

AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

STATE OF TEXAS X

X KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF WILLIAMSON X

WHEREAS, the Declaration of Covenants, Conditions and Restrictions ("Declaration") for Oak Bluff Estates, Phase 2, was recorded in Volume 1305, Page 318, Official Records of Williamson County, Texas; and

WHEREAS, said Declaration covered such property known as Oak Bluff Estates, Phase 2, and more particularly described as follows:

BEING all the lots in Oak Bluff Estates, Phase 2, a subdivision in Williamson County, Texas, according to the map or plat thereof as recorded in Cabinet No. F, Slide Nos. 253-259 of the Plat Records, Williamson County, Texas; as well as any resubdivision of any of the above described lots.

WHEREAS, Killeen Savings and Loan Association has succeeded to all the right, title and interest of 123 Joint Venture in said subdivision, all as more particularly described in that Termination of Partnership and Assignment of Partnership Assets between Killeen Savings & Loan Association and Oak Bluff Joint Venture, dated December 1, 1987, which two parties were the only partners of 123 Joint Venture; and

WHEREAS, Killeen Savings and Loan Association now desires to amend said Declaration pursuant to its authority as "Declarant" found in Paragraph 7.04 of said Declaration;

WHEREAS, Killeen Savings and Loan Association as Declarant, does own a majority of the lots in Oak Bluff Estates, Phase 2, allowing it to amend the Declaration as required by Paragraph 7.04 of such Declaration, and in fact, Killeen owns all but approximately twenty-four (24) lots in said subdivision, with the balance of such lots owned by Killeen representing in excess of ninety percent (90%) of the total lots in said subdivision; and

WHEREAS, the Declarant will convey the above described properties subject to certain protective covenants, conditions, restrictions, liens and charges as hereinafter set forth; and

WHEREAS, Declarant now desires to amend and restate said Declaration in the manner and for the purposes stated herein, and this Amended and Restated Declaration shall in all respects supercede and replace the Declaration described above;

NOW, THEREFORE, it is hereby declared that all of the property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and shall run with, the real property and shall be binding on all parties having any right, title or interest in or to the above described property or any part thereof, and their heirs, successors and assigns, which easements, restrictions, covenants and conditions, shall inure to the benefit of each owner thereof.

Article I

DEFINITIONS

Owner

1.01 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot or portion of a lot on which there is or will be built a detached single family dwelling, (except as herein specified) including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Properties

1.02 "Properties" shall mean and refer to that certain real property hereinbefore described.

Lot

1.03 "Lot" shall mean and refer to that portion of any of the plots of land shown upon the plat and subdivision map recorded in Cabinet No. F, Slide Nos. 253-259 of the Plat Records of Williamson County, Texas, on which there is or will be built a single family dwelling (except as herein specified). The term "Lot" shall not include any Common Area nor any other reserves and/or Amenities Area as shown on the said map or plat or as hereinafter reserved.

Declarant

1.04 "Declarant" shall mean and refer to Killeen Savings and Loan Association its successors and assigns, if such successors or assigns shall acquire more than one undeveloped Lot from Declarant for the purpose of development.

Common Area

1.05 "Common Area" shall mean all of those areas within the subdivision as defined by the Declarant and which "Common Areas" shall be conveyed by the Declarant to the hereinafter described "homeowners association" by a special warranty deed and upon the recording of said deed and/or deeds the obligation for the upkeep, repair, and/or maintenance of such Common Areas shall be the sole cost and expense of said "homeowner's association," including but not limited to the payment of taxes, insurance and/or utility charges, which common area shall include, but not be limited to, all esplanades, rights of way, amenities areas, or any other area not a part of a lot, which is or will be conveyed to "homeowners association" by the Declarant. "Common Area" shall also include any publicly dedicated areas as shown on the Plat of the Subdivision or later dedicated to the public by Declarant.

