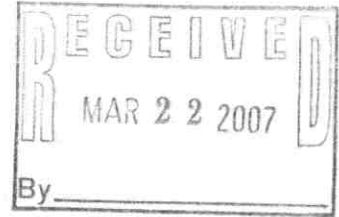




STATE OF TEXAS §
COUNTY OF WILLIAMSON §



**The Lookout Property Owners Association:
Restated Rules and Regulations**

WHEREAS The Declaration of Covenants, Conditions and Restrictions for the Lookout was recorded as document No. 9905134 of the Official Public Records of Williamson County Texas, and the First Amendment and Second Amendment to the Declaration were recorded as document Nos. 9916045 and 199928707, respectively, of the Official Public Records of Williamson County, Texas (cumulatively, with any other amendments, referred to as the "Declaration");

WHEREAS the Declaration, in Section 8.10, authorizes the Board of Directors of The Lookout Property Owners Association to adopt rules and regulations interpreting and supplementing the Declaration;

WHEREAS the Association has adopted and filed of record rules governing the Lookout Park and the Lookout Lake (the "Park & Lake Rules"), filed as document number 2006073929 of the Official Public Records of Williamson County, Texas, and desires to keep the Park & Lake Rules in full force and effect;

WHEREAS the Board has previously adopted and filed the following additional rules and regulations (cumulatively, the "Prior Rules"): (i) Notice to Prospective Purchasers of The Lookout Lots Regarding The Deed Violation Policy filed as document No. 2002062412 of the Official Public Records of Williamson County, Texas; (ii) Resolutions of the Board of Directors Adopting Rules for The Lookout Property Owners Association filed as document No. 2003093548 of the Official Public Records of Williamson County, Texas; and (iii) The Lookout Property Owners Association Rules and Regulations filed of record on February 08, 2006, as document No. 2006008906 of the Official Public Records of Williamson County, Texas; and

WHEREAS the Board desires to develop a more consolidated set of rules and regulation;

THEREFORE the Board does hereby REPEAL the Prior Rules (but not the "Park & Lake Rules") and ADOPT the following Restated Rules and Regulations:

1. **Permitted Building Materials (See also Declaration section 3.01 (i))**
 - Dwellings must be constructed with exteriors comprised of 90% masonry.
 - Detached garages must be constructed with exteriors comprised of 90% masonry using similar materials as the main house.
 - Accessory buildings, barns, and similar structures must be constructed with exteriors comprised of 90% masonry or new, natural wood products. Prohibited materials include, but are not limited to, asbestos, plywood, concrete block, metal, or vinyl siding.

Rationale for the Clarification:

The deed restrictions state that all improvements shall have exteriors comprised of 90% masonry. Later in that section it makes an exception for accessory buildings and barns stating that they may be built with new, natural wood products. To further illustrate the allowed materials, it then lists some prohibited materials that are commonly used in other subdivisions to build these types of structures. The fact that a material is not included in this partial list of prohibited materials does not mean that it is an allowed material. The deed restrictions identify all allowed materials and only provide a representative list of prohibited materials as an example.

2. **Storage of Certain Items on the Property (See also Declaration Section 3.01 (ii))**
No occupied or unoccupied camper, boat, recreation vehicle, or similar item may be kept on the property before, during, or after construction of a dwelling unless said item is stored in an enclosed garage or structure.

Rationale for the Clarification:

The "prior to or after construction" phrase in the restriction refers to a continuous time period and is not meant to exclude the construction time from this restriction. This clarifies that ambiguity.

3. **Location of the Improvements upon the Tract (See also Declaration Section 3.03)**

On tracts less than five acres, no building of any kind shall be located within:

- 50' from the front property line
- 50' from the rear property line
- 10' from the side property line, 50' from the side property line if adjacent to a public road

On tracts five acres or larger, no building of any kind shall be located within:

- 100' from the front property line
- 50' from the rear property line
- 25' from the side property line, 100' from the side property line if adjacent to a public road

The setback requirement for the rear property line does not apply on any creek front lot, so as to allow building of a house as close to the creek as permitted by County, State, and Federal Flood Plain Restrictions and /or Regulations.

Rationale for the Clarification:

The deed restrictions reference "any public road" for some of the setback requirements, which may be incorrectly interpreted as the edge of the road surface. In this context the term "public road" commonly refers to the entire right of way for the roadway, which is equivalent to the adjacent property line.

4. **Height of Structures on the Property (See also Declaration section 3.03)**

The height of any dwelling shall not exceed 35 feet as measured from the top of the foundation. The height of all other structures, including but not limited to detached garages, barns, and accessory buildings, shall not exceed 25 feet.

Rationale for the Clarification:

The restrictions establish two different height limits, one for dwellings and one for "any accessory building". All other structures are most similar to an accessory building and must meet the same height limit.

5. **Fence Requirements on Brushy Creek Trail (See also Declaration section 3.05)**

Walls and fences are optional on all lots in the subdivision, including those lots that front Brushy Creek Trail. The lots that front Brushy Creek Trail may place a fence along the front property line and said fence must be of the same material and style as the subdivision fence along County Roads 139 and 198. All other walls and fences in the subdivision, including other walls and fences on lots that front Brushy Creek Trail, must be no closer to the front property line than the front line of the house on the tract and must not be placed between any portion of the front of the house and the front property line.

Rationale for the Clarification:

The second amendment includes typographical errors that change the intended meaning of the fence restrictions for those lots that front Brushy Creek Trail. The intended meaning is to allow for an optional fence along the front property line of these lots. The determination of the intended meaning is based on conversations between certain lot owners and representatives of Bluegreen Southwest One.

6. **Construction Debris (See also Declaration section 3.07)**

Construction debris is just another type of "trash, garbage, and other waste", and as such all restrictions in section 3.07 apply to construction debris.

Rationale for the Clarification:

Construction debris is no different from trash, garbage, and other waste and the deed restrictions do not waive the requirements of section 3.07 during construction.

7. **Drainage (See also Declaration section 3.13)**

Modification to drainage ditches must be approved by the Architectural Control Committee prior to making the modifications. Any modifications made to the drainage ditches must not impair the natural established drainage patterns of streets, tracts, or roadway ditches in the subdivision. Modifications include, but are not limited to, replacing drainage ditches with culverts, resurfacing drainage ditches in alternate materials such as concrete or stone, and constructing retaining walls along the side of a drainage ditch.

