

ANNEXATION CERTIFICATE:
DECLARATION OF COVENANTS AND RESTRICTIONS
WOOD RIVER UNIT 14B
April 22, 1998

ANNEXATION CERTIFICATE:
DECLARATION OF COVENANTS AND RESTRICTIONS
WOOD RIVER UNIT 14B

THE STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF NUECES §

THIS DECLARATION AND CERTIFICATE OF ANNEXATION IS made on the date hereinafter set forth by Premier Planning & Development, Corp., a Texas corporation, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Article III of this Declaration and desires to create thereon a residential community with designated "Lots", "Common Properties" and "Common Facilities" (as those terms are defined herein) for the benefit of the present and future owners of said Lots; and

WHEREAS, Declarant desires to subject the real property described in Article III, together with such additions as may hereafter be made thereto (as provided in Article III), to the covenants, restrictions, easements, charges and liens hereinafter set forth, each of which is, and all of which are, for the benefit of said property and each owner thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in said community, to petition the Wood River Community Association Board of Trustees for inclusion of Wood River Unit 14B into the Wood River Community Association and to which as herein provided, will be delegated and assigned the powers of maintaining and administering the Common Properties and Common Facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, the Wood River Community Association Board of Trustees has agreed to the terms and conditions set forth herein and in accordance with the procedures set forth in Article III of the Master Declaration as hereinafter defined, and

NOW, THEREFORE, the Declarant declares that the real property described in Article III is and shall be held, transferred, sold, conveyed, occupied, and enjoyed subject to the covenants, restrictions, easements, charges and liens (sometimes referred to herein collectively as "covenants and restrictions" or "declarations") hereinafter set forth.

ARTICLE I

Definitions

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

(a) "Association" shall mean and refer to the non-profit corporation created to administer the covenants and restrictions and all other functions created by the "Master Declaration" and all supplemental declarations.

(b) "Board of Trustees" shall mean the Board of Trustees of the Association.

(c) "Builder" shall mean any person, firm, corporation, or other entity who is engaged in the business of building residential structures for sale or rental purposes, and not for his or its personal use or occupancy.

(d) "Common Properties" shall mean and refer to all real property (including the improvements thereto) intended for the common use and enjoyment of the Owners. Common Properties specifically includes all hike and bike trails, sidewalks and easements granted to the Association as identified in the Plat of Wood River Unit One, and in the Plat of Wood River Unit 14B attached to these Declarations as Exhibit "A", and all other properties dedicated to the common use and enjoyment of Owners under this Declaration or under the Master Declaration.

(e) "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Properties, except those as may be expressly excluded herein. By way of illustration, Common Facilities may include, but not necessarily be limited to, the following: structures for recreation, storage or protection of equipment; fountains, statuary, sidewalks; common driveways; landscaping; swimming pools; tennis courts and other similar and appurtenant improvements. References herein to "the Common Facilities (any Common Facility) in the Subdivision" shall mean and refer to Common Facilities as defined respectively in this Declaration and all Supplemental Declarations.

(f) "Declarant" shall mean and refer to PREMIER PLANNING & DEVELOPMENT CORP. or its designated successors or assigns which shall assume all of the rights and responsibilities of Declarant herein.

(g) "Living Unit" shall mean and refer to any single-family residential unit, including, without limitation, townhouses, row-houses and condominium units, located on property which may be brought within the plan of this Declaration. References to Living Units herein shall not be deemed to permit the use of any Lot in the Properties for any purpose other than single-family residential purposes unless expressly permitted in this Declaration or in any Supplemental Declaration. References herein to "the Living Units in the Subdivision" shall mean and refer to Living Units as defined respectively in this Declaration and all Supplemental Declarations.

(h) "Lot" and/or "Lots" shall mean and refer to each of the lots shown upon the Subdivision Plats. References herein to "the Lots (each Lot) in The Subdivision" shall mean and refer to Lots as defined respectively in this Declaration and all Supplemental Declarations.

(i) "Maintenance" shall mean the exercise of reasonable care to keep buildings, roads, landscaping, lighting, and other related improvements and fixtures in a condition comparable to their original condition, normal wear and tear excepted. Maintenance of landscaping shall further mean the exercise of generally accepted garden management practices necessary to promote a healthy, weed-free environment for optimum plant growth.

(j) "Master Declaration" shall mean the Declaration of Covenants and Restrictions for Wood River Unit One of Phase I, recorded among the real property records of Nueces County at Volume 1697, Pages 881-916.

(k) "Member" and/or "Members" shall mean and refer to all those Owners who are members of the Association as provided in Article IV, Section 4 hereof, together with all the Owners in The Subdivision who are members of the Association as provided in all Supplemental Declarations. In one or more Supplemental Declarations, if appropriate, "Member" may mean and refer to an Owner of a Living Unit, and the voting rights of such Member shall relate to his ownership of such Living Unit.

(l) "Mortgage" shall mean a conventional mortgage or a deed of trust.

(m) "Mortgagee" shall mean a holder of a conventional mortgage or a beneficiary under, or holder of a deed of trust concerning, any part of the Properties and the improvements thereon.

(n) "Owner" shall mean and refer to the record owner, or if such Lot is subject to a term purchase contract, to the contract purchaser, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. References herein to "the Owners in The Subdivision" shall mean and refer to Owners as defined in this Declaration and all Supplemental Declarations. In one or more Supplemental Declarations, if appropriate, "Owner" may be defined by reference to ownership of a Living Unit, rather than by reference to ownership of a Lot.

(o) "The Properties" shall mean and refer to the property or properties described in Article III, Section 1, hereof which are subject to this Declaration.

(p) "The Subdivision" shall mean and refer to Wood River Unit 14B and all Units of Wood River brought within the plan of this Declaration and the Master Declaration, and any other real property including specifically, but without limitation, all or portions of other subdivisions brought within the plan of this Declaration and/or the Master Declaration.

(q) "Supplemental Declaration" shall mean and refer to any Supplemental Declaration of Covenants and Restrictions bringing additional property within the plan of this Declaration under authority provided in Article III hereof. 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.

(r) "Subdivision Plats" shall mean and refer to the Map or Plat of Wood River Unit 14B recorded in Volume __, Pages __ and __, of the Map or Plat Records of Nueces County, Texas (a copy of which is attached hereto as Exhibit "A"), and any map or plat of any other section of Wood River and any other real property brought within the plan of this Declaration or the Master Declaration.

ARTICLE II

Easements and Property Rights

Section 1. Existing Easements. The Subdivision Plats dedicate for use as such, subject to the limitations set forth therein, certain streets and easements shown and provided for thereon, and such Subdivision Plats further establish dedications, limitations, reservations and restrictions applicable to the Properties. Further, Declarant and Declarant's predecessors in title have heretofore granted, created and dedicated by several recorded instruments, certain other easements and related rights affecting the Properties. All dedications, limitations, restrictions and reservations shown on the Subdivision Plats and all grants and dedications of easements and related rights heretofore made by Declarant and Declarant's predecessors in title affecting the Properties are incorporated herein by reference and made a part of this Declaration for all purposes, as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Properties.

Section 2. Title to Easements and Appurtenances Not Conveyed. Title to any Lot conveyed by Declarant by contract, deed, or other conveyance shall not be held or construed in any event to include the title to any roadways or any drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone way, or any cable (and easement therefor) for security and/or television and other communications, or any pipes, lines, poles, or conduits on or in any utility facility or appurtenances thereto, constructed by or under Declarant or its agents through, along or upon any Lot or any part thereof to serve said Lot, or any other portion of the Properties, and the right to maintain, repair, sell or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved in Declarant.

Section 3. Installation and Maintenance. There is hereby created an easement upon, across, over and under all of the

Properties for ingress and egress in connection with installing, replacing, repairing, and maintaining all utilities, including, but not limited to, water, sewer, telephones, cable for security and/or television and other communications, electricity, gas and appurtenances thereto. By virtue of this easement, it shall be expressly permissible for the utility companies and other entities supplying service to install and maintain pipes, wires, conduits, service lines, or cable for security and/or television and other communications, or other utility facilities or appurtenances thereto, on, above, across and under the Properties within the public utility easements from time to time existing and from service lines situated within such easements to the point of service on or in any structure. Notwithstanding anything contained in this paragraph, no sewer, electrical lines, water lines, or cable for security and/or television and other communications, or other utilities or appurtenances thereto may be installed or relocated on the Properties until approved by the Association's Board of Trustees. The utility companies furnishing service shall have the right to remove all trees situated within the utility easements from time to time existing, and to trim overhanging trees and shrubs located on portions of the Properties abutting such easements.

Section 4. Emergency and Service Vehicles. An easement is hereby granted to all police, fire protection, ambulance and other emergency vehicles, and to garbage and trash collection vehicles, and other service vehicles to enter upon the Properties in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and management personnel to enter upon the Properties to render any service or perform any of its functions.

Section 5. Surface Areas. No dwelling unit or other structure of any kind shall be built, erected, or maintained on any such easement, reservation or right of way. The surface of the easement areas may be used for planting of shrubbery, trees, lawns, or flowers. However, no supplier of any utility or service using any easement area shall be liable to any Owner or to the Association for any damage done by them or either of them, or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance or repair of any facility in any such easement area. Further no supplier of any utility or service using any easement area shall be liable to the Owner or the Association for any damage done by them, or their respective agents, employees, servants or assigns, to any sidewalks, driveways, fences, walls or any other object occupying any such easement or any portion thereof, as a result of any activity relating to the construction, maintenance or repair of any facility in any such easement area.

Section 6. Easements of Encroachment. There shall exist reciprocal appurtenant easements as between adjacent lots and between each lot and any portion or portions of the Common Properties adjacent thereto for any encroachment due to the unwilling placement, settling, or shifting of the improvements constructed, re-constructed or altered thereon, provided such construction, re-construction, or alteration is in accordance with the terms of this Declaration. Such easement shall exist to a distance of not more than one foot as measured from any point on the common boundary between adjacent lots, and between each lot and any adjacent portion of the common area, along a line perpendicular to such boundary at such point. No easement for encroachment shall exist as to any encroachment occurring due to the willful conduct of an owner.

Section 7. Right of Entry. The Association, through its duly authorized employees and contractors, shall have the right after reasonable notice to the owner thereof, to enter any lot at any reasonable hour on any day to perform such maintenance as may be authorized herein.

Section 8. No Partition. There shall be no judicial partition of the Common Properties, nor shall Declarant, nor any Owner nor any other person acquiring any interest in the Subdivision or any part thereof, seek judicial partition thereof.

ARTICLE III

Property Subject to This Declaration

Section 1. Description. The real property which shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration consists of the following:

All of Unit 14B, of Wood River, a subdivision of the City of Corpus Christi, out of the Mariano L. de Herrera Grant, Abstract No. 606, Nueces County, Texas, more particularly described as follows:

A 6.45 acre tract of land in the Mariano L. De Herrera Grant, Abstract 606, Nueces County, Texas being out of that certain 205.80 acre tract conveyed by Bess L. Hurd Et Vir to Nina G. Stewart, by deed dated August 29, 1940, and recorded in Volume 261, Page 235, Deed Records of Nueces County, Texas, appearing in the Plat of Wood River Unit 14B recorded in Volume 57 Pages 199 and 200 of the Map or Plat Records of Nueces County, and as more particularly described by metes and bounds in Exhibit "D" to these Declarations.

