

**The Hills of Shady Grove Subdivision
Restrictions and Protective Covenants
Amended October 26, 2025**

The Hills of Shady Grove Property Owners Association (SGPOA) determined that the subdivision restrictions previously adopted by the SGPOA in May 27, 2010, need amendment and therefore held a meeting of the property owners on October 26, 2025 for the special purpose of amending the restrictions that were filed in Document #201004731 of the Official Public Records of Burnet County Texas, amended the former restrictions by the required votes and hereby files this amended restrictive and protective covenants in its place.

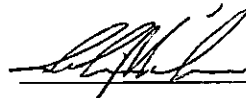
Declarant: Josh Milam, President, SGPOA
Declarant Address: 207 Dawna Len Dr
Burnet, TX 78611

Association: The Hills of Shady Grove Property Owners
Association (SGPOA), a Texas Non-Profit
Corporation.
207 Dawna Len Dr
Burnet, TX 78611

Property: Section 1-9 of the Hills of Shady Grove Subdivision

Amendment: **H. Remedial Rights**
1. Late Charges.

A late charge will be assessed at \$35.00 per month/each month for dues not paid before February 1. This fine will be charged every month until both the annual dues and all monthly fines are paid.



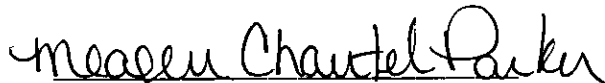
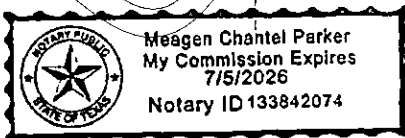
Josh Milam
President of the
Hills of Shady Grove
Subdivision

STATE OF TEXAS

COUNTY OF BURNET


BEFORE ME, on this day personally appeared Josh Milam, the President of the Hills of Shady Grove Property Owner's Association, Inc. known by me to be the person whose name subscribed the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and, in the capacity, therein and herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 17 day of November, 2025.

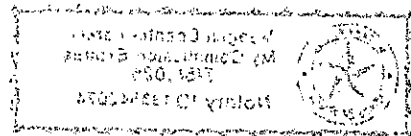

Notary Public for the State of Texas

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS 202511656

AMD Fee: \$25.00
11/18/2025 10:28 AM

Vicinta Stafford 

Vicinta Stafford, County Clerk
Burnet County, Texas





The Hills of Shady Grove Subdivision
Restrictions and Protective Covenants
Amended October 16, 2022

The Hills of Shady Grove Property Owner's Association (SGPOA) determined that the subdivision restrictions previously adopted by the SGPOA in May 27, 2010, need amendment and thereon held a meeting of the property owners on October 16, 2022 for the special purpose of amending the restrictions that were filed in Document #201004731 of the Official Public Records of Burnet County Texas, amended the former restrictions by the required votes and hereby files this amended restrictive and protective covenants in its place

Declarant : Ronald Champion, President, SGPOA
Declarants Address: 214 Dawna Len Dr
Burnet, TX 78611

Association : The Hills of Shady Grove Property Owners
Association (SGPOA), a Texas Non-Profit
Corporation
214 Dawna Len Dr
Burnet, TX 78611

Property : Section 1-9 of The Hills of Shady Grove Subdivision

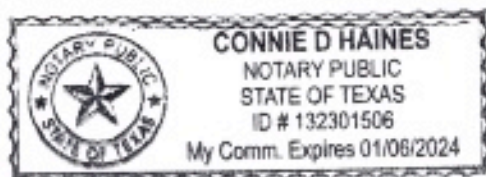
Amendment: **C. Use and Activity**
2. Prohibited Activities
I the renting of all or a portion of a
residence or structure is Prohibited,

Ronald Champion
President of The
Hills of Shady Grove
Subdivision

STATE OF TEXAS

COUNTY OF BURNET

BEFORE ME, on this day personally appeared Ronald Champion, the President of The Hills of Shady Grove Property Owner's Association, Inc. known by me to be the person whose names subscribed the foregoing instrument, and acknowledged to me the he executed the same for purposes and consideration therein expressed and in the capacity therein and herein stated, and as the act and deed of said corporation.
Given under my hand and seal of office, this 20 day of October, 2022.