ARTICLE II

ARCHITECTURAL CONTROL

Architectural Control Committee

2.01 Declarant shall designate and appoint an Architectural Control Committee consisting of not less than two (2) qualified persons, which committee shall serve at the pleasure of the Declarant, and shall be composed of John Ramzy, 616 North Gray, P. O. Box 549, Killeen, Texas 76540; Tommy Wallace, 616 North Gray, P. O. Box 549, Killeen, Texas 76540; Linda Dockrey, 616 North Gray, P. O. Box 549, Killeen, Texas 76540; and Don Mackie, 616 North

Gray, P. O. Box 549, Killeen, Texas 76540. Such members, or their successors as appointed by Declarant, shall serve until their successors are appointed or elected and qualified. At the option of the Board of Directors of the Association, when such directors are appointed or elected, the hereinafter described Homeowners' Association or an Architectural Control Committee appointed by the Board of Directors of said Homeowners' Association shall serve as the Architectural Control Committee for the subdivision. The Architectural Control Committee shall have the right to grant variances to these restrictions and requirements from time to time as it shall deem fit without the approval and/or consent of any lot owner. All such variances shall be in writing and shall be executed by all members of the Architectural Control Committee to be effective and enforceable.

Approval of Plans and Specifications

2.02 No building, fence, wall, swimming pool, 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, nor shall any landscaping of any Lot or Lots of an unusual nature out of character with the neighborhood norm or standards, be undertaken, until the plot plan and the plans and specifications of any and all improvements of whatever nature and kind showing the nature, kind, color, shape, height, materials and location of the same shall have been submitted to, and approved

in writing by, the Architectural Control Committee as to harmony of exterior design and location in relation to surrounding structures and topography.

Failure of Committee to Act

2.03 In the event that any plans and specifications are submitted to the Architectural Control Committee as provided herein, and such Committee shall fail either to approve or reject such plans and specifications for a period of fifteen (15) days following such submission, approval by the Committee shall not be required, and full compliance with this Article shall be deemed to have been had, provided the applicant has otherwise satisfied all other minimum requirement as herein specified.

ARTICLE III

EXTERIOR MAINTENANCE

In the event an Owner of any Lot shall fail to maintain the premises and the improvements situated thereon in a neat and orderly manner, the Declarant or the Architectural Control Committee shall have the right, through its agent and employees, to enter upon said Lot and to repair, maintain and restore the Lot and exterior of the buildings and any other improvements erected thereon, all at the expense of the Owner.

ARTICLE IV USE RESTRICTIONS

Type of Buildings Permitted

4.01 Except as expressly provided for herein, all Lots (exclusive of the Amenities Area designated on the Plat) shall be used for residential purposes only and no building shall be erected, altered, placed or permitted to remain on any Lot other than one detached single family dwelling not to exceed two stories in height and a private garage for not more than six (6) automobiles; all garages shall be attached to the house unless otherwise approved in writing by the Architectural Control Committee and shall be either side entry or rear entry. No carports shall be allowed. No secondary outbuilding or detached building shall be permitted unless the same is 100% masonry and of the same design as the primary dwelling. Notwithstanding the foregoing, there shall be permitted on Lot 1-8, Block "A," and Lots 1-10, Block "D," a residential use which shall not exceed eight (8) dwelling units per acre, provided that prior to receiving architectural approval, the person or entity requesting such "permitted use" shall first satisfy the Declarant that there is sufficient water and wastewater services available to service such "permitted use" and shall submit a "complete site plan" showing each dwelling unit having not less than one thousand five hundred (1,500) square feet of living area as defined in 4.02 below, and said dwelling units shall in all other respects meet the minimum requirements as set out herein

unless a variance is granted by the architectural control committee and that said person or entity shall secure the prior written consent of the Declarant, which consent may be withheld for any reason. It is agreed and understood that in any event a single family detached dwelling may be erected on said Lots provided that such improvements otherwise meet the requirement as set forth herein.

