

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WESTON RIDGE**

STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF COLLIN §

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WESTON RIDGE (as may be amended from time to time, the "Declaration") is made by, Weston Ridge Development, LLC, a Texas limited liability company ("Declarant").

WITNESSETH:

Declarant, as the owner of the real property described in Exhibit A, intends by recording this Declaration in the Official Public Records of Collin County, Texas, to create a general plan of development for a single-family home planned community known or to be known as the "Weston Ridge" (the "Subdivision") situated entirely in the extraterritorial jurisdiction, or ETJ, of the City of McKinney, Texas ("City"). This Declaration provides for the overall development, administration, maintenance, and preservation of the real property now and hereafter comprising the Property (as hereinafter defined). An integral part of the development plan is the creation of Weston Ridge Homeowners Association, Inc., a Texas non-profit corporation, or other named non-profit corporation formed to perform the duties of the "Association" hereunder, whose members shall be all owners of real property subject to this Declaration, to own, operate, and/or maintain various common areas and community improvements and to administer and enforce the covenants, conditions, restrictions, and easements set forth in this Declaration.

NOW, THEREFORE, Declarant hereby declares that the property described in Exhibit A, and any additional property which is subjected to this Declaration in the future in accordance with Article XIV of this Declaration, shall be owned, conveyed, used, occupied and otherwise encumbered subject to this Declaration, which shall run with the title to such property. This Declaration shall be binding upon all Persons having any right, title, or interest in any portion of the Property, their heirs, successors, successors-in-title, and assigns.

**ARTICLE I
DEFINITIONS**

The terms used in this Declaration are intended to have their normal, commonly understood definitions, unless otherwise specified. In order to minimize repetition, avoid confusion, and explain key concepts, some terms are capitalized to indicate they have special definitions. Whenever used in capitalized form, those terms have the following meanings:

(a) "Architectural Control Committee" and/or "ACC" shall mean and refer to the architectural review body for the Property, as described in Article III. During the period of

Declarant control, Declarant reserves certain rights and Declarant appoints the ACC members who need not be Owners.

(b) “Assessments” shall have the meaning ascribed to such terms in Section 10.1 below.

(c) “Association” shall mean and refer to Weston Ridge Homeowners Association, Inc., a Texas non-profit corporation, or other non-profit corporation formed by the Declarant to perform the duties of the “Association” hereunder, and which shall have the right to enforce this Declaration.

(d) “Board of Directors” or “Board” shall mean and refer to the body selected as provided in the Bylaws, being responsible for the general governance and administration of the Association and this Declaration. The initial Board shall be those individuals set forth in the Certificate of Formation for the Association. ***During the time of Declarant control, Declarant has the sole right to appoint and remove all Directors to the Board,*** provided that prior to the date which is the earlier of (i) one hundred-twenty (120) days after seventy-five (75%) of the Lots have been sold to non-Declarant Owners, or (ii) ten (10) years from the date on which the Declaration is recorded, at least 1/3 of the directors serving on the Board shall be person(s) elected by a majority vote of Class A Members at a meeting of the members at which quorum is present, as set forth in the Bylaws of the Association. Each Director, other than Directors appointed by Declarant, shall be a Member and resident, or in the case of corporate or partnership ownership of a Lot, a duly authorized agent or representative of the corporate or partnership Owner. The corporate, or partnership Owner shall be designated as the Director in all correspondence or other documentation setting forth the names of the Directors.

(e) “Builder” shall mean and refer to any person or entity who has acquired a Lot or Lots for the purpose of constructing a residence thereon for later sale to consumers.

(f) “Bylaws” shall mean and refer to the Bylaws of the Association, approved by the Board of Directors, as may be amended from time to time.

(g) “Common Properties” shall mean all real property (including improvements thereon) now or hereafter owned, leased or controlled by the Association, or to which the Association holds possessory or use rights, for the common use and enjoyment of the Owners (hereinafter defined) including, but not limited to such property which may be: (i) conveyed to the Association in fee simple title, (ii) leased to the Association, (iii) landscape or maintenance easements granted or dedicated to the Association by plat or other written instrument, including without limitation area(s) noted or shown on the Final Plats of the Subdivision, (iv) retention ponds within the Property, and (v) any other real property or improvement the Association, at the sole discretion of the Board, decides to maintain. The Common Properties shall include any and all fixtures and improvements on the land constituting common areas, including, without limitation, landscaping, buffering, screening, irrigation, and associated improvements that are Common Properties next to public thoroughfares, The Declarant is under no obligation to construct or provide common elements or amenities. **Membership in the Association and payment of Assessments are not contingent upon the provision of or construction of any common element**

or amenity. Membership for all Lot Owners and payment of Assessments is mandatory. Provisions for Declarant vary, see Article 10, Section 10.18.

(h) “Community-Wide Standard” shall mean the standard of conduct, maintenance and appearance, including landscaping, generally prevailing throughout the Property or the minimum standards established pursuant to the Design Guidelines, Rules and Board resolutions, whichever is the highest standard. Declarant initially shall establish such standard. The Association, through its Board, shall ensure that the Community-Wide Standard established by the Declaration for the Property shall continue after the termination or expiration of the Class B membership. The Community-Wide Standard may contain objective elements, such as specific common areas or elements, lawn or house maintenance requirements, and subjective elements, such as matters subject to the Board’s discretion. The Community Wide Standard may or may not be in writing and is just as enforceable as any written rule or regulation and subject to the same violation notices and fining schedules outlined in this Declaration or the Association’s Notice and Fining Policy. The Community-Wide Standard may or may not be in writing. The Community-Wide Standard may evolve as development progresses and as the Property changes. The Community-Wide Standard shall not fall below the level established for the Property as of the date the Class B membership terminates or expires.