Notary Public for the State of Texas



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Janet Parker

Janet Parker, County Clerk

Burnet County Texas

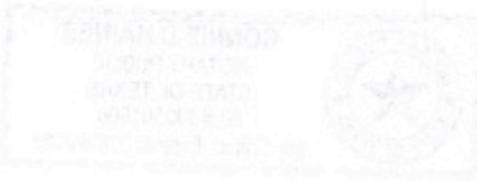
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RES

STATE OF TEXAS
COUNTY OF BURNET





**THE HILLS OF SHADY GROVE SUBDIVISION
RESTRICTIONS AND PROTECTIVE COVENANTS
AMENDED MAY 27, 2010**

SCANNED

The Hills of Shady Grove Property Owner's Association ("SGPOA") determined that the subdivision restrictions previously adopted by the SGPOA in May 2007, need amendment and thereon held a meeting of the property owners on May 27, 2010 for the special purpose of amending the restrictions that were filed in Document #0706048 of the Official Public Records of Burnet County Texas, amended the former restrictions by the required votes and hereby files these amended restrictive and protective covenants in its place

Declarant: Holly Mulhollan, Secretary, SGPOA

Declarant's Address: c/o Suzanne Wideman
300 Alexander
Burnet, TX 78611

Association: The Hills of Shady Grove Property Owners' Association
("SGPOA"), a Texas Non-Profit Corporation
1001 Buchanan Drive
Burnet, TX 78611

Property: Section 1-9 of the Hills of Shady Grove Subdivision

Definitions

"ACC" means the Architectural Control Committee established in this Declaration

"Assessment" means any amount due to the Association by an Owner or levied against an Owner by the SGPOA under this Declaration

"Board" means the Board of Directors of the SGPOA

"Bylaws" means the Bylaws of the Association adopted by the Board

"Common Area" means all property within the Subdivision not designated as a Lot on the plat and that has not been accepted for maintenance by the applicable governmental body. The Developer will convey the Common Areas to the Association as determined and agreed by the Developer and the SGPOA Board

"Declarant" means the SGPOA

"Developer" means the Stehling Ways & Mean, Inc and any assigns or successors in interest

“Easements” means Easements within the Property for utilities, drainage and other purposes as shown on the Plat or of record.

“Governing Documents” means this Declaration and the Certificate of Formation, Bylaws, rules of the SGPOA and standards of the ACC, as amended

“Lot” means each tract of land designated as a lot on the Plat, excluding lots that are a part of the Common Area.

“Member” means Owner of a Lot, including the Developer

“Plat” means the Plat of the Property recorded in the Plat Records of Burnet County Texas or the Official Public Records of Burnet County Texas

“Residence” means a detached building designed for and used as a dwelling by a Single Family and constructed on one or more Lots and includes garages, guest houses and/or servants quarters

“Single Family” means a group of individuals related by blood, adoption or marriage or a number of unrelated roommates not exceeding the number of bedrooms in a Residence

“Structure” means any improvement on a Lot (other than a Residence), including a sidewalk, driveway, fence, wall, tennis court, swimming pool, outbuilding, or recreational equipment

“Subdivision” means the Property covered by the Plat and any additional property made subject to this Declaration

“Vehicle” means any automobile, truck, motorcycle, boat, trailer, or other wheeled conveyance, whether self-propelled or towed

Clauses and Covenants

A. Imposition of Covenants

1 By action of the Owners of the SGPOA at a duly noticed and called meeting, and passed by sufficient votes as required by the previously existing Restrictions and Protective Covenants, the SGPOA imposes these Restrictions and Protective Covenants on the Subdivision. All Owners and other occupants of the Lots by their acceptance of their deeds, leases or occupancy of any Lot agree that the Subdivision is subject to these Restrictions and Protective Covenants

2 These Restrictions and Protective Covenants are necessary and desirable to establish a uniform plan for the development and use of the Subdivision for the benefit of all Owners. The Restrictions and Protective Covenants run with the land and bind all Owners, occupants and any other person holding an interest in a Lot.