Minimum Floor Area and Exterior Walls

4.02 Except as provided for in 4.01 above, any residence constructed on Lots 1-26, Block "A;" all Lots in Block "B;" Lots 29-40 and Lots 102-140, Block "C;" Lots 1-38, Block "D;" and all of the Lots in Block "E" shall have not less than two thousand (2000) square feet of living area exclusive of open or screened porches, terraces, patios, driveways, carports and garages. Any residence constructed on a lot other than those described above shall have not less than two thousand five hundred (2500) square feet of living area exclusive of open or screened porches, terraces, patios, driveways, carports and garages. The exterior walls of any residence shall consist of not less than one hundred percent (100%) masonry construction except for one and one-half or two story houses, in which case, the first story shall be one hundred percent (100%) masonry. The Architectural Control Committee reserves the right to grant a variance to such square footage and/or masonry requirement on a case-by-case basis should the style or type of architecture of a particular plan not be appropriate or compatible with such requirements.

Other Construction Requirements

4.03 In addition to any other requirement as herein specified all lots in this subdivision, except for Amenities and Common Areas, and any improvements situated on said areas shall be subject to the following, to-wit:

(a) All driveways and sidewalks shall be masonry or concrete, and no asphalt or gravel driveways shall be permitted. No lot having frontage on Twin Ridge Parkway with frontage on another street will be permitted direct access to Twin Ridge Parkway and no lot fronting on County Road 123 shall be permitted direct access to County Road 123.

(b) All houses shall be completed in accordance with the plans and specifications as submitted to and approved by the Architectural Control Committee, including cleanup and landscaping within one (1) year from the date the slab is poured.

(c) Within ninety (90) days of completion of a house, the front yard shall be completely sodded or hydromulched with grass and landscaped in accordance with the landscape plans submitted by the Owner. It is agreed and understood that each lot shall have at least three (3) three inch (3") diameter trees in the front yard of such residence, and if a lot does not have at least three (3) three inch (3") diameter trees in the front yard, the Owner shall be required to plant such additional trees so that each lot has at least three (3) three inch (3") diameter trees or larger in the front yard of such residence.

(d) Upon or prior to the completion of a house, the Owner shall install a sprinkler system capable of watering that portion of the Lot from the front of the house to the street and from side lot line to side lot line. Such sprinkler system shall be installed in accordance with all state or local laws or ordinances or the minimum requirements established by the owner of the water system supplying water to this subdivision.

(e) All houses or outbuildings constructed in this subdivision shall have a non-reflective, fire retardant roof with a twenty-two (22) year estimated life. It being expressly agreed and understood that a masonry, tile or "Timberline" roof is hereby permitted as well as such other types of roofs as shall be approved in writing by the Architectural Control Committee from time to time. No wood shingle roofs shall be permitted unless the same have been treated to be fire retardant and have received written approval of the Architectural Control Committee.

(f) No private water wells shall be permitted on any lot, unless the same is part of the water system servicing this subdivision.

(g) Each house shall be required to have "natural gas" hot water heater and a "natural gas" central heating system and shall otherwise be piped for gas dryer, gas range and gas grill.

(h) All fences, if any, shall be six (6¹) feet in height and made of redwood, masonry or cedar unless a variance is approved in writing by the Architectural Control Committee, and no fence

shall extend forward of the front of any house without written permission of the Architectural Control Committee.

(i) The exterior of all fireplace chimneys shall be masonry and no wood or wood siding shall be permitted.

(j) All mail boxes and/or structures shall be subject to the prior approval of the Architectural Control Committee.

Setbacks

4.04 No building shall be located on any Lot nearer to the front lot line than thirty-five (35¹) feet or nearer to the side street line than twenty-five (25¹) feet. There shall be no building constructed on any Lot nearer than twenty-five (25¹) feet from the rear property line or fifteen (15') feet from any side Lot line. For purpose of this covenant, eaves, steps and open porches shall not be considered as a part of the building; provided, however, that this shall not be construed to permit any portion of the building on any Lot to encroach upon another Lot. The Architectural Control Committee shall have the right to grant variances to the foregoing on a case by case basis due to the location of trees on a Lot, the shape or terrain of a Lot, or on such basis as it shall deem reasonably necessary. If two or more Lots, or fractions thereof, are consolidated into a building site in conformity with the provisions of Paragraph 4.05, these building setback provisions shall be applied to such resultant building site as if it were one original, platted Lot.