Section 2. Mineral Exception. There is hereby excepted from the Properties and Declarant will hereafter except from all its sales and conveyances of the Properties, or any part thereof, including the Lots and Common Properties, all oil, gas, and other minerals in, on, and under the Properties. Declarant's predecessors in title have reserved for themselves ownership and title to all minerals and royalty interest in, under and to the Properties.

Section 3. Additions to Existing Property. Additional lands may become subject to the plan of this Declaration in the following manner:

(a) Additions. Upon the approval of the Board of Trustees of the Association, in its sole discretion, the Owner of any property who desires to add it to the plan of this Declaration and to subject it to the jurisdiction of the Association may file of record a Supplemental Declaration of Covenants and Restrictions upon the prior written express approval of the Board of Trustees of the Association.

(b) Mergers. Upon a merger or consolidation of the Association with another association, the Association's properties,

rights, and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, rights, and obligations of another association may be added to the properties, right and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants and restrictions applicable to the properties of the other association as one plan. No such merger or consolidation, however,

shall effect any revocation, change or addition to the covenants and restrictions established by this Declaration or any Supplemental Declaration.

ARTICLE IV

The Association

Section 1. Organization. The Association was organized and formed as a non-profit corporation under the laws of the State of Texas under the terms and conditions set out in the "Master Declaration."

Section 2. Purpose. The purpose of the Association in general shall be to provide for and promote the health, safety, recreation and welfare of the Members, to collect the annual maintenance charges, to administer the Maintenance Fund, to provide for the maintenance, repair, preservation, upkeep, and protection of the Common Properties and Common Facilities in The Subdivision and such other purposes as are stated in the Articles of Incorporation consistent with the provisions of this Declaration and all Supplemental Declarations.

Section 3. Trustees. The Association shall act through a five (5) member Board of Trustees, which shall manage the affairs of the Association. The Members shall elect a Board of Trustees as provided for in the Articles of Incorporation and the Bylaws. Any vacancy, from whatever cause, occurring in the Board of Trustees shall be filled by an appointment made by the remaining Trustees. The person so appointed to fill such vacancy shall serve for the remainder of the said initial term and, thereafter, until his successor is duly elected and qualified. The Trustees shall have the power to select one or more advisory trustees from the residents of The Subdivision to serve for such periods of time as the Board of Trustees shall deem appropriate, for the purpose of providing advice and counsel to the Board of Trustees, provided that such advisory trustees shall have no right to act on behalf of the Association.

Section 4. Members. Each Owner, whether one or more persons or entities, of a Lot or a Living Unit in The Subdivision, whichever should be the case, shall, upon and by virtue of becoming such Owner, automatically become a Member of the Association and shall remain a Member thereof until his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership in the Association shall be appurtenant to and shall automatically follow the legal ownership of each Lot and/or Living Unit in The Subdivision and may not be separated from such ownership. Whenever the legal ownership of any Lot or Living Unit in The Subdivision passes from one person to another, by whatever means, it shall not be necessary that any instrument provide for transfer of membership in the Association, and no certificate of membership will be issued.

Section 5. Voting Rights (a) The Association shall have two classes of voting membership:

Class A. Class A Members shall be all the Members of the Association, with the exception of the Declarant. Class A Members shall be entitled to one vote for each Lot or Living Unit in The Subdivision in which they hold the interest required for membership by this Declaration or any Supplemental Declaration. When more than one person holds such interest or interests in any such Lot or Living Unit, all such persons shall be Members, and the vote for such Lot or Living Unit shall be exercised as they among themselves determine, but, in no event, shall more than one vote be cast with respect to any such Lot or Living Unit.

Class B. Class B Membership is held by the Declarant hereunder and its heirs, successors and/or assigns. The Declarant hereunder shall be entitled to one vote per Lot owned by Declarant.

ARTICLE V

Property Rights in the Common Properties and Common Facilities

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 2 of this Article V, every Member shall have a common right and easement of enjoyment in and to the Common Properties and Common Facilities in The Subdivision, and such right and easement shall be appurtenant to and shall pass with the title to each Lot or Living Unit in The Subdivision.

Section 2. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association in its discretion, to charge reasonable admission and other fees (including, without limitation, guest fees) for the use of the recreational facilities located on all Common Properties in The Subdivision, and to make, publish, and enforce reasonable rules and regulations governing the use and enjoyment of such Common Properties and Facilities or any part thereof, all of which reasonable rules and regulations shall be binding upon, complied with, and observed by each Member. These rules and regulations may include provisions to govern and control the use of such Common Properties and Facilities by guests or invitees of the Members, including, without limitation, the number of guests or invitees who may use such Common Properties and Facilities or any part thereof at the same time; and

(b) The right of the Association to enter into management and/or operating contracts or agreements relative to the maintenance and operation of such Common Properties and Facilities in such instances and on such terms as its Board of

Trustees may deem appropriate; the right of the Association to operate recreational facilities and related concessions located on such Common Properties;

(c) The right of the Association to enter lease agreements or concession agreements granting leasehold, concession, or other operating rights relative to recreational facilities located on such Common Properties in such instances and on such terms as its Board of Trustees may deem appropriate;

(d) The right of the Association to suspend the voting rights of a Member or his right to use any recreational facility located on such Common Properties during the period he is in default in excess of thirty (30) days in the payment of any maintenance charge assessment against his Lot or Living Unit; and to suspend such rights for a period not to exceed seven hundred thirty (730) days for any infractions of its published rules and regulations; and the aforesaid rights of the Association shall not be exclusive, but shall be cumulative of and in addition to all other rights and remedies which the Association may have in this Declaration and Supplemental Declarations or in its Bylaws or at law or in equity on account of any such default or infraction; and

(e) The rights and easements existing, herein created or hereafter created in favor of others, as provided for in Article II of this Declaration and the Supplemental Declarations; and

(f) The restrictions as to use of the Common Properties provided for in Article X hereof.

Section 3. Delegation of Use. Any Member may delegate his right of use and enjoyment of the Common Properties and Common Facilities in The Subdivision, together with all easement rights granted to Members in this Declaration and all Supplemental Declarations, to the members of his family, his tenants, contract purchasers who reside on his Lot or in his Living Unit, or subject to the terms of Sections 2(a), above, to guests temporarily occupying a Living Unit or a residence situated on a Lot. The term "Member" is further defined to include and refer to the executors, personal representatives and administrators of any Member, and all other persons, firms, or corporations acquiring or succeeding to the title of the Member by sale, grant, will, foreclosure, execution, or by any legal process, or by operation of law, or in any other legal manner.

ARTICLE VI

Annual Maintenance Charge

Section 1. The Maintenance Fund.

(a) All funds collected by the Association from the maintenance charge provided for in this Article, together with (i) all funds collected by Association from the annual maintenance charge imposed on the Lots or Living Units in The Subdivision by all Supplemental Declarations, and (ii) all fees collected by the Association under Sections 2(a) of Article V, above, shall constitute and be known as the "Maintenance Fund." The Maintenance Fund shall be held, used, and expended by the Association for the common benefit of all Members for the following purposes, to-wit: to promote the health, safety, recreation, and welfare of the Members, including, without limitation, the following:

(1) The installation, construction, erection and relocation of improvements related to the enhancement and beautification of the Common Properties and Common Facilities in The Subdivision, and any other areas provided by this Declaration or any Supplemental Declaration to be developed or maintained by the Association, such as shrubbery, trees, walkways and street lights, and the construction, repair, maintenance and replacement of properties, services, improvements and facilities devoted to such purposes and related to the use and enjoyment of The Subdivision by the Members;

(2) Water, sewer, garbage, electrical, lighting, telephone, gas, and other necessary utility service for the Common Properties and Common Facilities;

(3) Acquisition of furnishings and equipment for the Common Properties and Common Facilities as may be determined by The Association, including without limitation all equipment, furnishings and personnel necessary or proper for use of the recreation facilities;

(4) Fire insurance covering the full insurable replacement value of the Common Properties and Common Facilities with extended coverage;

(5) Liability insurance insuring the Association against any and all liability to the public, to any Owner, or to the invitees or tenants of any Owner arising out of their occupation and/or use of the Common Properties and Common Facilities. The policy limits shall be set by the Association, and shall be reviewed at least annually and increased or decreased in the discretion of the Association;

(6) Workmen's compensation insurance to the extent necessary to comply with applicable law, and any other insurance deemed necessary by the Board of Trustees of the Association;

(7) A standard fidelity bond covering all members of the Board of Trustees of the Association and all other employees of the Association in an amount to be determined by the Board of Trustees.

(8) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alteration, insurance, taxes, or assessments which the Association is required to secure or pay pursuant to the terms of this Declaration or by law, or which shall be necessary or proper in the opinion of the Board of Trustees of the Association for the operation of the Common Properties and Common Facilities, for the benefit of lot owners, or for the enforcement of these restrictions;

(9) In addition to maintenance of the Common Properties and Common Facilities, the Association may provide exterior maintenance on any Lot in the event the need for maintenance or repair is attributable to the Owner's failure to maintain, or that of his family, guests, or invitees, and such maintenance or repair is not accomplished within ten (10) days following written notice from the Association to the Owner. In that event the cost of such maintenance or repairs shall be added to and become part of the assessment to which such Lot is subject.

(b) The Association may, in its sole discretion, give one or more of the purposes set forth in this Section 1 preference over other purposes, and it is agreed that all expenses incurred and expenditures and decisions made by the Association in good faith shall be binding and conclusive on all Members.

Section 2. Covenant for Assessments.

(a) Subject to the provisions set forth below in Section 3 relating to the rate at which the maintenance charge imposed herein shall be paid on unimproved Lots, each and every Lot in the Properties is hereby severally subjected to and impressed with a regular annual maintenance charge (herein sometimes referred to as the "full maintenance charge"), in the amount set by the Board of Trustees, which shall run with the land and is subject to increase or decrease and is payable as provided in Section 4, below.

(b) Each Owner of a Lot, by his claim or assertion of ownership or by accepting a deed to any such Lot, whether or not it shall be so expressed in such deed, is hereby conclusively deemed to covenant and agree, as a covenant running with the land, to pay to the Association, its successors or assigns, each and all of the charges assessed against his Lot and/or assessed against him by virtue of his ownership, as the same shall become due and payable, without demand. The maintenance charge herein provided for shall be a charge and a continuing lien upon each Lot, together with all improvements thereon, as hereinafter more particularly stated. Such maintenance charge, together with interest, costs, and reasonable attorneys' fees shall also be the personal obligation of the person who was the Owner of the Lot at the time the obligation to pay such maintenance charge accrued, but no Member shall be personally liable for the payment of any assessment made or becoming due and payable after his ownership ceases. No Member shall be exempt or excused from paying any such charge by waiver of the use or enjoyment of the Common Properties or Facilities in The Subdivision, or any part thereof, or by abandonment of his Lot or his interest therein.