(i) “County” shall mean and refer to Collin County Texas, in which the Property is located, as the context may require.

(j) “Declarant” shall mean and refer to Weston Ridge Development, LLC, a Texas limited liability company, but also any successor, alternate or additional Declarant as appointed by Weston Ridge Development, LLC, as successor, alternate or additional Declarant by written instrument, filed of record in the office of the County Clerk, specifically setting forth that such successor, alternate or additional Declarant is to have, in whole or in part, together with Weston Ridge Development, LLC, the Declarant rights, duties, obligations and responsibilities for all or a specific portion or Phase of the Property. The term “Declarant” shall not include any person or entity that purchases a Lot from Declarant unless such purchaser is specifically assigned, by a separate recorded instrument, some or all of the Declarant rights under this Declaration as to the conveyed property.

(k) “Design Guidelines” shall mean and refer to the design standards and guidelines adopted by the Declarant, as may be amended in accordance with Article III, representing the minimum specifications for the construction of all residences, additions to such residences, and other improvements associated with each residence including, without limitation, other structures or improvements located on a residential Lot, and the minimum requirements for landscaping to be installed and maintained on each Lot. The Design Guidelines are an integral part of this Declaration and the development plan of the Property and/or Subdivision. The initial Design Guidelines are attached hereto as Exhibit C and may be subject to amendment by the Declarant at any time and from time to time without the consent or joinder of the Members. All Builders and prospective Owners or those desirous of constructing a residence on a Lot are strongly encouraged to obtain a current copy of the Design Guidelines prior to preparing plans and specifications for submission to the Architectural Control Committee for approval.

(l) "Final Plat" shall mean, initially, the map or plat of the Property or any portion thereof, and recorded in the Plat Records of Collin County, Texas, and any future recorded subdivision maps or plats covering any portion of the Property or additional real property made subject to this Declaration, as such Final Plats may be amended from time to time.

(m) "Governing Documents" means, singly or collectively as the case may be, this Declaration, the Final Plat, the Bylaws, the Association's certificate of formation, and the rules of the Association, as any of these may be amended from time to time. An appendix, exhibit, schedule, or certification accompanying a Governing Document is a part of that Governing Document. All Governing Documents are to be recorded in every county in which all or a portion of the Property is located. The Governing Documents are Dedicatory Instruments as defined in Texas Property Code Section 202. Copies of the Association's Certificate of Formation, organizational consent of the initial directors, and Bylaws are attached hereto as Exhibit D.

(n) "Lot" shall mean and refer to any one (1) of the enumerated plots or tracts of land shown upon a Final Plat, and "Lots" shall mean and refer to more than one (1) of same; provided, however, Common Properties shall in no event be treated as "Lot" for purposes of this Declaration, and are hereby specifically excluded from the term "Lot" as used hereunder.

(o) "Member" shall mean and refer to a member of the Association, as described in Article VIII.

(p) "Owner" shall mean and refer to each and every person or business entity (whether one or more), including Declarant (so long as applicable), that is a record owner of a fee or undivided fee interest in any Lot; provided, however, that (i) the term "Owner" or "Owners" shall not include any person or entity who holds a bona fide lien or interest in a Lot as security merely for the performance of an obligation (specifically including, but not limited to, any mortgagee or trustee under a mortgage or deed of trust) unless and until such mortgagee, beneficiary or trustee has acquired title to such Lot pursuant to foreclosure or any proceeding in lieu thereof; and (ii) with respect to any matter requiring the vote, consent, approval or other action of an Owner, each Lot shall be entitled to only one (1) vote except as provided for in Section 8.2 and Section 15.6 herein.

(q) "Phase" shall mean and refer to each separately developed residential area or addition as set forth and more fully described on a Final Plat depicting real property that has been subjected to the Declaration.

(r) "Property" shall mean and refer to the real property described on Exhibit A, any improvements now or hereafter situated thereon, and any and all additional real property (and the improvements thereon) which Declarant hereafter subjects to this Declaration, in accordance with Article XIV hereof.

(s) "Supplemental Declaration" shall mean a recorded instrument which accomplishes one or more of the following purposes: (i) subjects additional real property to this Declaration, or (ii) imposes, expressly or by reference, additional restrictions, covenants, easements and/or rights and obligations on the land described.

**ARTICLE II
CONSTRUCTION OF IMPROVEMENTS AND USE OF LOTS**

Section 2.1 Residential Use.

The Property shall be used for single-family residential purposes and home office only and accessory uses. No building or other structure shall be erected, altered, placed or permitted to remain on any Lot other than one (1) detached single-family residence per Lot, which residence may not exceed two (2) stories in height, and a private garage as provided below. Any building or structure to be placed or constructed on a Lot is subject to approval in writing by the Architectural Control Committee under Article III.

Section 2.2 Single-Family Use.

Except as otherwise provided in this Section 2.2, (i) each single family residence may be occupied only by persons living and cooking together as a single housekeeping unit, together with any household employees, and (ii) except for families consisting of persons related by blood, adoption, or marriage (a "Family Unit"), no more than two persons per bedroom may occupy the same residence on a regular and consistent basis.