Resubdivision or Consolidation

4.05 (a) The Declarant reserves the right to resubdivide any Lot or combination of Lots in any manner within this subdivision prior to the conveyance of such Lot by Declarant without the consent of any other person, entity or Lot owner. After the conveyance of a Lot or Lots by Declarant, any such subdivision of a Lot or Lots shall be subject to prior written consent of the Architectural Control Committee, which shall have the right to grant approval of the resubdivision of one or more Lots in any manner it deems reasonably necessary, but which consent or approval may be withheld for any reason.

(b) Except as specifically so allowed in (a) above, none of said Lots shall be resubdivided in any fashion except that any person owning two or more adjoining Lots may subdivide or consolidate such Lots into building sites, with the privilege of constructing improvements as permitted herein on each resulting building site, provided that such subdivision or consolidation does not result in any building site having a front Lot line of less than one hundred (100') feet, except for Lots fronting on a cul de sac in which case said frontage shall not be less than thirty feet (30').

(c) For any and all of the purposes described in (a) and (b) above, Declarant reserves, and each individual Lot owner grants to Declarant, its successors and assigns, the specific power of attorney to execute any vacations of plat and/or any future subdivision plats for the resubdivision of any of the Lots in Oak

Bluff Estates, Phase 2, as herein described, which said specific power of attorney is coupled with an interest, and shall not terminate upon the death or disability of any of the Lot owners but shall be a covenant running with the land and shall be binding upon any current Lot owner of any Lot in Oak Bluff Estates, Phase 2, as herein described or any resubdivision hereof. The acceptance of any deed conveying a Lot in Oak Bluff Estates, Phase 2, or any resubdivision thereof, shall be that Lot owner's confirmation or ratification of said specific power of attorney, which specific power of attorney shall not be terminated or be revoked by any reason unless by written instrument filed in the Deed Records of the County Clerk of Williamson County, Texas, and executed by both the current Lot owner and the Declarant or its successors in interest. It is agreed and understood that the Declarant shall have the right, but not the obligations, to assign the above described "limited power of attorney" to the hereinafter described "homeowner's association" and such assignment shall be effective when executed in writing and filed in the office of the County Clerk of Williamson County, Texas.

Easements

4.06 Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat and as filed from time to time in the Deed Records of Williamson County, Texas. No utility company, cable television company, water district, political subdivision, or other authorized entity using the easements herein referred to shall be liable for

any damage done by them or their assigns, agents, employees or servants, to shrubbery, trees or flowers, or to other property of the Owner situated within any such easement.

Noxious or Offensive Activities Prohibited

4.07 No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood whether provided herein or not. No Owner may use a Lot for any purpose which would violate or breach any of the laws or statutes of the State of Texas or the United States of America.

Prohibited Residential Uses

4.08 No structure of a temporary character, trailer, mobile home, basement, tent, shack, garage or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently.

Signs

4.09 Except for permanent signs within the subdivision, no signs of any character shall be allowed on any Lot except one sign of not more than six (6) square feet advertising the property for sale or rent; provided, however, that Declarant and any other person or entity engaged in the construction and sale of residences or lots within the subdivision shall have the right, during the construction and sales period, to construct and maintain such facilities as may be reasonably necessary or convenient for such construction and sale, including, but not limited to, signs, offices, storage areas and model units.

Oil Development Prohibited

4.10 No oil well drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted on a Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted on any Lot. No derrick or other structure designed for use in boring for oil, natural gas or other minerals shall be erected, maintained or permitted on any Lot.

Rubbish, Trash and Garbage

4.11 No Lot shall be used or maintained as a dumping ground for rubbish or trash, and no garbage or other waste shall be kept except in sanitary containers. All incinerators or other equipment for the storage and disposal of such materials shall be kept in a clean and sanitary condition, and except on days trash or garbage is collected, the same shall be kept in such a manner as not to be visible from the street.