3 Each Owner and occupant of a Lot agrees to comply with the Governing Documents and agrees that failure to comply may subject him to a fine, an action for amounts due to the SGPOA, damages or injunctive relief.

B. Plat and Easements

1 The Plat, Easements and all matters shown of record affecting the Property are part of this Declaration and are incorporated by reference. The setback requirements for each Lot shall be as established on the recorded final plat as originally approved by the City of Burnet.

2 An Owner may use that portion of a Lot lying in an Easement for any purpose that does not interfere with the purpose of the Easement or damage any facilities. Owners do not own any utility facilities located in an Easement.

3 Neither the SGPOA nor any Easement Holder is liable for damage to landscaping or a Structure in an Easement.

4 Developer and each Easement holder may install, maintain and connect facilities in the Easements.

C. Use and Activities

1 *Permitted Use* Except for Section 1, Lot 7, each Lot may be used only for an approved Residence and approved Structures for use by a Single Family. Section 1, Lot 7 shall be zoned commercial and shall be utilized only for storage units, storage of boats, motor homes and trailers. Before construction of the above-described storage complex, Developer, or owner of said tract, shall be required to construct a six foot high solid wood or masonry fence to obscure all contents from view of the residential lots and/or the public. Such storage complex shall be accessed from County Road 200.

2 *Prohibited Activities* Prohibited Activities are

- a any activity that is otherwise prohibited by the Governing Documents,
- b any illegal activity,
- c any nuisance or noxious or offensive activity,
- d any dumping of rubbish, trash, debris or garbage;
- e. any storage of
 - i. building materials, except during the construction or renovation of Residence or of a Structure,
 - ii vehicles, unless located in a garage or Structure, or operable automobiles on a driveway, or
 - iii unsightly objects unless completely shielded by a Structure;
- f any exploration for or extraction of minerals,

- g any keeping or raising of animals, livestock or poultry, except for common domesticated household pets, such as dogs and cats, not to exceed three (3) confined to a fenced yard or within the Residence and as long as they do not create a nuisance to other residents,
- h any commercial or professional activity except reasonable home office use,
- i the renting of a portion of a Residence or Structure,
- j the drying of clothes in a manner that is visible from any street;
- k the display of any sign except
 - i one, not more than five square feet, advertising the Lot for sale or rent or advertising a garage or yard sale, and
 - ii political signage not prohibited by law or the Governing Documents
- l Installing a mobile home, manufactured home, manufactured housing, motor home, house trailer or any other similar housing on a Lot;
- m. Moving a previously constructed house onto a Lot,
- n Interfering with a drainage pattern without ACC approval,
- o Hunting and shooting, except to control snake and varmints in accordance with state and/or local laws and regulations,
- p Occupying a Structure that does not comply with the construction standards of a residence, and
- q Builders designated by the Developer may construct model homes to use for business purposes, however such business use shall be limited to the sale of house and home sites owned or under contract to the builder and/or the Developer

D Construction and Maintenance Standards

1 Lots

- a. *Consolidation of Lots* An Owner of adjoining Lots, with ACC approval, may consolidate those Lots into one site for the construction of a Residence. The setback restriction which would otherwise apply to common property lines of such adjoining lots shall not apply and the common lot lines and improvements which otherwise conform to these restrictions may be constructed over such common lot lines in accordance with state and local laws and regulations.
- b *Subdivision Prohibited* No Lot may be further subdivided
- c *Easements* No easement in a Lot may be granted without ACC approval.
- d *Completion* All building exteriors must be completed not later than six months after laying the foundation
- e *Maintenance* Each Owner must keep the Lot, all landscaping, the Residence and all Structures in a neat, well-maintained and attractive condition, including the mowing of lawns and maintaining of shrubbery on a regular basis. Should it be deemed necessary, and after notice to the

Owner, the Board of Directors shall have the authority to contract the work at the expense of the Owner:

2 *Residences and Structures*

- a. *Aesthetic Compatibility* All Residences and Structures must be aesthetically compatible with the Subdivision, as determined by the ACC. All structure footings shall be of concrete construction. The exterior of all residences shall be constructed with a minimum of 75% masonry or brick. For the purposes of these restrictions, masonry shall be considered native stone, brick or stucco. Hardy board or other similar material shall not be considered masonry. In computing the 75% masonry requirement, window and door openings shall be excluded from the total of the first story exterior walls.
- b. *Solar Panels and Collection* All solar panels or other solar collection devices must be constructed as an integral part of the architectural design of any structure and the design and installation thereof is subject to the approval of the ACC.
- c. *Foundation* Exposed foundation height may not exceed 24 inches above grade and be completed prior to being issued a Certificate of Occupancy.
- d. *Required Area* No building other than a single-family residence may be erected in the subdivision. The total area of each Residence, exclusive of porches, breezeways or garages must be as follows:
 - i. Sections 1,2,3,7, 8 & 9 must consist of at least 2000 square feet of living area or a two-story dwelling containing a ground floor living area of not less than 1600 square feet and a total living area of not less than 2,200 square feet.
 - ii. Sections 5 & 6 must consist of at least 2,300 of living area or a two-story dwelling containing a ground floor living area of not less than 1,600 square feet and a total living area of not less than 2,500 square feet.
 - iii. Section 4, Lots 21, 22, 23, 24, 25 and Lot 1, Block 6b and Lot 1, Block 7 must consist of at least 2,000 square feet of living area or a two-story dwelling containing a ground floor living area of not less than 1,600 square feet and a total living area of not less than 2,500 square feet.
 - iv. Section 4, Lot 26 must consist of at least 3,000 square feet of living area.
- e. *Limitations* To protect the view of Lot 25 Section 4, the Residence of Lot 24 Section 4 must be either single level or split level construction and the roof pitch shall not exceed 8/12. These limitations also apply to Lots 2,3,4,5 and 6 of Section 5, Block 7.
- f. *Guest House/Servants Quarters* All plans and specifications for guest houses or servants quarters must be approved as described in Section F.2. and cannot exceed 1,000 square feet of living area. All Guest House/Servants Quarters must be located on the rear 1/3 of any Lot. Because of the size of the house required and contours of Lot 26 Section 4, the guest house or servants quarters may be constructed on either side of

- the primary residence and not necessarily restricted to the rear 1/3 of the Lot. No Guest House/Servant Quarters may be constructed until completion of the permanent residence. Guest Houses and Servant Quarters may be occupied only by domestic employees or guests of the resident of the primary house. No rental of these structures is allowed.
- g. *Location on Lot* No Residence or Structure may be located in violation of the setback lines shown on the Plat. Each Residence must face the front Lot line. All other Structures must be located behind the front wall of the Residence.
 - h. *Subdivision Fence* In the event any noxious, offensive or otherwise undesirable development, building, construction or other activity that is inconsistent with the Development occurs along the outer boundaries of The Hills of Shady Grove Subdivision, a fence may be constructed along the said boundary provided the fence does not exceed eight (8) feet in height and is of an approved material and high quality construction as determined by the SGPOA ACC.
 - i. *Garages* Each Residence must have at least a two-car, enclosed garage accessed by a driveway. The Garage must be a minimum of 22 feet by 22 feet. Carports are not permitted. At the time of submittal of plans to the ACC, a variance may be requested for a detached garage, which may or may not be granted. If granted, the detached garage shall be architecturally similar in design and construction to the primary residence and connected to the primary residence by a breezeway of similar architectural design and construction as the primary residence. The attached and detached garage requirements contained herein are waived for Lot 26 Section 4; all other requirements of this subsection shall apply.
 - j. *Storage Areas, Workshops and Other Structures* Storage areas, workshops and other structures must be site built and of the same or similar material as the residence, meet all setback requirements and be approved by the ACC.
 - k. *Temporary Housing* No motor vehicle, mobile home, camper, recreational vehicle, prefabricated house, manufactured house, tent, shack or garage shall be used as a dwelling either on a temporary basis or a permanent basis. To accommodate guests or for the purpose of routine maintenance, recreational vehicles may be parked in the driveway for no longer than four (4) consecutive nights with a maximum of six (6) total nights per month.
 - l. *Vehicles* Unless otherwise provided for herein, no boats, trailers, trucks, automobiles, or other vehicles shall be stored or kept for the purpose of repair on any Lot except in enclosed garages or storage facilities not visible to other property owners or from the street.
 - m. *Damages or Destroyed Residences and Structures* Any Residence or Structure that is damaged must be repaired within 60 days, unless a variance is granted by the ACC, and the Lot restored to a clean, orderly and attractive condition. Any Residence or Structure that is damaged to