Section 2.2.1 Leasing Homeowners who rent or lease their residence are required to execute a written lease agreement, signed by the tenant and a copy provided to the Association prior to the tenant's possession of the residence. **The provisions in this section shall not be enforceable during the Declarant Control Period without the express written permission of the Declarant.** The lease shall contain, at minimum, the following:

- a. Term of Lease. Initial term of the lease shall not be less than one (1) year.
- b. Entire Residence. The property leased includes the entire residence.
- c. Single Family. Lease is restricted to single family per Section 2.2 above. Owner shall provide to the Association or its Managing Agent the names and contact information for the tenants.
- d. Abide by Rules. The Owner must make available to the tenant copies of the CCR's, Rules and Regulations, and all amendments thereto. Tenant must agree to abide by all Association's rules and must acknowledge that failure to do so may constitute a default under the lease terms and agreement. Owner must obtain a signed acknowledgment from the tenant that this section of the CCR's has been explained in detail.
- e. No assignment or sub leasing is allowed.
- f. Tenant must carry renters insurance.
- g. Owner shall be responsible at all times for his tenant and the maintenance and upkeep of the home and lot. Should the tenant violate a rule and a violation notice is sent, the Owner shall be responsible for ensuring the tenant complies with the rules and the violation noted is immediately abated. Should a fine for non-compliance result, the Owner shall be responsible for payment to the Association for all fines or any

monetary expense the Association may incur for the enforcement and abatement of a violation.

Section 2.3 Garage Required.

Each residence shall have an enclosed garage and shall conform to the requirements set forth in the Design Guidelines. The garage shall conform in design and materials with the main structure.

Section 2.4 Driveways.

All driveways shall be surfaced with concrete. No designs, painting or staining of driveways is allowed without the express written permission of the ACC. No widening of the driveway is permitted without the express written permission of the ACC.

Section 2.5 Uses Specifically Prohibited.

(a) No temporary or permanent dwelling, shop, storage building, trailer or mobile home of any kind or any improvement of a temporary character shall be permitted on any Lot except (i) children's playhouses and play sets (*which may not exceed more than two feet (2')* above the fence line, dog houses, greenhouses (*which may not be visible over the fence line*), gazebos and buildings for storage of lawn maintenance equipment (*which may not exceed more than two feet (2') above the fence line*), may be placed on a Lot. **All structures are subject to prior written approval of the ACC in accordance with Article III and/or at the sole discretion of the Declarant or the Board of Directors, or the ACC.** The addition or allowance of structures may be considered on a purely aesthetic or case by case basis, and (ii) the Builder or contractor may have temporary improvements (such as a sales office and/or construction trailer) on a given Lot during construction of the residence on that Lot or on a different Lot as agreed to between the Builder or contractor and Declarant and/or as otherwise set out in the Design Guidelines. No building material of any kind or character shall be placed or stored upon the Property until the Owner thereof is ready to commence construction of improvements, and then such material shall be placed within the property lines of the Lot upon which the improvements are to be erected. Portable basketball goals shall be allowed with WRITTEN APPROVAL of the ACC only.

Permanent basketball goals of any kind are prohibited without the express written permission of the ACC. Installation of a permanent basketball goal without the required written permission of the ACC may result in a demand for removal and/or a fine for non-compliance up to \$25.00 per day for every day the violation continues. Portable basketball goals may be placed on the driveway only when in use or located to the back of the home when sufficient playing area and/or surface is available; no portable basketball goal or any other sports play equipment such as but, not limited to soccer, skate board ramps, goals or nets of any kind, and other play equipment of any type or kind may be placed or played in the street or located in a right of way or the area between the sidewalk and street. Portable basketball goals must be stored out of public view when not in use and must be kept in good repair at all times. Basketball goals with a crank allowing the pole to be lowered when not in use is preferred. No unsightly weights such as tires,

sand bags, rocks, or other materials may be used. The Declarant and the Board of Directors reserves the right to require the removal of a portable basketball goal or any other play equipment when use of same is in direct violation of this Declaration, Bylaws, or Rules and Regulations or if after written notice the Owner fails or refuses to make the required corrections, improvements or repairs.

(b) Except as otherwise provided in this Section, no vehicle may be parked or left upon any portion of a Lot except in a garage or on a driveway. Except as provided below, the following vehicles may **not** be parked on any street within the Property with the exception of temporary parking for loading, unloading or cleaning: recreational vehicles, mobile homes, trailers, campers, trucks with tonnage in excess of one (1) ton, semi-trucks and trailers, commercial vehicles (including all vehicles with commercial lettering or logos), and unlicensed or inoperable vehicles. Vehicles with commercial lettering or logos will be allowed to be parked in the garage or driveway of the Lot only. "Sports utility vehicles" and "mini-vans" are generally allowed but, shall be subject to removal based on size, height, weight, or at the sole discretion of the Board or the ACC. Pick-up trucks without commercial writing or logos shall be treated as automobiles and may be parked outside of enclosed garages. Inoperable vehicles are not allowed to be parked in the driveway or on the street at any time.

The Declarant and Board of Directors reserves the right to exercise its rights by State and Local laws to enforce towing upon any vehicle that violates this section or any portion of this Declaration. This Section shall not apply to parking, for purposes of emergency vehicle repairs or to construction, service, and delivery vehicles for periods necessary to perform the services or make a delivery.

The Board, in its sole discretion, may enact additional rules governing such temporary, irregular use or, in the absence of specific rules, shall have discretion in determining what constitutes permissible parking under such circumstances. The Board or the ACC shall have sole discretion in determining what constitutes a violation of Section 2.5(a) and (b).

As used in this Section, the term "vehicles" includes but, is not limited to, automobiles, trucks, boats, trailers, motorcycles, campers, vans, and recreational vehicles.

(c) No vehicle of any size which transports flammable or explosive cargo may be kept or parked on the Property at any time, except for use by or on behalf of Declarant in connection with the development of the Property or by a builder or contractor in connection with the construction of improvements on a Lot.