Section 3. Unimproved Lots Owned By Declarant

During the first twenty-four (24) months following the date of acceptance of the Wood River Unit 14B Subdivision by the City of Corpus Christi, Texas, Declarant shall not be obligated to pay any assessments with respect to property owned by Declarant in Unit 14B. Declarant, after the expiration of the initial 24 month waiver period, shall pay as an annual maintenance charge for each unimproved lot owned by Declarant an amount which shall be equal to the greater of \$125.00 or fifty percent (50%) of the then existing full maintenance charge assessed for each Lot, unless and until a residential structure has been built thereon and three (3) months have elapsed since completion of such residence as determined by the Unit 14B- Architectural Control Committee, as defined in Article V herein, or the residence has been permitted to be occupied, whichever occurs first. Thereafter, commencing on the first day of the next succeeding calendar month, the full maintenance charge then assessed shall become applicable. If the maintenance charge on such Lot has been prepaid at the greater of \$125.00 or fifty percent (50%) of the full maintenance charge then assessed, then for the portion of the calendar year remaining after the full maintenance charge becomes applicable to such Lot as herein provided, the then Owner of such Lot shall be obligated to pay to the Association, on the date the full maintenance charge becomes applicable as herein provided, that prorata portion of the difference between (i) the full maintenance charge then assessed and (ii) the unimproved lot maintenance charge which has been prepaid, which prorata portion shall bear the same ratio to said difference as the number of full calendar months remaining in such calendar year bears to twelve (12). It shall be the duty of each builder to notify the Association at the time a residence has been completed or permitted to be occupied.

Section 4. The Annual Maintenance Charge.

(a) The annual maintenance charge provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Trustees to be the date of commencement. The first annual assessment shall be made for the balance of the calendar year in which it is made and shall be payable on the day fixed for commencement, or in equal quarterly or semi-annual installments over the balance of the year, at the election of the Board of Trustees. The assessments for each calendar year shall be due and payable to the Association in advance on January 1st each year, or in equal quarterly or semi-annual installments over such year, at the election of the Board of Trustees. Provided, however, that, upon the purchase of his Lot (as evidenced by the date of his term Contract of Sale or Deed, or his occupancy, whichever is earlier), each Member shall be obligated to pay to the Association that prorata part of the applicable percentage (as determined pursuant to the terms hereof) of the annual maintenance charge assessed on such Lot, which shall bear the same ratio to the applicable percentage of the full annual maintenance charge as the number of full calendar months remaining in the year of purchase bears to twelve (12), and which shall be payable in full upon such purchase or in equal monthly, quarterly or semi-annual installments over the balance of the year of purchase, as the Board of Trustees may elect.

(b) The Board of Trustees may decrease or increase the amount of the annual maintenance charge provided for herein at any time and from time to time by the adoption of a resolution for such purpose, but no resolution increasing the annual maintenance charge shall become effective prior to the expiration of ninety (90) days from date of its adoption, and the Owner of each Lot subject to such assessment, shall, within thirty (30) days from such effective date, pay to the Association the proportionate part of such increase for the balance of the year in which such resolution is adopted; provided, however, that no resolution of the Board of Trustees which fixes the amount of the annual maintenance charge in excess of a Ten (10) percent increase over existing rates per year, or in excess of the annual maintenance charge for such Lots last ratified by the Members of the Association in accordance with the provisions of this paragraph, whichever is greater, shall become effective unless and until such resolution is ratified either (i) by the written assent of at least fifty-one percent (51%) of the Members of the Association, if no meeting of the membership is held for ratification, or (ii) by the assent of fifty-one percent (51%)

of the votes of the Members of the Association who are present and voting in person or by proxy at a special meeting of the membership of the Association called for this purpose and at which a quorum is present. The written assent or the vote of the members must be given prior to the effective date of the resolution of the Board of Trustees. No increase in the annual maintenance charge shall take effect retroactively.

(c) If any resolution of the Board of Trustees which requires ratification by the assent of the Members of the Association as above provided shall fail to receive such assent, then the amount of the annual maintenance charge last in effect shall continue in effect until duly changed in accordance with the above provisions. The Board of Trustees may decrease the amount of the annual maintenance charge without ratification by or assent of the Members of the Association.

Section 5. Quorum for any Action Authorized Under Section 4.

The Quorum required for any action authorized by Section 4 hereof shall be as follows:

The first meeting called, as provided in Section 4 hereof, the presence at the meeting of members, or of written proxies, entitled to cast fifty-one percent (51%) of all the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called and the required quorum at any such subsequent meeting shall be one-half (1/2) the required quorum at the preceding meeting, provided that such reduced quorum requirement shall not be applicable to any such subsequent meeting held more than sixty (60) days following the preceding meeting.

Section 6. Duties of the Board of Trustees. The Board of Trustees shall fix the date of commencement of each assessment period, and the amount of the assessment against each Lot or Owner for each assessment period, at least thirty (30) days in advance of such date and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Lien to Secure Assessments. The annual maintenance charge, as hereinabove provided for, shall constitute and be secured by a separate and valid and subsisting lien, hereby created and fixed, and which shall exist upon and against each Lot and all improvements thereon, for the benefit of the Association and all Members. Subject to the conditions that the Association be given written notice of any proceeding to enforce any lien hereinafter deemed to be superior, and that the Association be made a party to any such proceeding in court, the lien hereby created shall be subordinate and inferior to any mortgage, vendor's lien, deed of trust or other security instrument which secures any loan made by any lender to an Owner for any part of the purchase price of any property in Unit 14B, including any Lot and the improvements thereon, if improved, when the same is purchased, or for any part of the cost of constructing, repairing, adding to, or remodeling the residence and appurtenances situated on any Lot to be utilized for residential purposes, and which mortgage, vendor's lien, deed of trust or other security instrument is filed for record, prior to the date payment of any such charges or assessments become due and payable; provided, however, that such mortgage, vendor's lien, deed of trust or other security instrument creates a reserve fund for the payment of the annual maintenance charge and requires the mortgagee or debtor, whichever should be the case, to deposit monthly with the beneficiary under the mortgage, vendor's lien, deed of trust, or other security instrument, to be held in trust for the purpose of paying the annual maintenance charge when due, in addition to the initial payment or deposit, in accordance with Section 4, above, a sum equivalent to one-twelfth (1/12) of the estimated annual maintenance charge. Notwithstanding any language to the contrary in this paragraph, any lien for assessments as against property in Unit 14B owned by Declarant shall be subordinate and inferior, without any reservation, to any mortgage vendor's lien, deed of trust, or other security instrument which secures any loan made by any lender made to Declarant to purchase the property comprising Unit 14B of Wood River.

Section 8. Effect of Non-Payment of Assessment. If any annual charge or assessment is not paid within thirty (30) days from the due date thereof, the same shall bear interest from the due date until paid at the highest interest rate allowed under the laws of the State of Texas, and, if placed in the hands of an attorney for collection or if suit is brought thereon or if collected through probate or other judicial proceedings, there shall be paid to the Association an additional reasonable amount, but not less than ten percent (10%) of the amount owing, as attorney's fees. The Association, as a common expense of all Members, may institute and maintain an action at law or in equity against any defaulting Member to enforce collection and/or for foreclosure of the liens against his Lot. All such actions may be instituted and brought in the name of the Association and may be maintained and prosecuted by the Association in a like manner as an action to foreclose the lien of a mortgage or deed of trust on real property.

Section 9. Collection and Enforcement. Each Member, by his assertion of title or claim of ownership or by his acceptance of a deed to a Lot, whether or not it shall be so recited in such deed, shall be conclusively deemed to have expressly vested in the Association, and in its officers and agents, the right, power and authority to take all action which the Association shall deem proper for the collection of assessments and/or for the enforcement and foreclosure of the liens securing the same.

Section 10. Special Assessments for Capital Improvements. In addition to the annual maintenance charge 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 on the Common Properties, including fixtures and personal property related thereto. Any such assessment must be approved by a majority of all members.

Section 11. Subordination of the Lien to Mortgages. The lien for the assessments provided for herein shall be subordinate and inferior to any mortgage, vendor's lien, deed of trust or other security instrument which secures any loan

made by any lender to an Owner for any part of the purchase price of any lot and the improvements thereon, if improved, when the same is purchased, or for any part of the cost of constructing, repairing, adding to, or remodeling the Home and appurtenances situated on any Lot to be utilized for residential purposes, and which mortgage, vendor's lien, deed of trust or other security instrument is filed for record prior to the date on which payment of any such charges or assessments become due and payable. Sale or transfer of any Lot shall not affect 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 12. Exempt Property. All properties dedicated to, and accepted by, a local public municipality or authority, and the Common Area shall be exempt from the assessments created herein. However, no land or improvements devoted to single family occupancy shall be exempt from said assessments.

ARTICLE VII

Architectural Control Committee

Section 1. Creation of Architectural Control Committee. The Properties shall be subject to the oversight of an architectural control committee ("ACC") composed of three members appointed by the Declarant hereunder and two members appointed by the Association to be known as the "Unit 14B Architectural Control Committee" (sometimes herein abbreviated "U14B-ACC"). Each member of the U14B-ACC shall have experience in one or more of the following fields: architecture, engineering, contracting, land use planning, real estate development, construction, building code enforcement, or any other related fields. Members of the U14B-ACC shall serve two (2) year terms. Any vacancy, from whatever cause, occurring in the membership of the U14B-ACC, at any time, shall be filled by appointment made by the Board of Trustees or the Declarant depending upon whether the vacancy is one of a member originally appointed by Declarant or by the Association. Any person so appointed to fill any such vacancy shall serve for the remainder of the term and thereafter, until his successor is duly appointed and qualified. At any time in the event of a vacancy on the U14B-ACC, the remaining member or members of the U14B-ACC shall have the full right, authority and power to carry out the functions of the U14B-ACC as provided herein, or to designate a representative or agent with like right, authority and power, until a successor member or members shall have been appointed to fill the vacancy in accordance with the foregoing, except that in no event shall decision-making authority be exercised by the U14B-ACC where the then current U14B-ACC is represented by less than three members appointed by Declarant. All decisions in approving plans shall be made by majority approval of the plans by the members of the U14B-ACC appointed in accordance with the above provisions. All plans approved by the U14B-ACC shall be binding on the Association. Of the five members of the U14B-ACC, no less than three signatures are required for approval of plans and one of the signatories must be a member appointed by the Board of Trustees for the Association.

Section 2. Wood River ACC to Govern After U14B-ACC. After transfer of authority from the U14B-ACC to the Wood River ACC, as provided in Section 6 of this Article below, the Wood River ACC shall have all powers, rights and duties attendant to maintaining architectural control over development within Unit 14B, as such powers, rights and duties are defined in these Declarations.

Section 3. Approval of Plans. (a) No building, structure, or other improvements shall be commenced, erected, constructed, placed or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made until the detailed plans and specifications therefor shall have been submitted to and approved in writing as to compliance with *minimum* structural and mechanical standards, location and situation on the Lot, and as to *harmony* of external design or location in relation to property lines, building lines, easements, grades, surrounding structures, walks, and topography (including the orientation of the front and rear of any such building with respect to the Lot lines), by the U14B-ACC. After completion of the initial construction of the residence, responsibility for architectural control and deed restriction enforcement shall revert to the standing Wood River ACC.

(b) Final plans, specifications, and foundation designs shall be delivered in duplicate to the Executive Director of the Wood River Community Association or his designated representative at 4033 Wood River Drive, Corpus Christi, Texas or mailed to P.O. Box 260059, Corpus Christi, Texas, 78426. At such time as the plans and specifications meet the approval of the U14B-ACC, one complete set of such plans and specifications will be retained by the Association and the other complete set will be marked "Approved" and returned to the Lot Owner. Any proposed modification or changes to the approved set of plans and specifications must first be submitted to the U14B-ACC for its inspection and prior approval. The same procedures are to be followed for any modifications, additions or improvements made to existing structures or properties after the initial construction is complete and the jurisdiction for architectural control has reverted to the Wood River ACC.