the extent that repairs are not practicable must be demolished and removed within 90 days and the Lot restored to a clean and attractive condition

- n. *Fences, Walls and Hedges* No fence, wall and/or hedge may be located forward of the front wall line of the Residence, except for trellises and decorative fences that are approved by the ACC. Fences, walls and/or hedges on corner Lots must be located equal with or behind the front and side wall line of the Residence. Fences, Walls and Hedges must be of approved quality material and shall not exceed six (6) feet in height, unless inconsistent or contrary to any insurance requirements or city, state or federal laws, regulations or ordinances that may be required for a swimming pool or other feature where fencing may be required. Fences must be maintained to appear similar to their original condition when installed as approved by the ACC
- o *Garbage Cans* Garbage must be stored in a sanitary container and this container can only be on the street side of the house on the date of pickup. At all other times, this container shall be enclosed or kept inside the garage. If enclosed, it shall not be in front of the house and shall be out of sight.
- p *Propane Tanks* Propane tanks shall be buried or fenced so as not to be visible.
- q. *Mailboxes* Mailboxes shall not be constructed as there is a central mailbox system in the subdivision
- r *Antennae* No antenna, satellite dish or associated wires may be installed on the street-side of any structure, unless otherwise approved by the ACC. Small satellite dishes may be attached to the roof and remain as long as they are connected to a service. Only small TV antennas and small satellite dishes may be installed without express written authorization from the ACC. Radio towers are hereby expressly prohibited
- s *Traffic Sight Lines* No landscaping or fencing that obstructs traffic sight lines may be placed on any Lot
- t *Driveways* Only one driveway entrance shall be permitted with the exception of circular driveways. Driveways must be constructed of concrete, asphalt with concrete ribbon curb or other materials approved by the ACC. Natural driveways of loose granite or like material are not permitted
- u *Sidewalks* In conjunction with City Ordinances, a three (3) foot wide sidewalk must be constructed while constructing the driveway next to the existing curb, and connecting with the sidewalks on adjacent Lots, with the exception of where the sidewalks have been waived by the A.D.A. and the City of Burnet
- v *Landscaping* All yards must be landscaped with permanent sod or rockscaped in accordance with standard industry practice. A lawn must be established on all sides of the house facing the street by the Spring following completion of the house through the use of sod, seed or rockscaping. Any side or rear yard not in sight of the street is excluded from these restrictions provided that it is maintained to the City of Burnet

standards and in compliance with the remaining covenants. The ACC may create additional rules necessary to clarify these requirements.

- w *Storage of Recreational Vehicles* Recreational vehicles may be stored on a Lot only after a permanent residence has been built, provided it is in an enclosed structure designed and constructed following the same guidelines as workshops and storage areas described above.