(d) No animals or livestock shall be raised, bred or kept on the Property for commercial purposes or for food. Domesticated animals such as dogs, cats or other household pets may be kept for the purpose of providing companionship for the private family; however, those pets which are permitted to roam free, or, in the sole discretion of the Board, constitute a nuisance or safety concern to the occupants of other Lots shall be removed upon request of the Board. If the pet owner fails to honor such request, the Board may, at its sole discretion, remove or otherwise provide for the removal of the pet. Notwithstanding anything contained herein to the contrary, the Board in its sole discretion and without incurring any further duty or obligation to owners and

occupants within the Property may decide to take no action and refer complaining parties to the appropriate municipal or governmental authorities for handling and final disposition. Pets shall be kept on a leash or otherwise confined inside a fenced area whenever outside the residence. **PETS SHALL NOT BE ALLOWED TO BARK, HOWL, SCREECH, OR OTHERWISE CAUSE A NUISANCE TO NEIGHBORS OR THE NEIGHBORHOOD.** Pets shall be registered, licensed and inoculated as required by law and must be properly tagged for identification. *It is the Owner's responsibility to keep the front of their Lot clean and free of pet debris and to pick up and properly dispose of their pet's waste wherever deposited.* Notwithstanding anything seemingly herein to the contrary, no more than three (3) household pets will be permitted on each Lot.

(e) No Lot or other area on the Property shall be used as a dumping ground for rubbish or a site for the accumulation of unsightly materials of any kind, including, without limitation broken or rusty equipment, disassembled or inoperative cars, other vehicles or discarded appliances and furniture. *Failure to comply with this rule shall be grounds for a fine up to \$25.00 per day for each day the violation continues after one (1) notice of not less than five (5) days is sent to the violating Owner.* Trash, garbage or other waste shall be kept in sanitary containers. All incinerators or other equipment for the storage or other disposal of such material shall be kept in clean and sanitary condition. Materials incident to construction of improvements may be stored on Lots during construction so long as construction progresses without undue delay.

(f) No air-conditioning apparatus shall be installed on the ground in front of a residence. No air-conditioning apparatus shall be attached to any wall or window of a residence. All air-conditioning equipment must be installed in the rear yard, side yard or screened in a manner so as not to be seen.

(g) The erection, construction, placement or installation of any television, radio or other electronic tower, serial, antenna, satellite dish or device of any type for the reception or transmission of radio or television broadcast signals or other means of communication upon a Lot or upon any improvement thereon is prohibited, except that this prohibition shall not apply to those antennae specifically covered by 47 C.F.R. Part 1, Subpart S, Section 1.4000 (or any successor provision) promulgated under the Telecommunications Act of 1996, as amended from time to time. The Board shall be empowered to adopt rules governing the types of antennae that are permissible hereunder and establishing reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae.

To the extent that reception of an acceptable signal would not be impaired or the cost of installation would not be unreasonably increased, an antenna permissible pursuant to the Declaration or the rules of the Association may only be installed in a side or rear yard location, not visible from the street or neighboring property, and integrated with the residence and surrounding landscape. Antennae shall be installed in compliance with all state and local laws and regulations, including zoning, land-use and building regulations.

(h) No Lot or improvement thereon shall be used for commercial or manufacturing purposes of any kind other than a small home office. Nothing in this subparagraph shall prohibit a builder's use of a residence as a sales office until such builder's last residence on the Property is sold and closed. Nothing in this subparagraph shall prohibit an Owner's use of a residence for

quiet, inoffensive activities such as a small home office, tutoring or giving lessons such as art or music, so long as such activities are consistent with the residential character of the Property, do not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of others within the Property, as determined in the Board's discretion, and do not materially increase the number of cars parked on the street.

(i) No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between three feet (3') and six feet (6') above the roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street right-of-way lines and a line connecting them at points ten feet (10') from the intersection of the street right-of-way lines, or, in the case of a rounded property corner, from the intersection of the street right-of-way lines as extended. The same sight-line limitations shall apply on any Lot within ten (10) feet from the intersection of a street right-of-way line with the edge of a private driveway or alley pavement. No tree shall be permitted to remain within such distance of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

(j) Except for children's playhouses, dog houses, greenhouses, gazebos and buildings for storage of lawn maintenance equipment which specifically conform to the Design Guidelines and the requirements of Section 2.5(a) herein, no building previously constructed elsewhere shall be moved onto any Lot, it being the intention that only new construction be placed and erected thereon. All structures, regardless of what the structure is, that is visible over any fence shall require prior written approval of the Architectural Control Committee.

(k) No sign of any kind with the exception of School Spirit signs or other similar signs displaying School related activities shall be displayed to the public view on any Lot, except: (i) political signs which may be placed on the Lot no earlier than six (6) weeks prior to an election and which must be removed within two (2) weeks after the election for which such sign is displayed; (ii) one (1) professional security service sign of not more than one square foot; (iii) one (1) sign of not more than five square feet advertising the property for rent or sale during any period that the Lot actually is for rent or sale; or (iv) signs used by a Builder to advertise the Property during the construction and sales period, each of which shall, in any event, comply with all statutes, laws or ordinances governing same. The Board of Directors or its agents shall have the right to remove any sign, billboard or other advertising structure that does not comply with the above, and in so doing shall not be subject to any liability for trespass or otherwise in connection with such removal.

(l) The drying of clothes in public view is prohibited. Clothes lines are prohibited.

(m) Wood used for fireplace, barbeque, or other use must be stacked neatly and screened from public view. The Owner is responsible for ensuring that such wood stack is kept free of rodents.