Animals

4.12 No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats, or other normal or typical household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose and do not become an annoyance or nuisance to the neighborhood. Any outside animal pens shall be screened as provided in Paragraph 4.03(h). Any dog shall be kept on a leash at all times, unless such dog is on its owner's Lot.

Fences, Walls and Hedges

4.13 No fence, wall or hedge shall be placed, or permitted to remain, on any Lot nearer to the street or streets adjoining such Lot than is permitted for the main residence on such Lot, except for decorative subdivision entry fences, except as herein expressly provided.

Shrubs and Trees

4.14 No shrub or tree planting which obstructs sight lines at elevations between two (2) and six (6) feet about the roadway shall be planted or permitted to remain on any corner Lot within the triangular area formed by the curblines of such intersecting streets and a line connecting such curbline at points twenty-five (25¹) feet from their intersection, or, in the case of a rounded corner, from the intersection of the curblines as extended. The same sight line limitations shall apply on any Lot within ten (10') feet of the intersection of a street curbline and the edge of a driveway or alley. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at a height of more than six (6¹) feet above the ground level. No trees in excess of three inches (3") in diameter may be cut down without Architectural Control Committee approval.

Automobiles, Trucks, Boats, Motorhomes and Trailers

4.15 (a) No truck, bus or trailer shall be left parked in the street in front of any Lot except for construction and repair equipment while a residence or residences are being built or

repaired in the immediate vicinity, and no motorhome, trucks in excess of one ton, bus, boat or trailer shall be parked on the driveway or any portion of the Lot in such manner as to be visible from the street. No motor vehicles of any type shall be parked on the street in excess of twenty-four (24) consecutive hours. Any such vehicle must be removed from the street for a period of at least twenty-four (24) hours before any additional twenty-four (24) hour period may begin.

(b) All motor vehicles shall be in running condition and shall have a current inspection sticker, except for antique cars. If any motor vehicle is not in running condition then such motor vehicle shall be repaired within thirty (30) days or placed within an enclosed garage or structure so that it is not visible from the street or any Lot within the subdivision or removed from the subdivision entirely.

(c) Storage of any garden and lawn equipment, tools, tables, trailers, firewood or other equipment or other outdoor materials shall be made in such a way as to not be visible from the street.

Prohibited Activities

4.16 No professional, business or commercial activity to which the general public is invited shall be conducted on any Lot, except as provided in 4.09 above and excluding any business activity in connection with the area shown on the Plat as the Amenities Area.

Temporary Permitted Uses

4.17 It is agreed and understood that the Declarant and Builders in the subdivision shall have the right to maintain temporary sales offices and/or model homes until all of the Lots have been sold or built on and such houses have been sold and closed.

Reservation of Cable Television Rights

4.18 It is agreed and understood there is reserved unto the Declarant, its successors and assigns, all cable television rights of whatever nature and kind with respect to the herein described property, and in this respect, the Declarant, its successors and assigns, shall have the right to enter into an exclusive contract or to grant an exclusive franchise to any other person and/or entity the Declarant may so desire for the installation, operation and maintenance of a cable television system to service the above-described subdivision without the joinder of any Lot owner of any Lot in said subdivision and on such terms and conditions as shall be satisfactory to the Declarant and/or its assigns. No external antennae shall be allowed. Individual satellite dishes will be allowed provided that the location and screening for such dishes have been approved prior to installation by the Architectural Control Committee. Further, any such Lot owner must remove, at his own expense, any such dish or dishes within one (1) year after cable television service becomes available to such Lot.

ARTICLE V

EASEMENTS

Reservation of Easements

5.01 All easements for the installation and maintenance of utilities (including cable television) and drainage facilities are reserved as shown on the plat recorded in Cabinet No. F, Slide Nos. 253-259 of the Plat Records of Williamson County, Texas, as well as any additional easements which may be recorded in the Deed Records of Williamson County, Texas. No shrubbery, fence or other obstruction shall be placed in any easement or street. Right of use for ingress and egress shall be had at all times over any dedicated easement, and for the installation, operation, maintenance, repair or removal of any utility, together with the right to remove any obstruction that may be placed in such easement which would constitute interference with the use, maintenance, operation or installation of such utility.

