

01-181875JT

**SECOND AMENDMENT TO PINE MOUNTAIN RANCH
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

STATE OF TEXAS §

COUNTY OF ANDERSON §

This Second Amendment to Pine Mountain Ranch Declaration of Covenants, Conditions and Restrictions ("Second Amendment") is made on the date hereinafter set forth by the undersigned members who own Club Homesteads in Pine Mountain Ranch.

WITNESSETH:

WHEREAS, the Declarant therein recorded that certain Declaration of Covenants, Conditions and Restrictions (hereinafter called the "Original Declaration") in Volume 2017, Page 452 of the Official Public Records of Anderson County, Texas. Declarant therein also recorded a previous amendment to the Original Declaration in Volume 2061, Page 479 of the Official Public Records of Anderson County, Texas (hereinafter called the "First Amended Declaration"); and

WHEREAS, the undersigned members who own Club Homesteads have the authority pursuant to the Original Declaration and the Bylaws to amend the Original Declaration; and

WHEREAS, the undersigned members who own Club Homesteads now desire to further amend the Original Declaration to make the amendments herein indicated.

NOW, THEREFORE, for and in consideration of the premises set forth above, the undersigned members, who are owners of Club Homesteads, hereby amend the Original Declaration as provided in this Second Amendment, and declares that the Property (as defined in the Original Declaration) shall be held, sold, transferred, conveyed and occupied subject to the Original Declaration, the First Amended Declaration, and this Second Amendment to Pine Mountain Ranch Declaration of Covenants, Conditions and Restrictions.

1. All terms defined herein shall have the meaning given them in the Original Declaration unless expressly provided otherwise herein.

2. The Original Declaration shall be further amended insofar as necessary to give effect to this Second Amendment.

3. Except as amended herein, the terms and conditions of the Original Declaration shall continue in full force and effect and are hereby ratified in their entirety.

AMENDMENTS

Section I: DEFINITIONS

The Property

The Property previously known as Pine Mountain Ranch shall hereby be known as The Ranch at Pine Mountain.

Common Area

All ranch roads, fences and gated entrances

Club Improvements

All ranch roads, fences and gates constructed on the property

Section II: MEMBERSHIP & VOTING

1. *Function of Association:* The Association shall be responsible for the maintenance and operation of all ranch roads, fences, gated entrances. The Association will be responsible for budgeting, reporting and control of the ranch roads, fences, gated entrances.

Section III: ASSESSMENTS

2. *Purpose of Assessments.* The assessments levied by the Association shall be used exclusively to promote the purposes of the Association including, but not limited to, maintenance, repair and preservation of ranch roads, fences and gated entrances. All invoices shall be itemized, and funds collected for particular assessments, dues and/or service charges shall be disbursed only in payment of such expenses.

4. *Special Assessments.* In addition to the annual assessments authorized above, the Board of Directors may levy, in any assessment year, a special assessment applicable to that year only for the purposes of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of gates, fences or improvements to the ranch roads. Notwithstanding anything to the contrary recited herein, any special assessment in excess of Five Thousand Dollars (\$5,000.00) in one calendar year shall require a vote of at least one-half (1/2) of all Owners eligible to vote or (b) Ten Thousand Dollars (\$10,000.00) in one calendar year shall require a vote of at least three-fourths (3/4) of all owners eligible to vote.

5. *Specific Assessments.* The Board of Directors shall have the power to levy specific assessments against a particular Club Homestead or Club Homesteads as follows:

c. **Capitalization Fee:** A capitalization fee in the amount of \$500.00 shall be paid to the Association, upon closing, by any new Club Homestead owner.

8. *Effect of Nonpayment of Assessments: Remedies of the Association.* Any assessments not paid within thirty (30) days after the due date shall bear interest from the due date at a rate of twelve (12) percent per annum and said assessment together with interest thereon, shall become a continuing lien on the Club Homestead which shall run with the land. The Association may bring an action of law against the Owner personally obligated to pay the same, foreclosure the lien against the Club Homestead, or pursue any other remedy available at law or in equity. As a part of any such proceeding, the Association shall be entitled to a reimbursement of all costs of collection, including court costs and attorney fees. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of the Owner's Club Homestead, or conveyance or transfer of title to the Club Homestead.

SECTION IV: RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

1. *Management and Control of the Common Area:* The Association shall manage and control the ranch roads, fences and gated entrances.

3. In addition to the covenants, restrictions, liens and easements in this Declaration, the Association, through the undersigned members who own Club Homesteads or the Association's Board of Directors, may make and enforce reasonable rules and guidelines governing the use of the ranch roads and gated entrances.

The Club Rules and Regulations become ineffective as of the date this Amendment is signed.