(n) No Owner shall perform, fail to perform, or permit anything to be done or not done on such Owner's Lot which would violate any laws, statutes, ordinances or regulations of any kind or character. No Owner shall perform or permit anything to be done that can be considered a nuisance or safety hazard to the surrounding neighbors or the community. If an Owner leases his

home, the occupant / tenant shall be required to adhere to all governing documents, rules and regulations. It shall be the responsibility of the Owner to ensure the occupant / tenant is aware of all restrictions, rules and regulations. Violation infractions committed by an occupant / tenant, resident, guest or invitee will be the responsibility of the Owner to cure / abate. If a fine for non-compliance is levied, the Owner will be responsible for the payment in full of all fines, self help remedies, or cost of repairs which may be incurred by the Association. ***The Community Wide Standard rule may be used for the purposes outlined in this section and is not contingent upon a written rule or regulation to be enforced.***

(o) No Owner shall contract for garbage collection with any company unless such company is approved by the Association.

Section 2.6 Minimum Floor Area and Setback Restrictions.

The total air-conditioned living area of the main residential structure constructed on each Lot, as measured to the outside of exterior walls but exclusive of open porches, garages, patios and detached accessory buildings, shall be in accordance with the "City Ordinance" (as defined below), if any are then applicable, the City's Subdivision Regulations and other applicable laws, but in no event shall be less than 1,200 square feet. The setback requirements are subject to the building line setbacks as outlined in Building Line Setbacks for the Subdivision as shown on Exhibit B.

Section 2.7 Fences and Walls.

Any fence or wall must be constructed of brick, wood, wrought iron or other material approved by the Declarant or the ACC. No chain link or vinyl fences are permitted except chain link fencing shall be allowed for school property which may be located within the community. No fence or wall shall be permitted to extend nearer to any street than the front of any residence. However, all side yard fencing on corner Lots shall run parallel to the curb and may be placed no nearer than five feet (5') inside the side Lot line and shall not extend beyond a point of five feet (5') behind the front of the residence on that side. This rule is subject to further restriction of the ACC when it is reasonably believed that line of sight is at risk. Fences or walls erected by Declarant shall become the property of the Owner of the Lot on which the same are erected and as such shall be maintained and repaired by such Owner, except as is provided in Article IV and Article IX. Any fence or portion thereof that faces a public street shall be so constructed so that all structural members and posts will be on the side of the fence facing away from the street so that they are not visible from any street. The minimum height for wood fencing shall be six feet (6'). No portion of any fence shall extend more than eight feet (8') in height. Owners asking ACC permission to replace their fence, extend their fence, or increase the fence height may be required to obtain prior written permission from the neighbor of all adjoining lots at the sole discretion of the ACC.

Section 2.8 Building Materials.

The building materials to be used for each residence and other structure must conform to the requirements set out in the Design Guidelines. Allowed roofing materials shall be set forth

exclusively in the Design Guidelines. The color of roofing shall be consistent throughout the Subdivision and shall otherwise conform to the Design Guidelines.

Section 2.9 Mailboxes and Address Blocks.

Mailboxes shall be standardized throughout Subdivision and shall be constructed in accordance with the Design Guidelines. An address block shall be installed on the front facade of each residence and shall be of cast stone.

Section 2.10 Landscaping.

Each Builder of a residence upon each Lot shall, upon or before the first occupancy of a house, sod grass in the front and side yards, plant the minimum size and number of trees and minimum size and number of shrubs in the front yard against the foundation of the house as required by either the Design Guidelines. Thereafter, each Owner of a Lot shall have the responsibility to properly maintain such trees and landscaping and, if necessary, shall replace such trees or landscaping in accordance with the Design Guidelines. The Declarant and/or the Association shall have the right but not the obligation, to be exercised at its sole option, to remove and replace dead trees and landscaping and charge the costs thereof to the Owner's account as a Special Individual Assessment under Section 10.7 below.

Section 2.11 Design Guidelines.

In addition to any requirements set forth in this Declaration, all Owners are required to comply with the Design Guidelines in the construction of improvements within the Property and the installation, maintenance and replacement of trees and landscaping within the Property.

Section 2.12 "City Ordinances."

The Property and Lots within the Subdivision are subject to the City's Subdivision Regulations and certain other ordinances that Texas law specifically allows the City to enforce in the ETJ as adopted by the City and maintained in the Code of Ordinances, City of McKinney, Texas ("City Code") (herein referred to as the "City Ordinances"). (If any or all of the Property and Lots are annexed into the City's corporate limits then such annexed areas will be subject to the full range of the City Code and not limited solely to the City Ordinances, as defined herein.)

No use shall be permitted on the Property that is not allowed under any applicable public codes, ordinances and other laws either already adopted or as may hereafter be adopted by the City, County or other controlling public authorities. Each Owner, occupant or other user of any portion of the Property, shall at all times comply with this Declaration, the City Ordinances (to the extent applicable) and with any and all other laws, ordinances, policies, rules, regulations and orders of all federal, state, county and municipal governments, and other agencies having jurisdictional control over the Property. **IN SOME INSTANCES REQUIREMENTS UNDER THE CITY ORDINANCES OR OTHER GOVERNMENTAL REQUIREMENTS MAY BE MORE OR LESS RESTRICTIVE THAN THE PROVISIONS OF THIS DECLARATION. IN THE EVENT A CONFLICT EXISTS BETWEEN ANY SUCH REQUIREMENTS UNDER THE CITY ORDINANCES OR OTHER GOVERNMENTAL REQUIREMENT AND ANY REQUIREMENT**