ARTICLE VI

HOMEOWNERS' ASSOCIATION, ASSESSMENTS AND RULES

6.01 A "Homeowners' Association" is hereby created to be made up of all the Lot owners of Oak Bluff Estates, Phase 2. A Governing Board of Directors of at least three (3) members shall be appointed by the Declarant until such time as Declarant does not own a majority of the Lots. At such time the Board of Directors shall be elected by the Lot owners. All such Directors need not be

Lot owners. At all times the Lot owners shall have one vote for each Lot owned, and the election of Directors shall be made on an annual basis. Declarant shall propose Bylaws for the Association governing its operation and such Bylaws may be amended at any time by the Declarant provided Declarant owns a majority of the Lots. At such time as Declarant does not own a majority of the Lots, any adoption or amendment of such Bylaws shall require a three-fourths vote of the Lot owners.

6.02 Through the Board of Directors, the Homeowners' Association shall have authority to:

(a) Declare and collect an assessment from each Lot within the subdivision to provide funds for the maintenance of the Common Area and any improvements situated thereon and for such other purposes as shall be approved by the Homeowners' Association or Board of Directors. Such assessment procedure shall be established by the By-laws and, if included, shall provide for the affixing of a lien against the property to enforce non-payment thereof, subject however, to the requirement that any such lien affixing procedure shall be subordinate to or shall in no manner adversely affect any mortgagee holding a valid lien upon the property, and subject further to the requirement that no assessment lien affixed upon the property shall be effective until a written notice of Lien Claim be filed in the Deed Records of Williamson County, Texas. The By-laws may provide for an enforcement procedure, including but not limited to the filing of suit for

foreclosure of such Assessment Lien and the assessment of attorney's fees incurred to collect or enforce such delinquent assessments.

(b) Contract for and pay for the maintenance of Common Areas, including but not limited to maintenance, operation and repair of a liftstation, the entries to the subdivision and any landscaping, etc.

(c) Promulgate rules and regulations governing the use of said Common Areas, expressly including reasonable safety rules for such Common Areas and amenities and the right to establish reasonable rules and regulations with respect to Common Area and/or amenities and the right to set fines and/or penalties for the enforcement thereof and in this respect the purchaser of each Lot shall execute, acknowledge and deliver a performance Deed of Trust in favor of the Homeowners' Association to additionally secure the faithful performance and enforcement of each Lot owner's obligation to abide by such rules, regulations and restrictions and the payments of any assessment and/or other fees that may be due or shall become due as provided herein.

It is agreed and understood that any breach or violation of any of the restrictive covenants or conditions herein contained shall be subject to the penalty of ONE HUNDRED AND NO/100ths (\$100.00) DOLLARS and each day shall be considered a separate violation or breach and such penalty or fine shall be payable to the herein described homeowners' association; provided,

however, that prior to the imposition of any such fine the Declarant or the homeowners' association shall first notify the owner having violated or breached any such covenant or restriction in writing specifying the nature of such breach or violation and such notice shall be sent by certified mail, return receipt requested to said owner at his last known address and such owner shall have fifteen (15) days from receipt of such written notice in which to cure any such violation or breach of the herein described restrictive covenants. Beginning the sixteenth (16th) day from receipt of said notice, the above-described \$100.00 penalty shall begin to accrue and the owner shall pay to the homeowners' association the total amount of such fine from before the tenth (10th) day of the month following in which said breach occurred and should such owner fail to timely and promptly pay any such penalty as specified above, the failure to pay such penalty shall constitute a breach of the above-described Performance Deed of Trust and the homeowners' association shall have the right to enforce the remedies granted to the homeowners' association by such Performance Deed of Trust.

