

Shepherds Glen Village Association

Salado, Texas

BUILDER AGREEMENT

Builder: _____

Owner: _____

Property: _____

Compliance Deposit: \$5000

Anticipated Construction Commencement Date: _____

Within 3 months of VSC approval date, delayed commencement date may result in the HOA requiring a resubmission for VSC approval and consideration of any revisions of the design guidelines

Anticipated Construction Completion Date: _____

This Builder Agreement (the "Agreement") is made as of the Effective Date below between Shepherds Glen Village Association, a Texas nonprofit corporation (the "Association") and the Builder, who has been engaged by the Owner to construct improvements on their property. The property is located within Shepherd Glen, a subdivision in Salado, Bell County, Texas (the "Development").

NOW THEREFORE, the Builder and the Association hereby agree as follows:

1. Information. The Builder has provided information to the Association, which is attached as Exhibit "A". The Builder hereby certifies that the information is true and correct. The Builder agrees to provide additional information to the Association regarding the Builder as may be requested by the Association.

2. Restrictions and Guidelines. The Builder hereby acknowledges and agrees that the Property is subject to the terms and provisions of the Declaration of Covenants, Conditions, and Restrictions for Shepherds Glen, recorded in Document Number 202206954, Bell County, Texas, and any amendments thereto, or supplements or protective covenants filed in accordance therewith (collectively, the "Restrictions") and the Shepherds Glen Design Guidelines, recorded in Document Number 2022049934, Bell County, Texas, and any amendments thereto. The Builder, while performing any activity in the Development or on the property, is required to comply with the Restrictions. Builder acknowledges that violation of the terms and provisions of the Restrictions by the Builder or its subcontractors may result in fines and penalties charged against the Builder or the Owner, or may result in fines and penalties charged against the Builder or subcontractor or may result in the Builder or the sub-contractor being denied access to the Development.

3. Construction Commencement. No construction may commence for any proposed improvements until the Village Standards Committee (VSC) has issued its approval.

4. Construction Rules. The Builder acknowledges and agrees that the Builder and its sub-contractors must comply with the construction rules attached hereto as Exhibit "B" (the "Construction Rules").

Shepherd's Glen Village Association - Builders Agreement

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The Builder, while performing any activity in the Development or on the Property, is required to comply with the Construction Rules. Builder acknowledges that violation of the Construction Rules by the Builder or its subcontractors may result in fines and penalties charged against the Builder or the Owner, or may result in the Builder or subcontractor being denied access to the Development.

5. Compliance Deposit. The Compliance Deposit is held by the Association in an account, as security against violation of the Restrictions, the Construction Rules, or any damage caused to the Association's common areas, streets, or other property in the Development. The VSC or the Association may increase the Compliance Deposit in the event the VSC or the Association determine that the amount is insufficient to secure compliance with the Restrictions or the Construction Rules, or to protect the Development from damage caused or occasioned by construction of the proposed improvements. The determination to increase the Compliance Deposit may be based on prior violations of the Restrictions by the Builder, any other rules promulgated by the Association or the VSC, the experience or lack of experience of the Builder within the Development, or the nature of the construction methods associated with the proposed improvements. The compliance deposit is a flat rate of \$5000 to be paid to the HOA upon approval of the plans and before construction begins.

In the event the VSC or the Association determines that the Builder has violated the Restrictions, the Construction Rules, or has otherwise caused damage to the Association's common areas, streets, or other property in the Development, the VSC from time to time, and without prejudice to any other remedy, may use the Compliance Deposit to discharge any fines or penalties imposed by the Association or the VSC as a result of such violation, or repair any damage caused to the Association's common areas, streets, or other property in the Development. If the balance of the Compliance Deposit reaches \$500 or less as a result of such application, the Owner/Builder, upon request of the Association, shall immediately deposit the amount necessary to restore the original balance of the Compliance Deposit and before construction continues. Upon completion of the proposed improvements and a final VSC inspection, the Compliance Deposit plus any interest earned, or any balance remaining, will be returned to the party that paid the original deposit.

6. Insurance. The Builder will obtain and maintain, at its sole cost and expense, general liability insurance in an amount not less than \$1,000,000.00, with an insurance company licensed to do business in the State of Texas with a rating of at least "A" (Excellent) by AM Best. The Association shall be added as an additional insured on such policy. A Certificate of Insurance (COI) shall be provided to the Association prior to the Builder commencing any work on the Property.