3 *Building Materials for Residences and Structures*

- a *Roofs* Roofing materials must be approved by the ACC and must be of high grade and high quality roofing materials consistent with the exterior design, color and appearance of the improvements in the Subdivision, with a minimum of a thirty (30) year dimensional shingle. Metal roofs may be used but must be of a non-reflectant material. All roof stacks must be painted to match the roof color. Roofs must have a minimum of 7/12 pitch and shall have at least three different elevations or ridgelines facing the front lot line.
- b *Air Conditioning* Window or wall type air conditioners may not be used in a Residence.
- c. *Exterior Walls.* All Residences must have at least 75 percent of their exterior walls, including exposed foundation, of stone, brick or stucco, minus windows and doors, unless otherwise approved by the ACC. Concrete board or hardi-plank may not be used on the front or sides of the house other than eaves and overhangs.
- d. *Exterior Color* All exterior walls, trim and roof colors of a Residence shall be harmonious with surrounding structures in the neighborhood, as approved by the ACC.
- e. *Driveways and Sidewalks* All driveways and sidewalks must be surfaced with concrete, unless otherwise approved by the ACC. Driveways and sidewalks may not be surfaced with dirt, gravel, shell or crushed rock.
- f *Lot Identification* Lot address numbers and name identification must be aesthetically compatible with the Subdivision.

E. Association

- 1 *Establishment and Governance* The SGPOA was incorporated by filing its certificate of formation and is governed by the certificate, Declaration and the Bylaws. The SGPOA has the powers of a nonprofit corporation and a property owners association under the Texas Business Organizations Code, the Texas Property Code and the Governing Documents.
- 2. *Rules* The Board may adopt rules that do not conflict with law or the other Governing Documents. On request, Owners will be provided a copy of any rules.
- 3 *Membership and Voting Rights* Every Owner is a Member of the SGPOA. Membership is appurtenant to and may not be separated from Ownership of a Lot. Members shall have one vote per Lot and each Lot is entitled to only one vote. The Developer shall have one vote for each platted and unsold Lot.

When more than one person is an Owner, each is a Member, but only one vote may be cast for a Lot

F. ACC

1 Establishment

- a *Purpose* The ACC is established as a committee of the SGPOA to assist the SGPOA in assuring that all Residences, Structures and landscaping within the subdivision are aesthetically compatible and conform to the Governing Documents
- b *Members* The ACC consists of at least three members appointed by the Board. The Board may remove or replace an ACC member at any time
- c *Term* ACC members serve until replaced by the Board or they resign
- d *Standards* Subject to Board approval, the ACC may adopt standards that do not conflict with the other Governing Documents to carry out its purpose. On request, Owners will be provided a copy of any standards

2 Plan Review

- a. *Required Review by ACC* No Residence or Structure may be erected on any Lot, or the exterior altered, unless plans, specifications and any other documents requested by the ACC have been submitted to and approved by the ACC. The plans must consist of two (2) sets of-to-scale architectural quality working drawings for each structure showing all four (4) elevations, exterior materials, roofing material color scheme, plot plans and general plan of landscaping, all in the form and detail the ACC may require. Hand-drawn plans shall not be accepted. If any changes to plans affecting the exterior of a structure are to be made after the plans have been approved, new plans showing the changes must be submitted prior to construction. Any addition to a present structure must be designed to complement and/or give the appearance that this addition was a part of the original structure and must be submitted to the ACC for review and approval, prior to construction
- b. *Procedures*
 - i. *Complete Submission* Within 14 days after the submission of plans and specifications by an Owner, the ACC must notify the submitting Owner of any other documents or information required by the ACC. In the absence of timely notice from the ACC requesting additional documents or other information, the submission is deemed complete
 - ii. *Deemed Approved* If the ACC fails to give notice of disapproval of the plans and specifications to the submitting Owner within fourteen days after complete submission, the submitted plans and specifications are deemed approved
- c. *Appeal* An Owner may appeal any action of the ACC to the Board. The appealing Owner must give written notice of the appeal to the Board, and if the appeal is by an Owner who is not the submitting Owner, the appealing Owner must also give written notice to the submitting Owner within ten days after the ACC's action. The Board shall determine the

appeal within fourteen days after timely notice of appeal is given. The determination by the Board is final.

- d. *Records* The ACC will maintain written records of all requests submitted to it and of all actions taken. The Board will maintain records of all appeals, of ACC actions and all determinations made. Any Owner may inspect the records of the ACC and Board, but no Owner may inspect or copy the interior floor plan or security systems design of any other Owner.
- e. *No Liability* The SGPOA, the Board, and the ACC and their members will not be liable to any person submitting requests for approval, disapproval, or failure to approve or disapprove any request.