(c) The submitted plans and specifications shall specify, in such form as the Architectural Control Committee may reasonably require, structural, mechanical, electrical, and plumbing detail and the nature, kind, shape, height, exterior color scheme, materials to be incorporated into, and location of the proposed improvements or alterations thereto.

(d) In the event the U14B-ACC (or Wood River ACC as appropriate) fails to approve or disapprove such plans and specifications within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and the provisions of this Section will be deemed to have been fully complied with; provided, however, that the failure of the U14B-ACC or the Wood River ACC, as appropriate, to approve or disapprove such plans and specifications within such thirty (30) day period shall not operate to permit any structure to be commenced, erected, placed, constructed or maintained on any Lot in the properties in a manner inconsistent with any provision of this Declaration.

(e) Without limitation of the powers herein granted, the U14B-ACC for initial construction, or the Wood River ACC after initial construction, shall have the right to specify a limited number of acceptable exterior materials and/or finishes that may be used in the construction, alteration, or repair of any improvement on any Lot. It also shall have the right to specify

requirements for each Lot as follows: minimum setbacks; the location, height, and extent of fences, walls, landscaping, or other screening devices; and the orientation of the residential structure with respect to garage access and major entry and frontage. Further, the U14B-ACC or the Wood River ACC, as appropriate, shall have the right to waive, modify, alter or change any term, condition, provision or covenant hereof when necessary in its sole judgment where such waiver, modification, alteration or change is deemed for the advantage or best appearance of the Subdivision: (1) where one Lot and all or a portion of another or other contiguous lots are being combined for the purpose of building a single family residence, (2) in the case of corner Lots, (3) in the case of lots which are unusual in size, or which are of an unusual or irregular shape, and (4) in the case of Lots adjacent to (i) hike and bike trails, (ii) pedestrian walkways connecting to hike and bike trails and (iii) drainage swells.

(f) The U14B-ACC or the Wood River ACC, as appropriate, shall have full power and authority to approve, or disapprove, compliance with the fencing requirements imposed when an existing homeowner purchases a contiguous Lot next to or behind his existing residence. Owners must comply with the fencing requirements illustrated in Exhibits "B" and "C" to these Declarations, within ninety (90) days after acquiring ownership of the Lots. If two Lots are purchased either side-by-side or back-to-back, the Owner must fence the nonresident Lot during the construction period of the primary residence. All yards forward of the fence to the street must be planted in grass and trees as specified on Exhibits "B" and "C". All yards forward of the fence shall be maintained by the Owner in a manner consistent with landscaping in front of a house, as established by the U14B-ACC or the Wood River ACC, as appropriate.

(g) The U14B-ACC or the Wood River ACC, as appropriate, shall have full power and authority to reject any plans and specifications that do not comply with the restrictions herein imposed or meet its minimum construction or architectural design requirements or that might not be compatible, in the sole discretion of the appropriate ACC, with the design or overall character and aesthetics of the properties. The appropriate ACC shall have the authority to make final decisions in all matters relating to the general intent and purpose of these restrictions, whether such matters may arise because of discrepancies, contradictions, vagueness, general interpretation, or for any other reason which raises any question with respect to the general intent and purpose of these restrictions.

(h) In the interest of design innovation and avoidance of hardship, the U14B-ACC or Wood River ACC, as appropriate, shall have the power and authority, in its sole discretion, to accept plans and specifications which do not fully comply with the restrictions herein imposed, or which do not meet the minimum construction or architectural design requirements as herein provided, if and in the event said proposed plans and specifications are deemed to be in compliance with the overall character and aesthetics of the properties and the subdivision, these restrictions, and are further deemed in its sole discretion to be substantially in compliance with the construction or architectural design requirements provided herein.

Section 4. Waiver of Liability. Neither the Committee nor any individual member of members thereof shall have any liability to any party for any reason by virtue of any action taken pursuant to these Restrictions, and all owners of all Lots within said Subdivision hereby expressly waive and relinquish any claims or causes of action against said Committee, its members, agents and/or representatives.

Section 5. Minimum Construction Standards. The appropriate Architectural Control Committee may from time to time promulgate an outline of minimum acceptable construction standards and specifications, which shall constitute guidelines only and shall not be binding upon the Architectural Control Committee or in any manner determinative of the approval or disapproval by such Committee of submitted plans and specifications. However, the Property lies within the extraterritorial jurisdiction of the City of Corpus Christi and all construction thereon is subject to the building codes and all other applicable requirements of the City of Corpus Christi.

Section 6. Transfer of Authority to the Association. The duties, rights, powers and authority of the U14B-ACC may be assigned at any time, at the sole discretion and affirmative vote of a majority of the members of the U14B-ACC (in which no less than all three of the members of the U14B-ACC appointed by Declarant shall participate), to the Board of Trustees of the Association, and from and after the date of such assignment, and the acceptance thereof by such Trustees, the Board of Trustees of the Association shall have full right, authority and power, and shall be obligated, to perform the functions of the Architectural Control Committee as provided herein, including the right to designate a representative or representatives to act for it. The duties, rights, power and authority of the U14B-ACC shall continue in effect to the exclusion of the Wood River ACC until such duties, right, powers and authorities are transferred by the U14B-ACC to the Wood River ACC by the affirmative vote of a majority of the members of the U14B-ACC (as provided above) or shall automatically transfer to the Wood River ACC upon issuance of a certificate of completion by the City of Corpus Christi with respect to the residence constructed on last Lot available for development in Wood River Unit 14B. Upon such issuance of the final certificate of completion, the U14B-ACC shall be dissolved by motion and affirmative vote of its members and all duties, rights, powers and authorities shall be deemed to have been transferred to the Wood River ACC. Nothing in these Declarations shall be deemed to constitute a delegation or transfer of any duty, right, power or authority of the U14B-ACC to any other person or entity unless an assignment or transfer of such duty, right, power or authority is made in accordance with the terms of this Section.

ARTICLE VIII

Building and Use Restrictions

Section 1. Use Restrictions.

- (a) Purpose. All Lots in said Subdivision shall be used for single-family dwellings and for no other purpose.
- (b) New Materials and Improvements. All improvements of any nature placed on any Lot shall be newly erected on said Lot and no modular, mobile, secondhand or used buildings, or other improvements, shall be moved onto any of said Lots. All materials must be new or substantially the same or better than that which can be produced on the date construction of

the improvement commenced and no secondhand or used materials (except for used brick) shall be utilized in the construction of improvements on any lot within the Subdivision, unless the Committee shall expressly approve in writing the proposed use of used construction materials.

(c) Activity. No commercial activity of any nature shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood in the opinion of the Association. No part of said Properties shall be used for the commercial treatment of any contagious or infectious disease, or for the storage of any debilitating substance.

(d) Toilets. No outdoor toilets which service a dwelling shall be placed on any Lot except as required by the City of Corpus Christi during the construction of a residential structure (which shall not prohibit toilets in swimming pool houses and like facilities).

(e) Mineral Exploration. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

(f) Signs. No sign of any kind shall be displayed to the public view except one professional sign of not more than five (5) square feet advertising the property for sale (which is intended to prohibit the use of "sold" signs), or signs used by a builder to advertise their property during the construction and initial sales period, except for Builder's Model Homes, which shall be allowed to have one (1) four foot (4') by four foot (4') sign in front of each Model Home.

(g) Temporary Structures and Outbuilding Apartments. No structure of a temporary nature shall be erected or placed upon any Lot, nor shall any trailer, basement, tent, shack, garage or dwelling, either temporarily or permanently, except as otherwise specifically approved herein. Garages and outbuildings that are appurtenant to a residence may be erected on each Lot upon which a main dwelling has been erected. No garage or outbuilding apartments for rental purposes are permitted on any Lot. All living quarters on any Lot must only be for the bona fide use of the Owner's or occupant's immediate family or servants.

(h) Parking. House trailers, boats, buses, trucks or any vehicle other than a conventional automobile shall be parked within the enclosed garage of such Lot, unless otherwise specifically approved in writing by the Committee. No extensive work on motor vehicles, boats, or machines of any kind shall be permitted outdoors in the subject Subdivision, except as and where approved by the Committee.

(i) Garbage Disposal and Dumping. Dumpsters are absolutely prohibited from being placed on the Properties except during the construction of a residential structure and then only on the lot where construction is being done. Garbage shall be kept in sanitary containers and such containers shall be kept in a clean and sanitary condition. Underground garbage can holders or other devices (designed to prevent unsightly cans being seen from the Street or Common Area) must be approved by the Committee. No trash cans or garbage cans shall at any time or times be permitted to remain on the Street or Common Area, or on the Lots forward of the building line (whether front or back) so that same may be seen by a person using any Street, Common Area, or landscaped easement area in the Subdivision, except for a reasonable period of time (in any event not to exceed twelve (12) hours before and after scheduled trash collection hours) for trash collection purposes. The Association shall have the right and power to determine whether garbage disposal in the Subdivision shall be through public authority or through private garbage disposal service. No Lot shall be used or maintained as a dumping ground for rubbish or trash.

(j) T.V. Aerials. All radio, television or other aerials, satellite receivers or guy wires shall be installed and maintained so as not to be visible from the Street or Common Area. Furthermore, no "ham" radio or "citizens band" antenna (or any other antenna which may interfere with "air-type" reception of other Owners) shall be permitted or allowed in the Properties, unless otherwise previously approved, in writing, by the Committee.

(k) Clothesline. No clotheslines may be placed where they would be visible from the Street or Common Area. Such clotheslines must be enclosed by a hedge or other type screening enclosure as may be approved by the Committee as a part of the plans for the improvements to be located on the Lot.

(l) Animals. No insects, reptiles, poultry or animals of any kind, other than pets of reasonable kind and number ordinarily kept in residential subdivisions, may be kept on any part of the Subdivision. No pets may be kept or bred for commercial or business purposes nor shall they be allowed to run at large within the Subdivision. Should ordinary household pets become a nuisance in the opinion of the Board, they must be removed from the Subdivision.

(m) Utilities and Easements. Except for special Street lighting or other aerial facilities which may be placed on the Properties by the Association for the benefit of the Properties, no aerial utility facilities of any type (except surface installations necessary to maintain or operate appropriate underground facilities) shall be erected or installed within the Properties, whether upon Lots, easements, Streets, Common Areas, or rights-of-way of any type, either by the utility company or any other person or entity, (including but not limited to any person owning or acquiring any part of the Properties). All utility service facilities (including but not limited to water, sewer, gas, cable T.V. (if any), electricity and telephone) shall be buried underground, under recreational easements, Common Area, streets, or utility easement areas for the purpose of serving any structure located on any part of the Properties. All surface installations necessary to maintain or operate appropriate underground facilities, equipment, air conditioning compressors and similar items must be visually screened and located in areas designated by the Committee. No structure of any type whatsoever may be erected in any easement area depicted on the subject plat (with the exception of approved perimeter walls and/or fences), and the holders of such easements shall have the right of ingress and egress for the purpose of using and maintaining same.

(n) Window or Wall Air Conditioner Units. No window or wall type air conditioners shall be permitted to be used, placed or maintained on or in any building or in any part of the Properties, without the prior written consent of the Committee.