7. Notices. All notices, demands, or other communications of any type (herein collectively referred to as "Notices") given by the Association to the Builder or by the Builder to the Association, whether required by this Agreement or in any way related to the transactions contracted for herein, shall be void and of no effect unless given in accordance with the provisions of this Section.

All Notices shall be in writing and delivered, either by commercial delivery service to the office of the person to whom the Notice is directed (provided that such delivery is confirmed by the commercial delivery service), or by United States Postal Service, postage prepaid, as a registered or certified letter, return receipt requested.

Notices delivered by commercial delivery service shall be deemed to have been given upon receipt at the office of the person to whom the Notice is directed and Notices delivered by mail shall be effective when deposited in a Post Office or other depository under the care or custody of the United States Postal Service, with proper postage affixed and addressed, as provided below:

The proper address for Notices to the Association:

Shepherds Glen Village Association
P.O. Box 283
Salado, TX 76571

The proper address for Notices to the Builder:

Any party hereto may change the address for Notices specified above by giving the other party ten days advance written Notice of such change of address.

8. Assignment. The rights of the Builder under this Agreement are not assignable without the prior written consent of the Association, which consent may be granted or withheld at the Association's sole discretion.

9. Successors and Assigns. Subject to the provisions of Section 8 of this Agreement, the provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

10. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, CONSTRUED, AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND THE OBLIGATIONS OF THE PARTIES HERETO ARE AND SHALL BE PERFORMABLE IN THE COUNTY WHEREIN THE PROPERTY IS LOCATED.

11. No Oral Modification. This Agreement may not be supplemented, modified, or amended, except by an agreement in writing signed by both the Association and Builder. The parties may waive any of the conditions contained herein or any of the obligations of the other party hereunder, but any such waiver shall be effective only if in writing and signed by the party waiving such conditions or obligations.

12. Time of Essence. Time is of the essence of this Agreement.

13. Attorneys' Fees. In the event it becomes necessary for either party hereto to file a suit to enforce this Agreement or any provisions contained herein, the party prevailing in such action shall be entitled to recover, in addition to all other remedies or damages, reasonable attorneys' fees and court costs incurred by such prevailing party in such suit.

14. Entire Agreement. This Agreement, including the exhibits hereto, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith. No representation, warranty, covenant, agreement, or condition not expressed in this Agreement shall be binding upon the parties hereto or shall be effective to interpret, change, or restrict the provisions of this Agreement.

15. Partial Invalidity. If any clause or provision of this Agreement is or should ever be held to be illegal, invalid, or unenforceable under any present or future law applicable to the terms hereof, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and that in lieu of each such clause or provision of this Agreement that is illegal, invalid, or unenforceable, there be added as a part of this Agreement a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable.

16. Counterpart Execution. To facilitate execution, this Agreement may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of all persons required to bind any party appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

EXECUTED to be effective as of the date first set forth below.

ASSOCIATION:

SHEPHERDS GLEN VILLAGE ASSOCIATION, a Texas corporation

By (signature): _____

Print Name: _____

Print Title: _____

Date: _____

BUILDER: _____

By (signature): _____

Print Name: _____

Print Title: _____

Date: _____

EXHIBIT A
BUILDER INFORMATION

Builder Name: _____

Builder Address: _____

Builder Office Phone: _____

Builder Cell Phone: _____

Builder Contact Email Address: _____

Builder Website: _____

Location of Property: _____

Other homes constructed within Shepherds Glen by the Builder:

Have other homes been constructed in Shepherds Glen by Builder using the same or similar elevation and/or floor plan?