G. Assessments

- 1. *Authority* The Association may levy Assessments to promote the recreation, health, safety and welfare of the residents in the Subdivision, to fund operating expenses of the Association, and to improve and maintain the Common Areas.
- 2. *Personal Obligation* An Assessment is a personal obligation of each Owner when the Assessment accrues.
- 3. *Creation of Lien* Assessments are secured by a continuing vendor's lien on each Lot, which lien is reserved by the SGPOA and assigned to the Association. By acceptance of a deed to a Lot, each Owner grants the lien, to the Association to secure Assessments.
- 4. *Commencement* A Lot becomes subject to Assessments on conveyance of the Lot by Declarant.
- 5. *Regular Assessments*
 - i. *Rate* Regular Assessments are levied by the Board, annually, to fund the anticipated operating and maintenance expenses of the Association. Until changed by the Board, the Regular Assessment is \$100.00 per Lot, per year.
 - ii. *Changes to Regular Assessments* Regular Assessments may be changed annually by the Board by up to 10% per year. Written notice of the Regular Assessment will be sent to every Owner at least thirty days before its effective date.
 - iii. *Collections* Regular Assessments will be collected annually in advance, payable on the first day of January for the year of the assessments.
- 6. *Special Assessments* In addition to the Regular Assessments, the Board may levy Special Assessments for the purpose of funding the cost of any construction, reconstruction, repair or replacement of any capital improvement of the Common Area or for any other purpose benefiting the Subdivision but requiring funds exceeding those available from the Regular Assessments. Written notice of the terms of the Special Assessment will be sent to every Owner.

- 7 *Approval of Special Assessments* Any Special Assessment must be approved by a majority vote of the votes cast at a meeting of the Members in accordance with the Bylaws.
- 8 *Fines* The Board may levy a fine against an Owner for a violation of the Governing Documents as permitted by law
- 9 *Subordination of Lien to Mortgages* The lien granted and reserved to the Association is subordinate to any lien granted by an Owner against a Lot not prohibited by the Texas Constitution. The foreclosure of a superior lien extinguishes the SGPOA's lien as to Assessments due before the foreclosure.
10. *Delinquent Assessments* Any Assessment not paid within thirty days after it is due is delinquent.

H. Remedial Rights

1. *Late Charges and Interest* A late charge will be assessed for delinquent payments as determined by the Board. In no case shall the late charge be less than 25% of the annual Regular Assessment. Delinquent Assessments and late charge shall accrue interest at the rate equal to the maximum allowable by law per year. The Board may change the late charge and the interest rate.
2. *Costs, Attorneys' Fees and Expenses* The Owner is liable to the SGPOA for all costs and reasonable attorneys' fees incurred by the Association in collecting delinquent Assessments, foreclosing the SGPOA's lien and enforcing the Governing Documents.
3. *Judicial Enforcement* The SGPOA may bring an action against an Owner to collect delinquent Assessments, foreclose the SGPOA's lien or enforce or enjoin a violation of the Governing Documents. An Owner may bring an action against another Owner to enforce or enjoin a violation of the Governing Documents.
4. *Suspension of Voting.* An Owner delinquent in payment of any Assessment may not vote.
5. *Suspension of Other Rights* If an Owner violated the Governing Documents, the SGPOA may suspend the Owner's rights under the Governing Documents in accordance with law until the violation is cured.
6. *Damage to Property* An Owner is liable to the SGPOA for damage to Common Areas caused by the Owner or the Owner's family, guests, agents, independent contractors and invitees, in accordance with law.

I. Common Area

- 1 *Common Areas* The Common Areas shall include the area surrounding the entrance to the subdivision along Shady Grove Road, the landscaped areas located on the four corners of Shady Grove Parkway, Natalie's Point and Alexander Avenue, and when dedicated by the Developer, the Water Quality Pond.

