necessary or appropriate to the maintenance's and upkeep of the Common Area, including but not limited to, recreation and parking areas and walks, shall be taken by the Board of Directors or by its duly delegated representative.

Section 13. Owner's Maintenance. The Owner shall maintain and keep in repair the following equipment and lines located outside the hangar: Air conditioning compressor

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