Yes /No

If yes, please list: _____

Builder References:

Builder Insurance Agent: _____

EXHIBIT B

CONSTRUCTION RULES

1. UNDER NO CIRCUMSTANCES SHALL ANY TREE REMOVAL OR SITE CLEARING COMMENCE PRIOR TO THE ISSUANCE OF WRITTEN APPROVAL BY THE VSC.
2. All live oak tree cuts (either as a result of clearing the lot or trimming) must be painted with a sealer such as latex paint or tree sealer immediately. No construction debris shall be kept, stored, or placed around any tree trunk and whatever measures necessary must be taken to protect the trees.
3. All homes must be built in strict accordance with the plans approved by the VSC and in accordance with then current Codes applicable to Shepherds Glen. Revisions to the approved plans must be submitted to and approved by the VSC before proceeding with proposed revisions.
4. Construction Hours are as follows:
 - Monday - Friday 7:00 a.m. - 7:00 p.m.
 - Saturday - 7:00 a.m. - 5:00 p.m.
 - Sunday - No work permitted
 - (requests for earlier start times will be considered for work such as concrete placement)

No work is permitted on the following holidays:

- New Year's Day
 - Memorial Day
 - Independence Day, 4th of July
 - Labor Day
 - Thanksgiving Day
 - Christmas Eve
 - Christmas Day
6. Each home site must have a clearly defined construction entrance which must not encroach on protected site features such as tree root zones, rock outcroppings, and natural drainage swales. The construction entrance shall not block or alter current drainage patterns. Builders shall provide a stabilized construction entrance to control dust and control tracking of mud into the street.
 7. The Builder agrees to make reasonable effort to control dust from the construction site. Builders should use cover materials or provide sufficient irrigation to eliminate any fugitive dust, to include an enclosed rock cutting station or use of a wet saw when cutting rock.
 8. The Construction Activity Zone is the area in which all activities related to building a home must occur. No construction may take place outside of this area at any time.

9. TCEQ required sediment controls, i.e. silt fencing, must be maintained during the entire period of construction to control sediment discharge into drainages, culverts, streets and off of the project site.
10. All construction personnel shall park only on paved surfaces taking care not to obstruct traffic. Enough space must be always maintained on the roadways for emergency vehicle access.
11. Construction crews may not park, drive across or otherwise use neighboring lots or common areas unless they have written permission from the owner or Shepherds Glen Village Association. All vehicles should be parked adjacent to the job site.
12. The construction site shall not be used for long term storage of construction equipment that is not being used on the project.
13. All construction sites shall be always kept free and clear of litter and construction debris.
14. Temporary construction fencing must be installed at side and rear property lines prior to the commencement of construction. An open area is permitted to allow for deliveries to the site.
15. A portable chemical toilet and construction dumpster (or alternate approved by the VSC) is required to be on site prior to framing. Both shall be as far as possible from the street and neighboring residents and the doors of the toilet shall be placed facing the lot interior. Builders are responsible for providing adequate sanitary facilities for their construction workers on each home site at all times. Portable toilets may not be shared between job sites.
16. All construction personnel shall adhere to the posted speed limits. Speed limits are 20 m.p.h. unless otherwise posted. Violators will be issued two warnings. In the event of a third violation, violators will be denied entry for a period of three months.
17. Consumption of alcoholic beverages or the use of a controlled substance by construction personnel on Shepherds Glen property is strictly prohibited. Anyone violating this regulation shall be escorted off immediately and barred from Shepherds Glen for a period of six months.
18. Playing of loud music by construction personnel is strictly prohibited. The use of radios or other audio equipment must not be audible beyond the property perimeter of any home site in Shepherds Glen. Violators will be issued two warnings. In the event of a third violation, violators will be denied entry for a period of six months. Repeated violations of this provision will result in the total prohibition of any on-site use of radios or audio equipment during construction and/or result in the construction site being shut down.
19. The discharge of any type of firearm by construction personnel on Shepherds Glen property is prohibited. The Association hereby disclaims any and all liability from any harm and/or injury, personal, economic or otherwise, that may occur due to a violation of this policy.
20. All construction material shall be stored on the lot where the house is being constructed. Use of adjacent properties for storage is prohibited without the express written approval of the property owner. A copy of such approval must be sent to the Association.
21. No dumping or burning is permitted within Shepherds Glen.