(o) Further Subdivision. No Lot shall be further subdivided and separated into smaller Lots, and no portion less than all of any such Lot, nor any easement or other interest therein, shall be conveyed or transferred; provided that this provision shall not prohibit deeds of correction, deeds to resolve boundary line disputes and similar corrective instruments, and provided further that this shall not be applicable to Common Areas.

(p) Upkeep. The Owner of each Lot in said Subdivision shall be responsible for the proper maintenance and upkeep of such Lot and improvements thereon. Such Owner shall keep any weeds on such Lot neatly mowed, and shall not permit the accumulation of trash, rubbish, deteriorating improvements or other unsightly articles on said Lot or the abutting easements or Streets. The area between the pavement and the Lot line shall also be kept and maintained by the Owner of the abutting Lot. Each Owner shall, at his sole cost and expense, repair his residence and all other improvements located on such Lot, keeping the same in a condition comparable to the condition of such improvements at the time of initial construction, excepting only reasonable wear and tear. In the event an Owner of a Lot shall fail to maintain the Lot, or improvements thereon (including but not limited to the completion of construction thereof), and the landscaping thereon, the Association, after approval by two-thirds vote of the Board, and after thirty (30) days written notice to the Owner, shall have the right, but not the obligation, through its agents, employees, or designees to enter upon said Lot and to repair, maintain, and restore the Lot, and/or improvements thereon, and landscaping thereon. The sums expended by the Association to repair, maintain, and restore a Lot, and/or improvements thereon, shall be added to, and become part of, the assessment of which such Lot is subject and said cost shall be a lien upon said Lot, with the same force, effect and enforcement mechanisms as the liens for other assessments as provided in this Declaration, or the Master Declaration.

Section 2. Size, Design and Placement of Improvements.

(a) Facing. The main dwelling on each Lot shall be constructed to face the Street upon which such Lot fronts as determined by the ACC.

(b) Height and Floor Area Limitations. No building shall be permitted on any Lot unless it complies with the following:

(1) No dwelling, garage or appurtenant building shall exceed two (2) stories in height.

(2) For all of the Lots in WOOD RIVER Unit 14B, the enclosed air conditioned ground floor area of the main dwelling of any one-story residence, exclusive of porches, garages (whether attached or detached), patios, breeze ways or other appendages, shall contain a minimum of eighteen hundred (1,800) square feet.

(3) For all of the Lots in WOOD RIVER Unit 14B, the enclosed air conditioned ground floor area of the main dwelling of any two-story residence, exclusive of porches, garages (whether attached or detached), patios, breeze ways or other appendages, shall contain a minimum of one thousand two hundred (1,200) square feet or 65% of the total square footage of the house, whichever is greater, and the total square footage of such dwelling shall be not less than eighteen hundred (1,800) square feet.

(c) Exterior Walls. Unless prior written approval of a variance is given by the Committee, the exterior walls of each dwelling shall be not less than fifty-one percent (51%) brick veneer on the ground floor. In computing this percentage, all door and window openings and gables shall be excluded from the required area. The percentage brick veneer exterior wall provision shall apply to the main dwelling. On the remaining portions of the exterior walls, surface areas of the main structure and on any outbuildings, except greenhouses, the material used must be in keeping with the general architectural design of the buildings. No asbestos may be used. Metal buildings, siding, trim or other metal on the exterior of the building are prohibited, unless otherwise approved by the Committee. Installation of all types of exterior items such as address numbers or external ornamentation, lights, mail chutes and exterior paint or stain shall be subject to the prior approval of the Committee.

(d) Roof. Roofs may only be of wood, tile, fiberglass or composition materials, but if fiberglass or composition materials are used, same may not be less than two hundred ninety (290) pound dimension type asphalt or fiberglass shingles. Metal and/or built-up roofs are prohibited unless approved by the Committee.

(e) Foundations. On all main buildings and on all out-buildings, either attached or detached, unless otherwise approved by the Committee, all foundations must be slab-on-grade (of concrete) and must be fully enclosed at the perimeter. Such foundations must be designed by a professional engineer expert in foundation design, in accordance with the most recent criteria established by the Builders Research and Advisory Board (B.R.A.B.) or Post Tension Institute (P.T.I.) or other comparable standard designated by the committee. Each owner shall bear full risk and responsibility for the design of the slab and such slab's suitability in connection with the particular soil conditions then existing, and each owner hereby waives any and all rights and claims against the Association and Declarant with respect to the soil conditions. The U14B-ACC, in requiring the submission of engineered foundation plans, assumes no responsibility for the suitability, efficacy or appropriateness of the particular design submitted. The purpose in requiring the submission of engineered plans is to insure that the foundation design has been done by a professional who will be responsible for the design proposed.

(f) Fences or Perimeter Walls. No fence, perimeter wall or hedge shall be erected, placed, altered or maintained on any Lot nearer to the front Lot line nor the side Lot line in the case of a corner Lot than the minimum building setback line shown on the recorded plat of the Properties, or in any event, forward of the front wall line of the main dwelling. No fence shall be constructed higher than six feet (6') (unless otherwise approved by the Committee) and shall be subject to approval by the Committee. Chain link, hurricane, and like fences are prohibited. In the event a contiguous lot is purchased and used for purposes other than building a primary residence, the non-residence lot must be fenced as depicted in Exhibits "B" and "C" attached to and make a part of these Declarations of Covenants and Restrictions.

With respect to all Lots in Wood River Unit 14B, the rear fence shall be built on the rear property line, as such rear property lines are depicted on the Plat of Wood River Unit 14B attached to these Declarations as Exhibit "A".

(g) Building Lines. No building, fence or wall shall be constructed on any Lot(s) in said Subdivision nearer the front Lot line than the setback line nor the side Lot line in the case of a corner Lot shown on the plat of the Properties, nor further away from the front Lot line than the Committee determines to be in harmony with existing buildings in the immediate vicinity. No portion of any main building shall be constructed nearer than six feet (6') to any interior Lot line. The side building lines for all corner lots shall be as indicated on the plat of said Subdivision. No building shall be constructed on any Lot nearer to the side Lot line than the distance herein specified.

(h) Detached Building Locations. Any garage, servants quarters or any outbuilding of any kind detached from the main dwelling shall be located on the rear one-half (1/2) of the Lot, shall be located with reference to the side Lot to conform to the Building Code and Zoning Ordinance of the City of Corpus Christi and shall comply with the rear setback line.

(i) Sight Distances at Intersections. No fence, wall, hedge or shrub which obstructs sight line at elevation shall be placed or permitted to remain on any corner Lot area within the triangular area formed by the Streets, property lines and a line connecting them at points twenty-five feet (25') from the intersection of the Street lines or in the case of a rounded corner, from the intersection of the Street property line extended to intersect. The same sight line limitations shall apply on any Lot within ten feet (10') from the intersection of a Street property line with the edge of a driveway pavement. No trees shall be permitted to remain within the above sight line of each intersection unless the foliage line is maintained at sufficient height to prevent the obstruction of the above sight line.

(j) Garages. No carports shall be allowed. Each Lot must have a detached or attached automobile garage constructed as a part of any dwelling built thereon for a minimum of two (2) conventional automobiles. The garages and any other accessory buildings shall be constructed so that they shall not face the Street or the Common Area, and each garage shall have a "wrap-around" driveway to same, unless such garage is set back a minimum of fifty feet (50') from the curb of the Street so faced. Notwithstanding the preceding restriction concerning garages facing the Street, all Corner Lots which are not served by an alley may have a garage facing the Street on the side of the Lot, which garage need not be set back a minimum of fifty feet (50') from the curb on the Street. All Lots which are adjacent to an alley shall provide for access to the garage only by way of such alley. No garage shall ever be changed, altered, reconstructed or otherwise converted for any purpose inconsistent with the garaging of vehicles.

(k) Landscaping. Weather permitting, each Lot shall be fully landscaped within ninety (90) days from the date the Home located thereon is occupied. In the event of noncompliance herewith, the Association may provide and plant the required landscaping for the account of the Owner of said Lot, and the Association shall be entitled to reimbursement of the amount of any reasonable expenses so incurred (including a reasonable charge for labor) from the Lot Owner for whose account and benefit such maintenance and upkeep was performed. Such cost, together with interest thereon, attorney's fees and other related costs, shall be added to and become a part of the assessment to which each Lot is subject, shall result in a lien therefor, and shall be enforced as provided herein for enforcement of assessment liens. The digging of dirt or removal of any dirt from any Lot or from any portion of the properties is prohibited, except in conjunction with landscaping or construction of improvements thereon.

(l) Tennis courts. No tennis court or related lighting shall be constructed or placed upon any Lot, unless otherwise approved by the ACC.

(m) Swimming Pool Equipment. All pool or pool service equipment shall be located either, (a) in a side yard between the front and rear boundaries of the main dwelling, or (b) in the rear yard directly abutting and adjacent to the main dwelling. In addition, this equipment must be visually screened by a solid masonry wall or wood fence of approved type and construction. On a case by case basis the ACC may allow the Lot Owners to locate the pool deck within fifteen feet (15') of the Common Area at the rear of the Lot; provided however, such equipment must be adjacent to the main dwelling and screened on three (3) sides by a solid masonry wall of the same material as the main dwelling or, if approved by the ACC, by wood fencing. The wall of the main dwelling shall serve as one side of the screening walls. One of the screening walls shall visibly screen the equipment from the Common Area. All screening walls shall be fully landscaped with landscaping of a type, quality and quantity approved by the ACC.

(n) Screening. All service and sanitation facilities must be enclosed within fences, walls, and/or landscaping so as not to be visible from the immediate residential Street or the Common Area. The ACC may, in its reasonable discretion, permit Lot Owners to place additional lattice-work screening or other decorative screening on the subject Lots for the purpose of screening public view of hot-tubs, sun bathing areas, servicing equipment, etc.

(o) Pre-Wiring for Security System. Each dwelling shall include the installation of the wiring necessary to connect the subject residential structure to a centralized Security System, and shall include "pre-wiring" and "trimout" for all "movable openings." Twelve (12) conductor wires shall be installed next to light switches at the front door and at the door between the garage and living area. All wires shall run to a central location to be determined by the builder and/or architect (and designated on the plans and specifications) for possible future installation of a central security panel. A telephone wire must be installed to the central panel location.

THE MASTER DECLARATION SHALL, FOR PURPOSES OF APPLICATION TO THE ABOVE DESCRIBED PROPERTIES, BE AMENDED BY DELETING ARTICLE XII AND BE AMENDED BY ADDING THE FOLLOWING:

ARTICLE IX

Association Powers and Responsibilities

Section 1. Powers. The business of the Association shall be conducted by its Board of Trustees ("Board"). The Association shall have the power and authority to do the following:

- (a) To deal with the Common Area as the Manager thereof, except as specifically limited hereby;
- (b) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent owners;
- (c) To enter into contracts with any corporation, firm, person, or other entity for the performance of the various duties imposed on the Association hereunder, and the performance by any such entity shall be deemed the performance of the Association hereunder (including but not limited, to management contract with professional management companies for maintenance of Association properties, contract for refuse collection and contracts for cable or master television service, if any), maintain more than one bank account and, generally, to have all powers necessary or incidental to the operation and management of the Association;
- (d) To make reasonable rules and regulations for the operation of the Association and Common Area, and to amend same from time to time;
- (e) To protect and/or defend the Common Area from loss or damage, by suit or otherwise. To sue or defend it in any court of law and to provide adequate reserves for repairs and replacements;
- (f) To grant easements, rights-of-way, or strips of land, where necessary, for utilities over, on or under the Common Area to serve the Common Area, Lots and/or Homes thereon;
- (g) To determine, in its sole discretion, if it should pay real property ad valorem taxes or other taxes or liens as to Common Area which are assessed against Lot Owners, if any;
- (h) To construe and interpret the provisions of this Declaration only with respect to Members of the Association and not with respect to the U14B-ACC, and its powers, rights and duties. In the absence of an adjudication by a court of competent jurisdiction to the contrary, the Board's construction or interpretation shall be final and binding as to all persons or property benefited or bound by the provisions hereof excepting with respect to those terms and conditions reserved for the U14B-ACC until such time as the powers and rights of the U14B-ACC are transferred or assigned to the Association. Any conflict between any construction or interpretation of the Board or any other person or entity entitled to enforce the provisions hereof shall be resolved in favor of the construction or interpretation of the Board or such other person or entity entitled to enforce the provisions hereof; and
- (i) To indemnify and hold harmless its Board, Officers, Employees and/or Agents from all liability in connection with such capacities.