OF THIS DECLARATION, THE MOST RESTRICTIVE REQUIREMENT SHALL PREVAIL, EXCEPT IN CIRCUMSTANCES WHERE COMPLIANCE WITH A MORE RESTRICTIVE PROVISION OF THE DECLARATION WOULD RESULT IN A VIOLATION OF MANDATORY APPLICABLE CITY ORDINANCES OR GOVERNMENTAL REQUIREMENTS, IN WHICH EVENT THOSE GOVERNMENTAL REQUIREMENTS SHALL APPLY. COMPLIANCE WITH THE CITY ORDINANCES OR OTHER MANDATORY GOVERNMENTAL REQUIREMENTS WILL NOT RESULT IN THE BREACH OF THIS DECLARATION EVEN THOUGH SUCH COMPLIANCE MAY RESULT IN NON-COMPLIANCE WITH PROVISIONS OF THIS DECLARATION. WHERE A CITY ORDINANCE OR ANY GOVERNMENTAL REQUIREMENT DOES NOT CLEARLY CONFLICT WITH THE PROVISIONS OF THIS DECLARATION BUT PERMITS ACTION THAT IS DIFFERENT FROM THAT REQUIRED BY THIS DECLARATION, THE PROVISIONS OF THIS DECLARATION SHALL PREVAIL AND CONTROL. All Lots shall be developed in accordance with this Declaration as this Declaration may be amended or modified from time to time as herein provided.

The City reserves the right, but does not have a corresponding obligation, in the event of non-compliance with this Declaration to perform the work or needed maintenance to any Common Area in order to bring it into compliance with City Ordinances and applicable restrictions as set forth in this Declaration. Any such work performed by the City will be billed to the Association and shall be due and payable by the Association upon receipt, and such amounts due to the City may be assessed and levied hereunder by the City in the same manner as Special Assessments or Special Individual Assessments hereunder, and shall be secured by the assessment lien created under Section 10.1 hereof.

Section 2.13 Notice of Lots Located within the City's Extraterritorial Jurisdiction

All Lots are subject to the following notices and disclosures until such time, if and when, the City annexes the Property or Lots into the City's municipal limits:

- The Lots are located in the City of McKinney's (the "City") extraterritorial jurisdiction (ETJ), and as such is not in the City's annexed City Limits.**
- Lot Owners will not pay City taxes until, if and when, such time as the City annexes the property.**
- Building and structure permitting and construction is regulated by Collin County.**
- All buildings and structures are required to be inspected by a licensed third – party inspector.**
- The City is the retail provider of water and sanitary sewer services for Weston Ridge at a rate established by the City for their ETJ (homeowners are expected to pay the City for these services).**
- Trash service will be provided by a third party waste contractor approved by the HOA. Payment for this service will be the**

responsibility of the homeowner and is not included in the Assessments.

- **Emergency services (Police/Sheriff, EMS, Fire) will be provided by Collin County.**
- **Contact the City of McKinney Planning Department (972-547-2000) for more information about the ETJ.**

ARTICLE III ARCHITECTURAL CONTROL

Section 3.1 Review Authority.

(a) General. Declarant and the Association will, in all likelihood engage the services of third-party professionals including architects, engineers, or other persons to perform and administer the submission, review and inspection process which may be required or necessary under this Article. Declarant reserves the right to implement and enforce additional application, permitting, review, testing and inspection requirements and procedures not contained herein relating to national or uniform codes pertaining to building, electrical, plumbing and any other aspect of construction or development as deemed necessary by Declarant.

(b) Declarant. **Declarant shall have exclusive authority to administer, review and act upon all applications for architectural and other improvements within the Property until all planned Lots have been conveyed to persons other than Declarant or a Builder and have been improved with a residence for which a certificate of occupancy has been issued, unless Declarant earlier terminates its rights in a recorded instrument.** Declarant may designate or engage one or more persons or entities to act on its behalf with respect to some or all matters coming within the purview of this Article III. In reviewing and acting upon any request for approval, Declarant or its designee act solely in Declarant's interest and owe no duty to any other person. Declarant is not required to hold meetings or keep minutes relating to its review under this Article.

Declarant may from time to time delegate or assign all or any portion of its rights under this Article to any other person, entity or committee, including the Architectural Control Committee. Any such delegation shall be in writing, shall specify the delegated responsibilities, and shall be subject to (i) Declarant's right to revoke such delegation at any time and reassume its prior jurisdiction, and (ii) Declarant's right to veto any decision which it determines, in its discretion, to be inappropriate or inadvisable for any reason. So long as Declarant has any rights under this Article, the jurisdiction of other entities shall be limited to such matters as Declarant specifically delegates.

(c) Architectural Control Committee. Upon Declarant's delegation or upon expiration or termination of Declarant's rights under this Article, the Association, acting through the ACC, shall assume jurisdiction over architectural matters. The ACC shall consist of at least three persons. Members of the ACC need not be Members of the Association or representatives of Members, and may, but need not, include architects, engineers, or similar professionals, who may be compensated in such manner and amount, if any, as the Board may establish. The ACC members shall be designated, shall serve, and may be removed and replaced in the Board's discretion.

For so long as Declarant owns any portion of the Property (and unless the Declarant notifies the ACC in writing to the contrary), the ACC shall notify Declarant in writing, no less than thirteen (13) business days prior to communicating any action (*i.e.*, approval, partial approval, or disapproval) it intends to take under this Article. A copy of the application and any additional information that Declarant may require shall accompany the notice. During such time, Declarant shall have the right, in its sole and absolute discretion, to veto any ACC action; provided, Declarant's right to veto must be exercised within ten (10) business days after it receives notice of the ACC's proposed action. The party submitting the plans for approval shall not be notified of the ACC's proposed action until after Declarant's right to veto has expired.