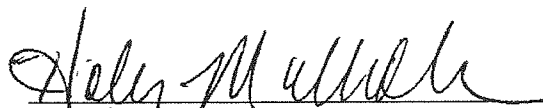
- 2 *Permitted Users* An Owner's right to use and enjoy the Common Area extends to the Owner's family, guests, agents and invitees, subject to the Governing Documents
- 3 *Unauthorized Improvements in Common Area* An Owner may not erect or alter any Structure on, or clear, landscape, or disturb any Common Area except as approved by the Board.
- 4 *Water Quality Pond* The Water Quality Pond shall be dedicated to the POA upon completion of construction by the Developer.
- 5 *Maintenance* The POA shall be responsible for maintaining the Common Areas.

J. **General Provisions**

- 1 *Term* This Declaration runs with the land and is binding in perpetuity
- 2 *No Waiver* Failure by the SGPOA or an Owner to enforce the Governing Documents is not a waiver
3. *Corrections* The Board may correct typographical or grammatical errors, ambiguities or inconsistencies contained in this Declaration, provided that any correction must not impair or affect a vested property right of any Owner.
- 4 *No Warranty of Enforceability* While the SGPOA has no reason to believe that any of the restrictive covenants or other terms and provisions contained in this document are or may be invalid or unenforceable for any reason, or to any extent, the SGPOA makes no warranty or representations as to the present or future validity or enforceability of any such restrictive covenants, terms or provisions and the SGPOA is not liable to any Owner for failure to enforce or obtain a favorable outcome for any other Owner. Nothing contained herein shall be deemed to prevent any Owner from enforcing any covenants or restrictions in his own name.
- 5 *Amendment* This Declaration may be amended at any time by vote of 51% percent of the votes cast in the SGPOA at a meeting in accordance with the Bylaws. An instrument containing the approved amendment will be signed by the SGPOA and recorded
- 6 *Conflict* This Declaration controls over the other Governing Documents
7. *Severability* The provisions of the Declaration are severable. If any provision of this Declaration is invalidated or declared unenforceable, the other provisions remain valid and enforceable
- 8 *Notices* Any notice required or permitted by the Governing Documents must be in writing. To the extent required by law, notices regarding remedial rights must be given by certified mail, return receipt requested. All other notices may be given by regular mail. Notice is deemed delivered (whether actually received or not) when properly deposited with the United Postal Service, addressed to a Member, at the Member's last known address according to the SGPOA's records, and the SGPOA, the Board, the ACC or a managing agent at the SGPOA's principal office or another address designated in a notice to the Members. Unless otherwise

required by law or the Governing Documents, actual notice, however delivered, is sufficient


- 9 *Variances* Variances to these restrictions may be granted by a majority vote of the Board of Directors of the SGPOA (except Restriction C.1., provided however, that the request for such variance is submitted in writing to the Board prior to the property owners violation of such restriction. Each request for variance will be judged on its own merit and circumstances and the approval or disapproval shall not be considered as setting precedence for future requests.
- 10 *Survival of Covenants* Violations of any one or more of these restrictions and/or protective covenants shall in no way affect the enforcement of any of the remaining restrictions and/or covenants herein contained. Violators of these restrictions will be responsible for any and all expenses related to enforcing these restrictions

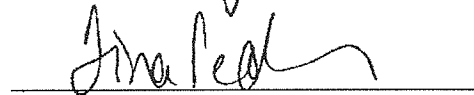

Holly Mulhollan,
Secretary of The Hills of Shady Grove
Subdivision

STATE OF TEXAS §
 §
COUNTY OF BURNET §



BEFORE ME, on this day personally appeared Holly Mulhollan, the Secretary of The Hills of Shady Grove Property Owners' Association, Inc. known by me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed and in the capacity therein and herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 11 day of June, 2010.

 **TINA PEDEN**
Notary Public
STATE OF TEXAS
My Comm Exp 02/28/2011


Notary Public for the State of Texas

After Recording Return to.
Suzanne Wideman
300 Alexander Avenue
Burnet, TX 78611

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
 
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June 15, 2010 11 28 23 AM
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Janet Parker, County Clerk
Burnet County, Texas