Section 2. Responsibilities. The Association shall discharge the responsibilities set forth below at such time, and in such manner, as the Board shall deem appropriate. Any such responsibilities undertaken by Declarant on behalf of the Association shall entitle the Declarant to reimbursement from the Association, either at the time of the undertaking, or as soon as funds are available therefor.

(a) **General.** The Association shall govern, operate, control and manage the Lots, Homes and Common Areas within the Subdivision pursuant to the terms and provisions of this Declaration. The Association shall at all times pay the Real Property ad valorem taxes and any other taxes on the Common Area if said taxes are billed to the Association (as distinguished from being billed to the Owners) and shall pay any governmental liens assessed against the Common Area. The Association shall further have the obligation and responsibility for the hiring of certain personnel and for the maintenance, repair, upkeep and replacement of Common Area (including facilities and landscaping thereon).

(b) **Sprinkler System and Landscaping.** The Association shall maintain, repair and replace sprinkler and other systems, including but not limited to pumps, pipes, and sprinkler heads, and landscaping which is installed for the purpose of enhancing the beauty of the development. The foregoing includes paying the cost of water for the systems, where applicable, and the electricity used in connection with the pumps which are part of such systems, where applicable. It is understood that should the applicable governmental authority or its designee make any repairs within such rights-of-way, and such repairs cause damage to the systems or landscaping within such rights-of-way, the cost of the repair and replacement of such landscaping and systems shall be borne solely by the Association, so long as such damages were reasonably necessary for the repairs to be properly made.

(c) **Hike and Bike Trail Sidewalks, and Drainage Easements.** The Association shall maintain hike and bike trail, sidewalks, and areas between the hike and bike trail sidewalks and fences, as well as mowing the drainage easement dedicated to the City of Corpus Christi, as depicted on the Plat of Unit 14B attached in Exhibit "A" to these Declarations. Maintenance of these properties by the Association shall conform with the maintenance of all other easements and common areas operated, controlled or managed by the Association (including landscaping thereon).

Section 3. Lot or Home Upkeep. In the event an Owner of a Lot shall fail to maintain the Lot, or improvements thereon, and the landscaping thereon, the Association, after approval by two-thirds (2/3) vote of the Board, and after thirty (30) days written notice to the Owner, shall have the right, but not the obligation, through its agents, employees, or designees to enter upon said Lot and to repair, maintain, and restore the Lot, and improvements thereon, and landscaping thereon. The sums expended by the Association to repair, maintain, and restore a Lot, and improvements thereon, shall be added to, and become part of, the assessment to which such Lot is subject and said cost shall be a lien upon said Lot, with the same force, effect and enforcement mechanisms as the liens for other assessments as provided in this Declaration. Any lien of the Association for upkeep, maintenance or repair of any lot owned by Declarant shall be inferior and subordinate to any mortgage, vendor's

lien, deed of trust or any other security instrument of any lender made or arising from Declarant's purchase of any of the property in Unit 14B of Wood River.

Section 4. Right to Transfer Functions. In granting any permit, authorization, or approval, as herein provided, the UI4B-ACC, the Wood River ACC or the Board, as appropriate, may impose any conditions or limitations thereon as it shall deem advisable under the circumstances in each case. Upon a merger or consolidation of the Association with another association, the Association's properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another Association may, by operation of law, be added to the Properties, rights, and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the subject Properties together with the covenants and restrictions established upon any other properties as one scheme, subject to the terms, conditions and restrictions set out by this Declaration. No such merger or consolidation, however, shall effect any renovation, change or addition to the Restrictions established by this Declaration, except as provided herein.

ARTICLE X

Insurance

Section 1. Physical Damage Insurance. The Association shall obtain fire and extended coverage insurance for no less than one hundred percent (100%) of the replacement cost (based on insurable value) of the Common Area having an insurable value. The policy shall name as the insured the Association. All hazard insurance proceeds for losses to any Common Area must be used for the repair, replacement or reconstruction of the Common Area.

Section 2. Public Liability Insurance. The Association shall obtain Comprehensive General Liability Insurance with Broad Form Comprehensive General Liability endorsement (this may be included in a multi-peril package if so desired), Directors and Officers Liability Insurance, and Hired Car, Employee Nonowner Automobile Liability Insurance with limits in the amount not less than those limits required as "Underlying Limits of Liability" to purchase an Umbrella Policy. Furthermore, the Association shall purchase an Umbrella Policy protecting the Association, the Board, Officers, Employees and/or Agents of such Association, in a combined single limit amount of not less than ONE MILLION DOLLARS (\$1,000,000.00), or such other comparable insurance as the Association deems desirable. The Association shall also include coverage for individual Owners for occurrences on the Property, except for areas reserved for the exclusive use and occupancy of such Owner. Premiums for Public Liability insurance shall be part of the common expense payable out of annual assessments provided herein. Any insurance policy obtained pursuant to this section shall contain a "severability of interest" clause or endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association or other Owners, and just provide for at least ten (10) days' written notice to the Association before the insurer can cancel or substantially modify it. Each Owner shall be responsible for his own personal liability for areas within the exclusive use and occupancy of such Owner.

Section 3. Limitations on Hazards. Under no circumstances shall an Owner permit or suffer anything to be done or left on the Properties which will increase the insurance rate on the Common Area.

Section 4. Repair or Reconstruction After Fire or Other Casualty.

(a) In the event of any injury or damage to or destruction of any part of the improvements on the Common Area as a result of fire or other casualty covered by insurance, the Association shall arrange for the repair and restoration of the improvements in accordance with the original plans and specifications (except as modified to changed building requirements or conditions), if any, and the Association shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration, in appropriate progress payments.

(b) If such insurance indemnity or proceeds collected shall exceed the total cost of such reconstruction or repair, then unless the contract of insurance or the Bylaws, as existing or as may be hereafter amended, shall specify otherwise, the Association shall retain such excess in the Common Fund.

(c) Where the insurance indemnity is insufficient to cover the cost of reconstruction, and reconstruction is required as provided for herein, the building or reconstruction costs in excess of the insurance proceeds shall be paid by the Association from the Common Fund, and in the event the Common Fund is inadequate to cover such cost, such inadequacy shall be paid for by all Owners by a special assessment in proportion to their respective interests, as set forth in this Declaration.

(d) With respect to the allocation of sums required to be paid within the limits of the deductible portion of insurance policies, the party causing the damage shall be responsible for such deductible amount, whether or not caused by the negligence or fault of such party.

Section 5. Flood Insurance. If any part of the Common Area is in a special flood hazard area (as defined by the Federal Emergency Management Agency) the Association shall maintain a "master" or "blanket" policy of flood insurance, if available, and if not available, the Association shall maintain specific insurance on any building, its contents, or other improvement, if and as available, and the premiums shall be paid as a common expense. The policy shall cover any Common Area buildings and any other common property. The amount of insurance should be at least equal to the lesser of the following:

(a) One hundred percent (100%) of the current replacement cost of all buildings and other insurable property located on the Common Area in the flood hazard area; or

(b) The maximum coverage available for such property under the National Flood Insurance Program.

Section 6. Fidelity Bonds. The Association shall obtain Blanket Fidelity Bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The Association shall require any management agent who handles funds for the Association to also obtain its own Fidelity Bond. Except for fidelity bonds that a management agent obtains for its personnel, all other bonds should name the Association as an obligee and should have their premiums paid as a common expense by the Association. The Fidelity Bond should cover the greater of (1) the maximum funds that will be in the custody of the Association or its management agent at any time while the bond is in force, or (2) an amount at least equal the sum of three (3) months' assessments on all the Properties, plus the Association's reserve funds. In no event shall the amount of the bond ever be less than one and one-half times the insured's estimated annual operating expenses and reserves. The bonds must include a provision that calls for ten (10) days' written notice to the Association before the bond can be canceled or substantially modified for any reason.

Section 7. Other Insurance. The Association shall have the authority to procure whatever other forms or types of insurance it deems desirable.

ARTICLE XI

Condemnation

If all or any part of the Property is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association, with respect only to the Common Area and Common Facilities, and each Owner, with respect to such Owner's Lot(s), shall be entitled to participate in proceedings incident thereto at their respective expense. The Association shall give timely written notice of the existence of such proceeding (which concerns the Common Area or Common Facilities) to all Owners and to all First Mortgagees known to the Association to have an interest in any of the Lots. The expense of participation in such proceedings by the Association shall be borne by the Common Fund. The Association is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for any such taking shall be deposited with the Association and such damages or awards shall be paid into the Common Fund.

ARTICLE XII

No New Association Created

It is the intent of Declarant that under this Annexation Certificate and Declaration of Covenant and Restrictions, that no new Association governing Owner's of Lots in Unit 14B of Wood River be created by its terms. Membership of the Association described in this Annexation Certificate relate to membership in the Association created and provided for in the Master Declaration for Wood River Unit One of Phase One, recorded among the real property records of Nueces County at Volume 1697, Pages 881-916. Upon becoming an Owner of a Lot in Wood River Unit 14B, such Owner shall become a member of the Association, provided under the Master Declaration. No new Association is created by the terms of this Annexation Certificate.

ARTICLE XIII

Duration of Restrictions

The restrictions, conditions, use limitations and covenants herein set forth shall continue and be binding upon Declarant, its successors and assigns, for a period equal to and concurrent with the existence and survival of the Master Association, as provided pursuant to Article XI of the Master Declaration: the covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and be enforceable by Declarant, the Association or the Owner of any land subject to the Declaration or any Supplemental Declaration, their respective legal representatives, heirs, successors, and assigns, for an initial term commencing on the effective date hereof and ending December 31, 2020. During such initial term, the covenants and restrictions contained in all Articles hereof may be changed or terminated only by an instrument signed by the then Owners of all Lots in the Subdivision and properly recorded in the appropriate records of Nueces County, Texas. Upon the expiration of such initial term, all of the covenants and restrictions of this Declaration (as changed, if changed), shall be automatically extended for successive periods of ten (10) years. During such ten (10) year extension periods, the covenants and restrictions contained in all Articles hereof may be changed or terminated only by an instrument signed by the then Owners of not less than sixty-six and two-thirds percent (66-2/3%) of all the Lots in the Subdivision and properly recorded in the appropriate records of Nueces County, Texas.