The Board may create and appoint subcommittees of the ACC. Subcommittees may be established to preside over particular areas of review (*e.g.*, landscape plans) and shall be governed by procedures the Board or the ACC may establish. Any subcommittee's actions are subject to review and approval by Declarant, for as long as Declarant may review the ACC's decisions, and the ACC. Notwithstanding the above, neither the ACC nor Declarant shall be obligated to review all actions of any subcommittee, and the failure to take action in any instance shall not be a waiver of the right to act in the future.

Unless and until such time as Declarant delegates any of its reserved rights to the ACC or Declarant's rights under this Article expire or terminate, the Association shall have no jurisdiction over architectural matters.

(d) Reviewer. The entity having jurisdiction in a particular case, whether Declarant or its designee or the ACC, shall be referred to as the "Reviewer".

(e) Fees: Assistance. The Reviewer may establish and charge reasonable fees for its review of applications and shall require that such fees be paid in advance. If such fees or charges, including those set forth under Section 3.3 below, are not paid in advance, the Reviewer shall have no obligation whatsoever to review any such related application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers, or other professionals. The Board may include the compensation of such persons in the Association's annual operating budget.

Section 3.2 Review Requirements.

No building, wall, pool or other structure shall be commenced, erected, installed, placed, or substantially altered on any Lot, nor shall any exterior painting (other than repainting a structure the same or similar color) of, exterior addition to, or substantial alteration of, such items be made until all plans and specifications and a plot plan have been submitted to and approved in writing by the Reviewer.

The Reviewer is authorized and empowered to consider and review any and all aspects of construction and landscaping which may, in the reasonable opinion of the Reviewer, adversely affect the living enjoyment of one (1) or more Owners or the general value of the Property. The reviewer shall have the right to render decisions based solely on aesthetic considerations.

In reviewing each submission, the Reviewer may consider any factors it deems relevant, including, without limitation, harmony of the proposed exterior design with surrounding structures and environment. Decisions may be based on purely aesthetic considerations. Each Owner acknowledges that aesthetic determinations are purely subjective and that opinions may vary as to the desirability and/or attractiveness of particular improvements. The Reviewer shall have the sole discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment and such determinations are not subject to judicial review so long as they are made in good faith and in accordance with the required procedures.

Section 3.3 Procedure for Approval.

PRIOR TO THE COMMENCEMENT OF ANY CONSTRUCTION BY ANY PERSON OR ENTITY, THE BUILDER SHALL OBTAIN FROM THE REVIEWER A BUILDING PERMIT AND SHALL PAY, IN ADVANCE, ANY RELATED INSPECTION FEES AND FEES OWING OR TO BE OWED AS DETERMINED BY THE REVIEWER. THIS REQUIREMENT NOT ONLY APPLIES TO ORIGINAL CONSTRUCTION BUT TO POOL INSTALLATIONS, MODIFICATIONS OR ADDITIONS TO EXISTING STRUCTURES OF IMPROVEMENTS. FAILURE TO OBTAIN SUCH PERMIT OR PAY SUCH FEES PRIOR TO INITIATION OF CONSTRUCTION SHALL BE CAUSE FOR THE REVIEWER OR THE ASSOCIATION TO REQUEST AND OBTAIN EMERGENCY TEMPORARY RELIEF TO RESTRAIN ALL ASPECTS OF CONSTRUCTION.

In addition to the foregoing requirement, final plans and specifications shall be submitted in duplicate by certified mail, return receipt requested or hand delivery to the Reviewer. The plans and specifications shall show the nature, kind, shape, height, materials and location of all landscaping and improvements. The application shall specify in writing any requested variances from the requirements set forth in this Declaration, the Design Guidelines or any Community-Wide Standard. The Reviewer is authorized to request the submission of samples of proposed construction materials and such other information as they reasonably deem necessary to make their determination. At such time as the plans and specifications meet the approval of the Reviewer, one complete set of plans and specifications will be retained by the Association, for up to three (3) years only, and the other complete set of plans shall be marked "Approved", signed by a representative of the Reviewer and returned to the Lot Owner or his designated representative. If

disapproved by the Reviewer, one set of such plans shall be returned marked "Disapproved" and shall be accompanied by a reasonable statement of the reasons for disapproval, which statement shall be signed by a representative of the Reviewer. Any modification of the approved set of plans and specifications must again be submitted to the Reviewer for its approval. The Reviewer's approval or disapproval, as required herein, shall be in writing. Any reliance upon a verbal approval of any plans by the Reviewer shall be wholly unjustified, at the risk of the Lot Owner and subject to any subsequent or otherwise conflicting written response by the Reviewer.

If the Reviewer fails to approve or disapprove any such plans and specifications or modification thereto within thirty (30) business days after the date of submission of all information the Reviewer requires, the submission shall be deemed to have been denied. Any Builder who is constructing residences on multiple Lots shall have the option of submitting a master set of final plans and specifications for all of the residences it intends to construct within the Property to the Reviewer in accordance with the provisions of this paragraph. Once the master set of plans has been approved, the Builder shall be allowed to construct residences in accordance with such approved plans and no further submittals shall be required unless material deviations have been made to such approved plans.

The Reviewer may, but is not obligated to, permit or require that plans be submitted or considered in stages, in which case, a final decision shall not be required until after the final, required submission stage.

As part of any approval, the Reviewer may require that construction in accordance with approved plans commence within a specified time period. If construction does not commence within the required period, the approval shall expire and the Owner must reapply for approval before commencing any activities. Once commenced, construction must be diligently pursued to completion. All construction work shall be completed within one (1) year of commencement unless otherwise specified in the notice of approval or the Design Guidelines, or unless the Reviewer, in its discretion, grants an extension in writing. If approved work is not completed within the required time, it shall be in violation of this Article and shall be subject to enforcement action.