22. During excavation, filling or stockpiling of soils on a lot, care must be taken to prevent erosion or wash-off of the soil onto streets and adjacent lots. Temporary soil retention structures may be required.
23. Concrete trucks may washout only in areas designated by the Owner/Builder within the boundaries of that lot. Wash-out in road rights-of-way, setbacks, natural areas or on adjacent properties is strictly prohibited.
24. No one under the age of 16 years or pets shall be permitted at any construction site, except those children and/or pets of the Owner or the Owner's guests.
25. Only signs expressly approved by the VSC are permitted on any site.
26. Construction signs are limited to one sign per home site, which must conform to neighborhood standard. Builder name and telephone number only is allowed.
27. Changing of oil or discharge of any petrochemical substance is not allowed. Vehicles that leak oil or fuel must not be brought onto Shepherds Glen property. In the event of a leak, the Builder shall promptly control and cleanup the spilled product.
28. All building materials, equipment, and machinery required to construct a residence on any home site at Shepherds Glen must be delivered to and remain within the Construction Activity Zone of each home site, clear of all property lines. Material delivery vehicles may not drive across adjacent home sites or common areas to access a construction site or drop deliveries in the right-of-way without specific approval from the VSC.
29. Owners and Builder shall clean up all refuse and debris daily. A commercial dumpster must always remain on site during active construction for the purpose of containing waste materials or packaging. Refuse containers must be emptied on a timely basis to avoid overflow of refuse. Owner and Builders are prohibited from dumping, burying, or burning refuse or brush anywhere on the home site or in Shepherds Glen.
30. Owners and Builder shall ensure that grass and weeds are cut when required in accordance with the CC&R's during construction to maintain a good appearance and to minimize the spread of weeds through the development.
31. Dirt, mud, or debris resulting from activity or washout on each construction site must be removed daily from roadways.
32. All applicable OSHA regulations and guidelines must be always observed.
33. No on-site fires are allowed.
34. The Owner and Builder will be held financially responsible for the cost of any damage, site restoration/vegetation or refuse/brush removal on any and all adjacent properties or roadway rights-of-way resulting from the trespass or negligence by their employees or subcontracted agents.
35. On completion of construction, the Builder shall perform a final walk of the lot under construction, all adjacent lots or common areas, picking up and disposing of construction trash

and all trash generated as a result of the project or poor housekeeping of the construction personnel.

EXHIBIT C
FEES AND FINES

Plan Review-First two reviews including the residence, the hardscape, the landscape, the septic, the irrigation, the fence, etc.	\$25
Two additional reviews, if needed	\$25

VIOLATION CHARGES	FIRST OFFENSE*	REPEAT OCCURRENCE (PER OCCURRENCE)*
Construction commencement prior to VSC approval and issuance of documented approval (construction permit)	\$1,000	\$2,000
Construction Deviation from Builder's approved plans without prior VSC approval	Fine or resolution to be determined on a case by case basis	
Damage to roads and common areas	\$250 per incident plus repair costs	
Damage to neighbor's lots such as ruts in grass, broken landscaping, crushing, septic damage, etc.	\$250 per incident plus repair costs	
Failure to repair ANY damage in a timely manner	\$50 per day	
After receiving written notice, failure to pick up all trash and debris at the end of each day within 72 hours notice. eg: written notice on Tuesday will incur daily fines starting Friday. Charges will be automatically assessed without notice after the first notice until the problem is rectified	\$100	\$100 per day until resolved

Trash or construction debris on the lot, in the street, blown onto other lots, in the drainage area or tanks or fountain	\$100	\$100 per day until resolved
No Dumpster	\$100	\$100 per day until resolved
Dumpster Overflowing	\$100	\$100 per day until resolved
No portable toilet on the lot	\$100	\$100 per day until resolved
Construction material stored off the lot on other lots	\$100	\$100 per day until resolved
Failure to maintain required insurance	\$100 per day until resolved	
Working on Sundays or Holidays	\$500	
Working too late or too early	\$100 Per hour	
Music at volume the causes a complaint	\$50	\$100
Stealing electricity from other home/lot owners	\$100 plus restitution to home/lot owner	\$100.00/day plus a moratorium against building any other homes in the development
Equipment or vehicles blocking ingress or egress of the current homeowners	\$100	\$250 per occurrence
Failure to meet construction commencement and completion dates outlined above in the agreement should the builder fail to notify the HOA Board of any unforeseen delays	\$250 per week	
Abandoned or unfinished work	\$500/week until lot restored	HOA will also levy the cost of managing an abandoned work on the Owner as well as any legal fees incurred
Any other violation of items as outlined in the builder's agreement	\$100	\$250 per occurrence
HOA LEGAL FEES	Reasonable as per Council	

****Violation charges can be paid directly. if not paid, the charges will be automatically deducted from the construction deposit, which in turn, will need to be restored.**