ARTICLE XIV

Right to Enforce

The restrictions herein set forth shall be binding upon Declarant, its successors and assigns, and all parties claiming by, through, or under them and all subsequent owners of property in said Subdivision, each of whom shall be obligated and bound to observe the terms of this instrument; provided, however, that no such persons shall be liable except with respect to breaches committed during his or their ownership of said property. The violation of any term or provision of this instrument shall not operate to invalidate any mortgage, deed of trust, or other lien acquired and held in good faith against any Lot or any part thereof, but such liens may be enforced as against any and all Lots covered thereby, subject, nevertheless, to the terms of this instrument. The Association, Declarant, or the Owners of any Lot or Lots in said Subdivision shall have the right to enforce observance or performance of the provisions of this instrument. If any person violates or attempts to violate any term or provision of this instrument, it shall be lawful for any person owning any Lot in said Subdivision or the Association to prosecute proceedings at law or in equity against the person violating or attempting to violate any term or

provision of this instrument, in order to accomplish any one or more of the following: to prevent him or them from so doing, to correct such violation; to recover damages; or, to obtain such other relief for such violation as then may be legally available. In the event any party seeking to enforce these Restrictive Covenants incurs any reasonable attorney's fees or expenses for enforcement hereof against a defaulting party, the party in default agrees and covenants to pay and be liable for all such expenses and attorney's fees so incurred.

ARTICLE XV

Severability

Invalidation of any of the terms, provisions or covenants contained in this instrument by judgment or court order shall not in any way affect any of the other terms, provisions or covenants set forth in this instrument, which shall remain in full force and effect.

ARTICLE XVI

Amendment

This Declaration of Covenants and Restrictions may be amended at any time by consent of not less than seventy-five percent (75%) of the record owners of fee simple title of all Lots in said Subdivision, as such record ownership is reflected by the records of the County Clerk of Nueces County, Texas.

ARTICLE XVII

Conflicts Between Resolutions of Master Declaration and This Declaration Resolved in Favor of Terms of This Declaration

To the extent that any terms of this Declaration of Covenants and Restrictions and those of the Master Declarations appearing in the real property records of Nueces County at Volume 1697, Pages 881-916, are in conflict, the terms of these Declarations shall be followed. This specifically includes, but is not limited to, any and all conflicts between powers of the Association, the Architectural Control Committee established under these Declarations, as well as requirements set out in these Declarations regarding building and use restrictions, Article VIII, above, which shall be controlled by the terms of this Declaration to the exclusion of the terms of the Master Declaration.

ARTICLE XVIII

Regulator Requirements

Notwithstanding anything contained herein to the contrary, Declarant hereby reserves the right to amend these Declarations, without the necessity of joining any Owner, Mortgagee or the Association under the Master Declaration, for the sole and limited purpose of amending these Declarations to meet any requirement of the FHA, VA, the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA"), the Government National Mortgage Association ("GNMA"), or the Office of Interstate Land Sales Registration ("OILSR"), and each Owner, by accepting conveyance of any Lot or Living Unit subject to this Declaration does hereby grant to Declarant a specific irrevocable power of attorney, which power is coupled with an interest, to executed and file for record any such amendments to this Declaration as may hereafter be necessary to meet the requirements of the said FHA, VA, FHLMC, FNMA, GNMA, or OILSR. Any such amendment in order to comply with requirements of the FHA, VA, FHLMC, FNMA, GNMA or OILSR shall be effective as of the date any such amendment is filed of record among the real property records of Nueces County.

ARTICLE XIX

Lienholder Ratification and Protection

Section 1. Ratification. The owner and holder (whether one or more) of the only liens(s) covering the Properties has executed this Declaration to evidence its joinder in, consent to, ratification of and subordination (except to the liens created herein) to the imposition of the foregoing Restrictions. No violation of any of these Restrictions shall defeat or render invalid the lien of any mortgage made in good faith and for value upon any portion of the Properties; providing however, that any mortgagee in actual possession, or any purchaser at any mortgagee's foreclosure sale, shall be bound by and subject to these Restrictions as fully as any other Owner of any Portion of the Properties.

Section 2. Notices. Notwithstanding anything contained herein to the contrary, upon written request, the holder, insurer or guarantor of a mortgage on any Lot shall be given written notice by the Association, (provided such holder, insurer or guarantor has furnished the Association with written notice of its name, address, and the property securing same) of any one or more of the following:

(a) Any condemnation or casualty loss that affects either a material portion of the Properties or the Lot securing its mortgage;

(b) Any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any Lot on which it holds the mortgage;

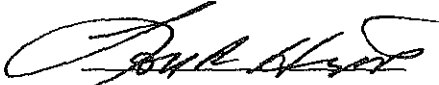
(c) A lapse, cancellation or material modification of any insurance policy or Fidelity Bond maintained by the Association; and

(d) Any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

Section 3. Mortgage Payment of Taxes, Insurance and Other Charges.

The first mortgagees of Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such Common Area, and the mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

Dated this 23 day of April, 1998.



Lon R. Hipp, Vice-President
Premier Planning & Development Corp.

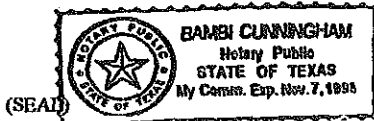
Barry L. O'Neal, President
Wood River Community Association

The State of Texas §

County of Nueces §

BEFORE ME, the undersigned authority, on this day personally appeared Lon R. Hipp, Vice-President of Premier Planning & Development Corp., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated therein and as the act and deed of said corporation.

GIVEN under my hand and seal of office, this the 23 day of April, 1998.



Bambi Cunningham
Notary Public in and for the State of Texas

The State of Texas §

County of Nueces §

BEFORE ME, the undersigned authority, on this day personally appeared Barry L. O'Neal, President of the Wood River Community Association, Inc. a Texas Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated therein and as the act and deed of said corporation.

GIVEN under my hand and seal of office, this the ___ day of _____, 1998.

Notary Public in and for the State of Texas

(SEAL)

Lienholder Ratification:

Wayne C. Meyer
Wayne C. Meyer
Senior Lending Officer
American Bank, N.A.

The State of Texas §

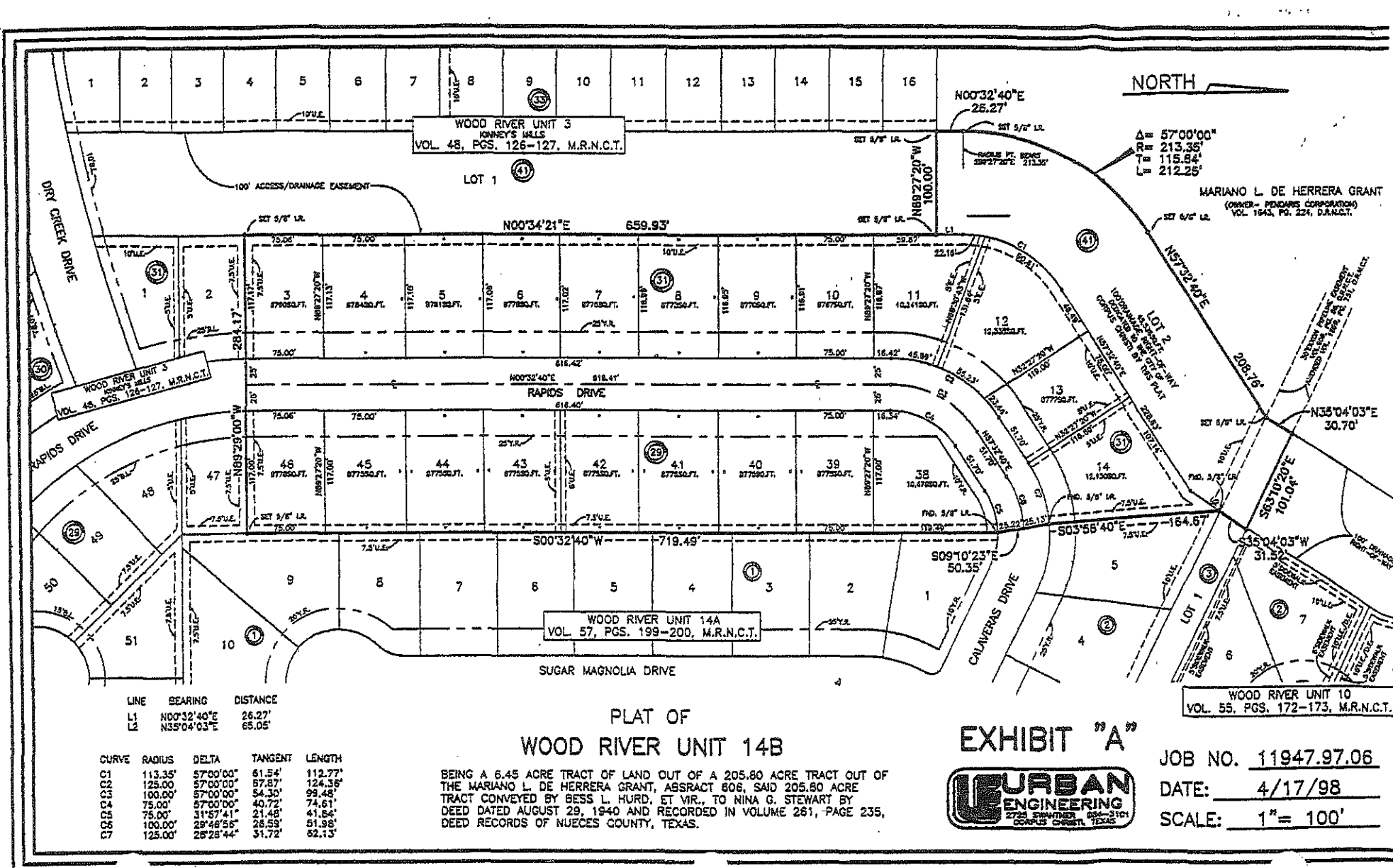
County of Nueces §

BEFORE ME, the undersigned authority, on this day personally appeared Wayne C. Meyer, Senior Lending officer of American Bank, N.A., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated therein and as the act and deed of said corporation.

GIVEN under my hand and seal of office, this the 23 day of April, 1998.



Bambi Cunningham
Notary Public in and for the State of Texas



WOOD RIVER UNIT 3
KINNEY'S HILLS
VOL. 48, PGS. 126-127, M.R.N.C.T.

LOT 1

WOOD RIVER UNIT 3
KINNEY'S HILLS
VOL. 48, PGS. 126-127, M.R.N.C.T.

WOOD RIVER UNIT 14A
VOL. 57, PGS. 199-200, M.R.N.C.T.

MARIANO L. DE HERRERA GRANT
(OWNER - PENDARE CORPORATION)
VOL. 1943, PG. 224, D.R.N.C.T.

WOOD RIVER UNIT 10
VOL. 55, PGS. 172-173, M.R.N.C.T.