The amount of the penalty may be modified, changed or altered and increased or decreased from time to time by the Declarant or the homeowners' association, as the case may be, provided that, prior to such fines or penalties or rules or regulations become effective, the same shall be filed in the Deed Records of the Office of the County Clerk of Williamson County, Texas.

(d) Serve as the Architectural Control Committee, as hereinabove established, at such time as all of the property within the subdivision has been sold by Declarant unless sooner granted such right as herein provided.

(e) To enter into a written agreement with the Homeowners' Association of the subdivision known as Oak Bluff Estates, a subdivision in Williamson County, Texas, according to the map or plat thereof as recorded in Cabinet F, Slide Nos. 125-127, of the Plat Records of Williamson County, Texas, or the developer of said subdivision for the express purpose of allowing the lot owners of Oak Bluff Estates, or any resubdivision thereof, to use the Common Area amenities of Oak Bluff Estates, Phase 2; and in this respect, such agreement, if any, that may be negotiated between this homeowners' association and the developer or the homeowners' association of Oak Bluff Estates, shall be on such terms and conditions as shall be satisfactory to the Declarant or this homeowners' association, and in this respect, such agreement shall provide among other things the right of this homeowners' association to collect an assessment fee from each owner in the Oak Bluff Estates subdivision, or any resubdivision thereof, for its prorata share for the maintenance of such amenities and/or facilities.

6.03 Notwithstanding the foregoing, the Association shall begin its operation at such time as Declarant shall have sold the last Lot out of the property covered hereby or at the Declarant's

option, at any time prior to the sale of the last Lot. If the Declarant elects to have such Association begin operation prior to the sale of the last Lot, the initial Board of Directors, or its successor as appointed by Declarant, shall serve until the Declarant, at Declarant's option, has sold and closed the last Lot in the subdivision. At such time, Declarant will provide written notice thereof to each Lot owner by regular United States mail to the last mailing address shown on the records of Declarant. Such notice will contain a place, date and time of a meeting of Lot owners for the purpose of electing a new Board of Directors and such other business as may be brought before the meeting.

ARTICLE VII

GENERAL PROVISIONS

Enforcement

7.01 The Declarant, the Homeowners' Association or any other Owner shall have the right, but not the obligation, to enforce, by any proceeding at law or in equity, all restrictions, conditions and reservations now or hereafter imposed by the provisions of this Declaration. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Severability

7.02 Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any

other provision, and all other provisions shall remain in full force and effect.

Duration and Amendment

7.03 The covenants, conditions and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforceable by, the Declarant, the Homeowners' Association or the Owner of any Lot subject to this Declaration, and their respective legal representatives, heirs, successors and assigns, and, unless amended as provided herein, shall be effective for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years. The covenants, conditions and restrictions of this Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot owners; during any succeeding ten (10) year period, the covenants, conditions and restrictions of this Declaration may be amended during the last year of any such ten (10) year period of an instrument signed by not less than sixty-five percent (65%) of the Lot owners. No amendment shall be effective until recorded in the Deed Records of Williamson County, Texas, nor until the approval of any governmental regulatory body which is required shall have been obtained.

7.04 Notwithstanding anything to the contrary, the Declarant reserves unto itself so long as the Declarant owns a majority of the Lots in Oak Bluff Estates, Phase 2, to amend these

restrictions in any manner without the joinder or consent of any Lot owner. No amendment by the Declarant shall be effective until the same has been recorded in the office of the County Clerk of Williamson County, Texas.

7.05 Any notice permitted or required to be given by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third (3rd) day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the person at the address given by such person to the Declarant for the purpose of service of notices, or to the residence of such person if no address has been given to the Declarant. Such address may be changed from time to time by notice in writing given by such person to the Declarant.

EXECUTED by the said Declarant, this 7th day of JULY, 1988.

DECLARANT

KILLEEN SAVINGS AND LOAN ASSOCIATION

Tommy Wallace, Its

Executive Vice President

THE STATE OF TEXAS

COUNTY OF BELL

This instrument was acknowledged before me on the 7th day of July 1988, by Tommy Wallace Executive Vice President of Killeen Savings and Loan Association, a state-chartered association.