4. *Enforcement.* The Association may impose sanctions or penalties for violations of this Declaration, the Bylaws and the Design Rules and Guidelines in accordance with procedures set forth in the Bylaws, including reasonable monetary fines and suspension and/or termination of the right to vote. In addition, in accordance with the Bylaws, the Association may exercise self-help to cure violations, and may suspend any services it provides to the Club Homestead of any Owner who is more than thirty (30) days delinquent in paying any assessment or other charge due to the Association or is otherwise violating the Club Covenants. The Association may seek relief in any court for violations or to abate nuisances, including injunctive relief. Due to the potential for irreparable damage to the Property and the environment, each Owner hereby consents to the entry of an injunctive order, without notice to the Owner, to cease and desist immediately any construction, cutting of trees, excavation or grading on any Club Homestead upon the written affidavit of the President of the Association or any member of the Board of Directors setting forth the alleged violation of the terms recited herein or in the other Club Covenants.

7. *Easements and Dedication of Property.* The Association, pursuant to the terms recited herein, reserves the right to dedicate any required utility, drainage or roadway easements

required to service the structures, ranch roads, lakes, improvements within the development. It is the intent of the Declarant and the Association that all roads on the Property remain at all times private roads and that no dedication or granting of the roads to Anderson County, Texas or any other governmental body for public access shall be made without the unanimous written consent of all Owners to amend this Declaration. This provision may not be amended with the unanimous consent of all owners.

9. *Use of Recreational Facilities.* Each Owner acknowledges that use of any recreational facilities including fences, entrances, trails and club roads, located in the development for the enjoyment of members and their guests, occupants, licensees, and invitees are subject to the terms and provisions of the Club Covenants. Each Owner hereby acknowledges that there are risks associated with the use of any such recreational facilities and are solely responsible for such risk. Each Owner acknowledges that he or she has not relied upon the representations of Declarant or the Association with respect to the safety of any, or any other facility or feature within the Property.

SECTION V: MAINTENANCE

1. *Associations Responsibility.* The Association shall maintain and keep in good repair the ranch roads, fences and gated entrances to the Property.

9. Except as otherwise specifically provided above, all costs associated with maintenance, repair, and replacement of ranch roads, gated entrances and fences shall be allocated among all Club Homesteads.

SECTION VII: RANCH COVENANTS

5. Use Restrictions.

a. *Purpose.* The Property shall be used for environmental, residential, recreational, and compatible commercial purposes (which may include, without limitation, the development of rental casitas, a retail winery, vineyard and special events).

b. *Business and Industries.* Nothing herein shall preclude an Owner from maintaining and operating an in-home occupation out of the residence for example, but not limited to, computer business, sales, or professional business as long as visitor or client access or parking is not required. This restriction shall not apply to any activity conducted by any owner of the unsold homesteads, clubhouse, casitas, stable operations, winery operations, vineyard management or special event venues within The Property. Garage sales, moving sales, rummage sales, or similar activities shall not be permitted on the Property.

Specifically, Lots 32 & 35 will be permitted to accommodate multiple casitas for the purpose of overnight rental.

c. *Guests.*

- (1) *Owners:* There are no restrictions on the number of guests which an Owner may allow to use its home.
- (2) *Social Members:* Unaccompanied guests, who are not an immediate family member of a Social Member of The Ranch at Pine Mountain, shall not be permitted to enter or use the Property. There shall be a limit of five immediate family members of a Social Member allowed to enter or use the Property without the Social Member being present.
- (3) All guests are subject to the Club Covenants, and each Owner or Social Member shall be responsible for the conduct, activities, liabilities and obligations of such Owner's or Social Member's guest(s).

l. *Weeds.* Offensive or unsightly weeds shall not be allowed to accumulate on any Club Homestead. Owners may only use herbicides that are approved for the Property, a list of which will be provided by the Association.

n. *Hazardous Activities.* No activities shall be conducted on any Club Homestead and no improvements constructed thereon which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property, except in the case of self-defense or defense of personal property, animals or family.

o. *Fire; Open Flame; Smoking.* Fire poses a real threat to the natural environment of Pine Mountain Ranch. As such, no activities involving welding, blow torches or other open flame shall be permitted except welding activities in connection with the construction or reconstruction of an approved fence or building improvement. Except for barbeques, outside fires are not allowed unless constructed in a fire pit constructed by the undersigned members who own Club Homesteads or the Association in a designated area. Additionally, fire pits may be constructed on a Club Homestead upon the prior written approval of the Design Review Committee. Burning of trash, trees, brush or other materials shall not be permitted on the Property, but the owners of The Ranch at Pine Mountain commit to have a burn pile available for use by the Owners, with such burn pile being limited to small limbs, brush removed from the Owner's Club Homestead, and clippings. Cigarettes or cigars shall not be put out or thrown onto the Property but must be fully extinguished and placed in a fire-resistant trash receptacle. Fireworks are prohibited.

v. *Farm Animals.* No farm animals may be permanently kept at any Club Homestead. Any horses owned by members shall be stabled in structures located on the owners' homestead. Design as approved by the Design Review Committee.

w. *Camping.* No camping will be permitted.