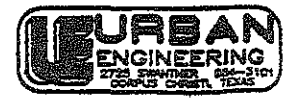
LINE	BEARING	DISTANCE
L1	N00°32'40"E	26.27'
L2	N35°04'03"E	65.05'

PLAT OF
WOOD RIVER UNIT 14B

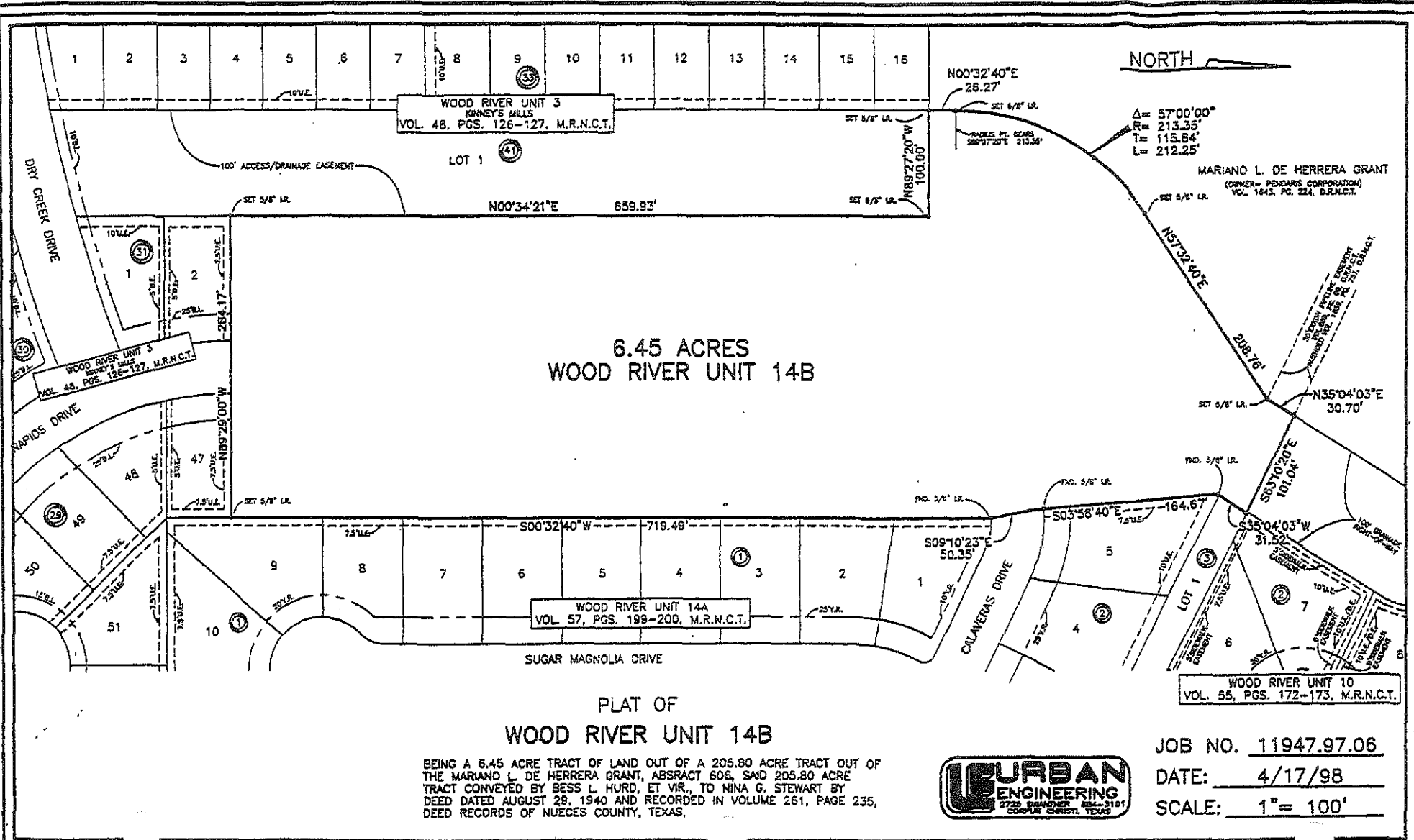
EXHIBIT "A"

CURVE	RADIUS	DELTA	TANGENT	LENGTH
C1	113.35'	57°00'00"	61.54'	112.77'
C2	125.00'	57°00'00"	57.87'	124.35'
C3	100.00'	57°00'00"	54.30'	99.48'
C4	75.00'	57°00'00"	40.72'	74.61'
C5	75.00'	31°57'41"	21.45'	41.84'
C6	180.00'	29°48'58"	28.55'	51.88'
C7	125.00'	28°29'44"	31.72'	62.13'

BEING A 6.45 ACRE TRACT OF LAND OUT OF A 205.80 ACRE TRACT OUT OF THE MARIANO L. DE HERRERA GRANT, ABSTRACT 806, SAID 205.80 ACRE TRACT CONVEYED BY BESS L. HURD, ET VIR., TO NINA G. STEWART BY DEED DATED AUGUST 29, 1940 AND RECORDED IN VOLUME 261, PAGE 235, DEED RECORDS OF NUECES COUNTY, TEXAS.



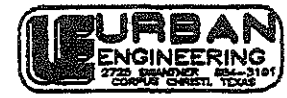
JOB NO. 11947.97.06
DATE: 4/17/98
SCALE: 1" = 100'



6.45 ACRES
WOOD RIVER UNIT 14B

PLAT OF
WOOD RIVER UNIT 14B

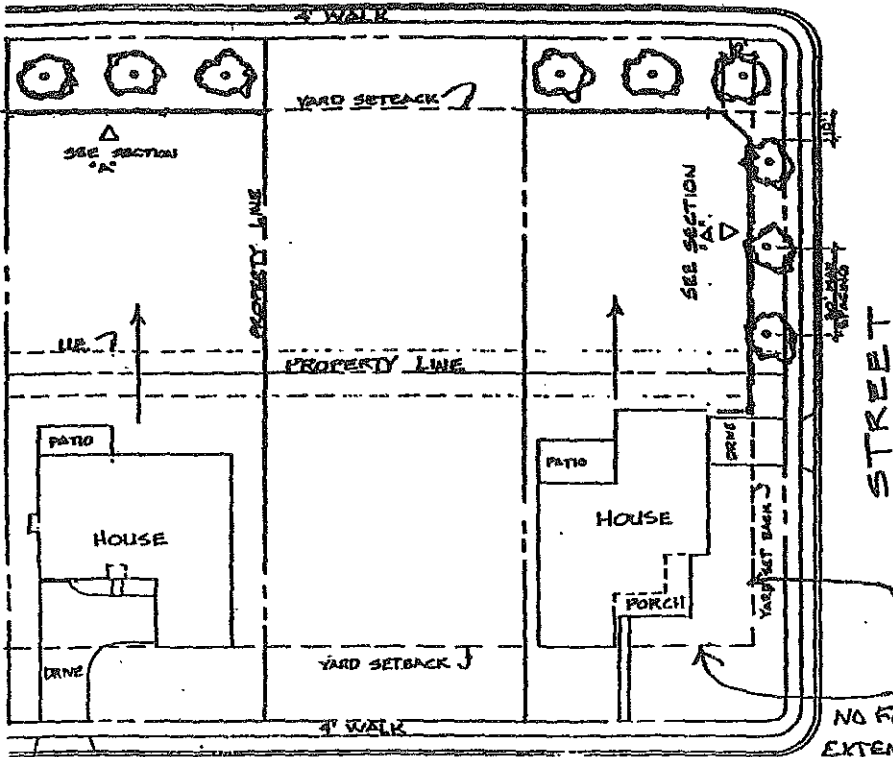
BEING A 6.45 ACRE TRACT OF LAND OUT OF A 205.80 ACRE TRACT OUT OF THE MARIANO L. DE HERRERA GRANT, ABSTRACT 606, SAID 205.80 ACRE TRACT CONVEYED BY BESS L. HURD, ET VIR., TO NINA G. STEWART BY DEED DATED AUGUST 28, 1940 AND RECORDED IN VOLUME 261, PAGE 235, DEED RECORDS OF NUECES COUNTY, TEXAS.



JOB NO. 11947.97.06
DATE: 4/17/98
SCALE: 1" = 100'

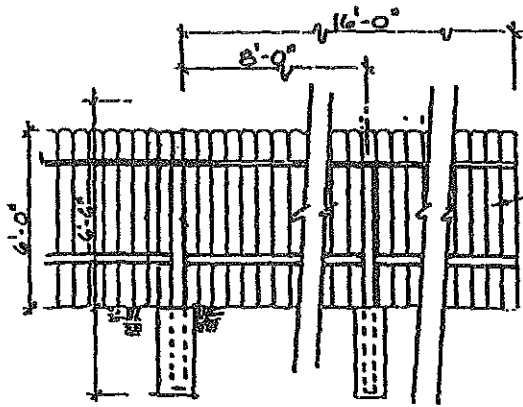
EXHIBIT "B"

STREET



NO FENCE SHALL EXTEND BEYOND THE FRONT OR SIDE YARD LINE.

STREET



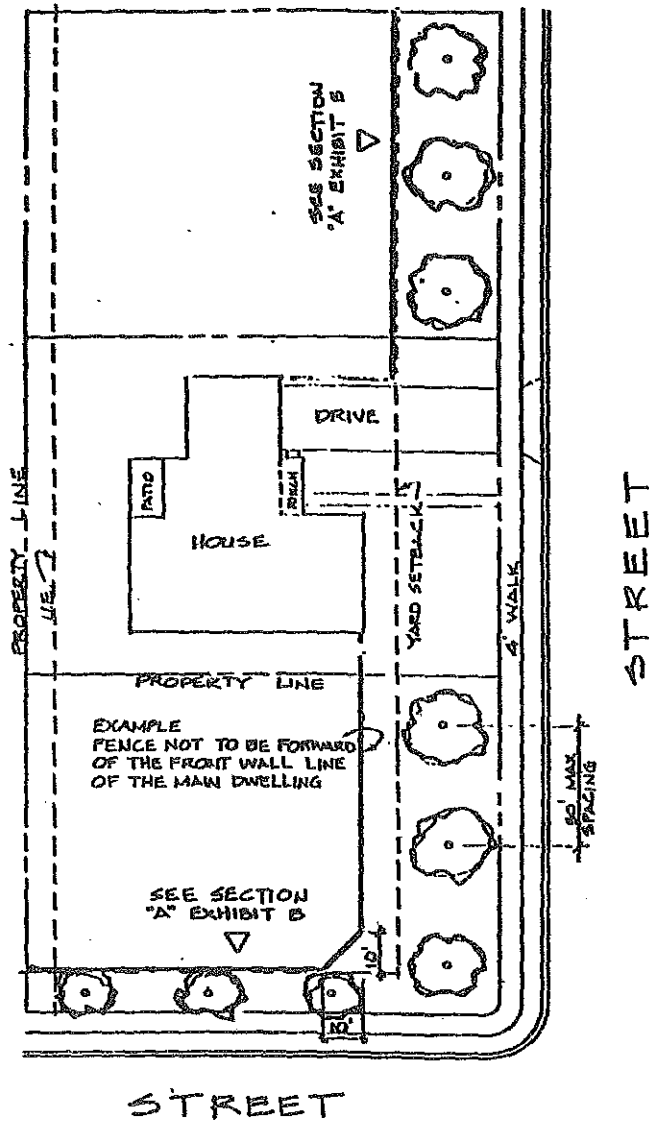
PLANS MUST BE SUBMITTED TO THE ACC FOR APPROVAL PRIOR TO START OF CONSTRUCTION.

CEDAR PICKET FENCE TO BE NAILED ON STREET SIDE HEIGHT TO BE 6'

FENCE MUST TIE INTO HOUSE IF HOUSE IS ADJACENT TO LOT OR AT CORNER LOT

SECTION "A"

EXHIBIT "C"



Three inch (3") caliper trees to be planted on each lot with spacing not to exceed thirty feet (30') on center.