6. *Structures and Improvements.* No improvements or Structures (including clearing, grading and planting) shall be commenced and no structure or improvement of any nature shall be constructed, placed, installed or erected on any Club Homestead, unless it meets the following minimum standards and complies with the Design Rules and Guidelines.

Designated Club Homesteads 32 and 35 may be used or improved for purposes other than private residential purposes, specifically to accommodate multiple casitas to be used for overnight rental. Other Club Homesteads may not house more than one (1) single family dwelling, and/or garage housing a maximum of three (3) motor vehicles, and usual and necessary outbuildings where permitted shall be erected, placed or maintained on any Club Homestead. No dwellings may be smaller than one thousand one hundred (1,100) square feet of heated/cooled space. In special areas due to location of the Club Homestead, a variance may be requested, however the Design Review Committee and the Board of Directors must approve such variance in their sole discretion.

No structures over the maximum height established in the Design Rules and Guidelines shall be allowed without prior written approval of the Board of Directors and the Design Review Committee. Any such approval shall take into consideration the site location of the proposed structure, aesthetics, and compliance with covenants. The above does not include reasonably-size chimneys, weather vanes, etc. Restrictions for individual Club Homesteads, if any, will be included in the Design Rules and Guidelines.

Other than the garage, without the prior written consent of the Design Review Committee, there shall be no more than one (1) outbuilding (including connected buildings) on any single Club Homestead. No outbuilding shall exceed seven hundred fifty (750) square feet. Each such outbuilding shall conform in appearance with the dwelling house on such Club Homestead. All dwelling houses, garages, outbuildings, and other structures are subject to approval of the Design Review Committee. No building shall be constructed outside of the designated Building Envelope, unless otherwise approved by the Board of Directors and the Design Review Committee. All structures shall be completed within fifteen (15) months from start of construction. Outbuildings shall be located to the rear of sites only in locations approved by the Board of Directors and the Design Review Committee.

Only building materials permitted in the Design Rules and Guidelines may be used for any improvement constructed on a Club Homestead.

SECTION IX: PARTITION AND ANNEXATION OF PROPERTY; ADDITIONAL CLUB HOMESTEADS

4. *Title to Common Area.* Effective upon the signing date of this amendment there will be no transfer of title to the Association of any common area. Each of the undersigned

approve of the transfer of all common property other than all ranch roads, fences and gated entrances to The Winsford Group LLC.

This section may not be amended without the written consent of the undersigned members who own Club Homesteads in Pine Mountain Ranch.

SECTION XIV: GENERAL PROVISIONS

6. *Right of First Refusal.* Any Owner desiring to sell or otherwise transfer title to his or her Club Homestead will not be required to give prior written notice to the President of the Association and to each other Owner of the selling Owner's desires to sell.

Should any owner of the Property, known as The Ranch at Pine Mountain decide to sell any portion of the Property, including the structure known as The Clubhouse, Casitas, Vineyards, Winery, Event Venues or other assets, structures or improvements, a right of first refusal shall be given to each Association member. For a period of thirty (30) days after the "Sale Notice", the Association and each other owner shall have the right to purchase the Property, known as The Ranch at Pine Mountain on the terms set forth in the Sale Notice. This right to purchase shall be exercised by delivering written notice to such selling Owner prior to the expiration of the thirty (30) day period.

In the event the Association or any Owner elects to purchase the Property, known as The Ranch at Pine Mountain, the Association or such Owner shall purchase the Property, known as The Ranch at Pine Mountain on the same terms set forth in the Sale Notice, within forty-five (45) days of the selling Owner's receipt of the Purchase Notice.

[signature pages to follow]

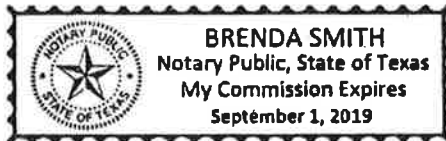
EXECUTED on the date of acknowledgment stated below.

GRAND BANK OF TEXAS

By: [Signature]
Name: Mickey C. Powell
Title: President

STATE OF TEXAS)
COUNTY OF Dallas)

This instrument was acknowledged before me on the 14th day of February, 2018,
by Mickey C. Powell, President of Grand Bank
of Texas, on behalf of said bank, and in the capacity herein stated.



[Signature]
Notary Public, State of Texas

EXECUTED on the date of acknowledgment stated below.

Michael T. Casey

MICHAEL T. CASEY

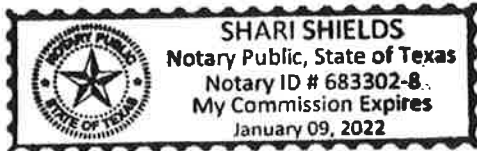
Rebecca P. Casey

REBECCA P. CASEY

STATE OF TEXAS)

COUNTY OF Dallas)

This instrument was acknowledged before me on the 8th day of February 2018,
by Michael T. Casey.

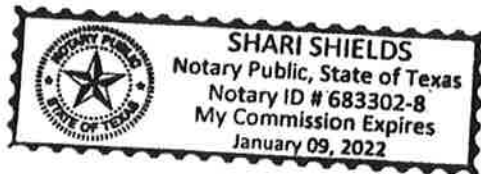


Shari Shields
Notary Public, State of Texas

STATE OF TEXAS)

COUNTY OF Dallas)

This instrument was acknowledged before me on the 8th day of February 2018,
by Rebecca P. Casey.



Shari Shields
Notary Public, State of Texas

EXECUTED on the date of acknowledgment stated below.



RODGER FREDERICK

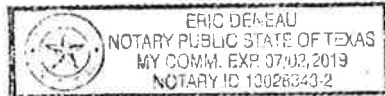


PATRICIA FREDERICK

STATE OF TEXAS)

COUNTY OF Dallas)

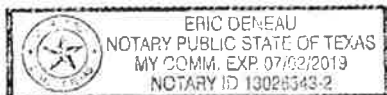
This instrument was acknowledged before me on the 12 day of February, 2018,
by Rodger Frederick.


Notary Public, State of Texas

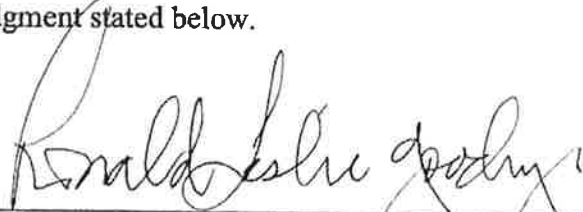
STATE OF TEXAS)

COUNTY OF Dallas)

This instrument was acknowledged before me on the 12 day of February, 2018,
by Patricia Frederick.

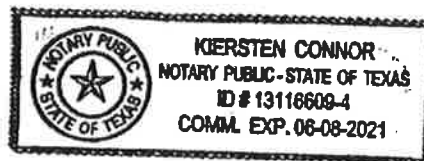

Notary Public, State of Texas

EXECUTED on the date of acknowledgment stated below.


RONALD LESLIE GOODWYN


VANESSA GOODWYN

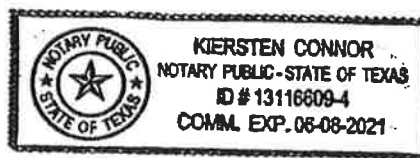
STATE OF TEXAS)
COUNTY OF Anderson)



This instrument was acknowledged before me on the 9th day of February, 2018,
by Ronald Leslie Goodwyn.


Notary Public, State of Texas

STATE OF TEXAS)
COUNTY OF Anderson)



This instrument was acknowledged before me on the 9th day of February, 2018,
by Vanessa Goodwyn.


Notary Public, State of Texas

EXECUTED on the date of acknowledgment stated below.

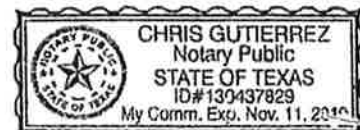
Ronald N. Kyler
RONALD N. KYLER

STATE OF TEXAS)

COUNTY OF Tarrant)

This instrument was acknowledged before me on the 12th day of Feb, 2018,
by Ronald N. Kyler.

[Signature]
Notary Public, State of Texas



EXECUTED on the date of acknowledgment stated below.

SEALS DEVELOPMENT REAL ESTATE, LLC

By: [Signature]

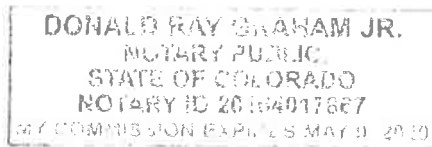
Name: Brian Seals

Title: Partner - Seals Development Real Estate, LLC

STATE OF Colorado ~~TEXAS~~)

COUNTY OF Denver)

This instrument was acknowledged before me on the 12th day of February, 2018,
by Brian Seals, Partner of Seals Development Real
Estate, LLC, on behalf of said company, and in the capacity herein stated.



[Signature]
Notary Public, State of ~~Texas~~ Colorado