Also as a part of the review process, the Reviewer may require that the construction of any improvement be inspected on a periodic basis prior to completion for compliance with the plans, codes adopted by the Declarant and other matters relating to the quality or method of construction. The Association may conduct such inspections or, in the alternative, it may contract with third parties for such purposes. The Owner on whose Lot the construction is taking place shall be responsible for the payment of costs relating to any such inspection.

Section 3.4 Standards.

The Reviewer shall have sole discretion with respect to taste, design and all standards specified herein. One objective of the Reviewer is to prevent unusual, radical, curious, odd, bizarre, peculiar or irregular structures from being built on the Property. The Reviewer shall have the authority to interpret and amend the Design Guidelines, subject to Declarant's approval for so long as Declarant or any Builder owns any portion of the Property and, thereafter, subject to the

approval of the Board. The Reviewer may from time to time publish and promulgate bulletins regarding architectural standards, which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration.

Section 3.5 Requests for Variance.

Upon submission of a written narrative request for same, the Reviewer may, from time to time, in its sole discretion, permit Owners and Builders to construct, erect or install improvements which are in variance from the requirements of this Declaration or which may be contained in the Design Guidelines. In any case, however, such variances shall be in basic conformity and shall blend effectively with the general architectural style and design of the community. No member of the ACC or the Board, or the Association or Declarant shall be liable to any Owner or other person claiming by, through, or on behalf of any Owner, for any claims, causes of action, or damages arising out of the granting or denial of, or other action or failure to act upon, any variance request by any Owner or any person acting for or on behalf of any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Reviewer's right to strictly enforce the Declaration, the Design Guidelines or the against any other Owner. Each such written request must identify and set forth in narrative detail the specific restriction or standard from which a variance is sought and describe in complete detail the exact nature of the variance sought. Any grant of a variance by the Reviewer must be in writing and must identify in narrative detail both the standard from which a variance is being sought and the specific variance being granted.

Section 3.6 Liability of Reviewer.

Neither Declarant, the Board of Directors, the Architectural Control Committee, nor any of their respective members, officers, employees, designees, contractors, administrators, inspectors and agents, shall have any liability whatsoever for decisions made in accordance with this Article so long as such decisions are made in good faith and are not arbitrary or capricious.

The plans or the site plan submitted to the Reviewer shall be the responsibility of the Owner of the Lot to which the improvements relate, and the Reviewer shall have no obligation to check for errors in or omissions from any such plans, or to check for such plans' compliance with the general provisions of this Declaration, or any codes, ordinances, regulations or other laws, whether statutory or not, and whether the same relate to Lot lines, building lines, easements or any other issue. Review and approval of any plans pursuant to this Article may be based on purely aesthetic considerations. The Reviewer is not responsible for the structural integrity or soundness of approved construction or modifications, for compliance with building codes and other governmental requirements, or for ensuring that every residence is of comparable quality, value, or size, of similar design, or aesthetically pleasing or otherwise acceptable to other Owners.

THE ASSOCIATION HEREBY UNCONDITIONALLY AND PERPETUALLY INDEMNIFIES AND HOLDS DECLARANT, THE BOARD, THE ARCHITECTURAL CONTROL COMMITTEE, AND THEIR RESPECTIVE MEMBERS, EMPLOYEES, DESIGNEES, ADMINISTRATORS, INSPECTORS, CONTRACTORS, AND AGENTS HARMLESS FROM AND AGAINST ANY CLAIMS, LIABILITIES, LOSS, DAMAGE, COSTS AND EXPENSES, INCLUDING BUT NOT LIMITED TO ATTORNEYS' FEES,

IN CONNECTION WITH OR ARISING OUT OF ANY ACTIONS OR INACTIONS TAKEN HEREUNDER BY THE REVIEWER, IRRESPECTIVE OF WHETHER OR NOT THE REVIEWER, ITS EMPLOYEES, CONTRACTORS, AGENTS AND OTHER INDIVIDUALS OR ENTITIES TO OR EMPLOYED BY THE REVIEWER ACTED NEGLIGENTLY OR WITH WILLFUL MISCONDUCT.

Section 3.7 Special Rights of Declarant.

Notwithstanding anything to the contrary contained herein, any Lot owned by Declarant or its successor or assign, shall not be subject to the provisions of this Article III and Declarant shall not be required to submit plans and specifications, etc. to the Architectural Control Committee nor obtain the consent, permission or approval of the Architectural Control Committee for the matters otherwise required pursuant to this Article III, and the consent, permission or approval of the Architectural Control Committee shall be deemed given for plans and specifications, plot plans and the like to be used by Declarant, or Declarant's assigns, in the construction of any residence on any Lot owned or sold to a Builder by Declarant. **DECLARANT ALSO RETAINS SPECIAL AND UNIQUE RIGHTS AND PRIVILEGES IN ARTICLE XII THAT TAKE PRECEDENCE OVER ALL OTHER ARTICLES OR SECTIONS IN THIS DECLARATION.**

**ARTICLE IV
SPECIAL FENCING AND LANDSCAPING**

Section 4.1 Fences, Walls and Screening Landscaping.

Declarant and/or the Association shall have the right, but not the obligation, to erect, install, maintain, repair and/or replace fences, walls and/or screening landscaping within that portion of any Lot situated along the perimeter of the Property or on Lots adjacent to Common Properties, as shown on a Final Plat, including without limitation, open space area for screening or buffering. *Any such fence, wall or sprinkler system shall be the property of the Owner of the Lot on which such fence, wall or sprinkler system is erected or installed, subject to the easements and rights of Declarant and the Association set forth below.* With respect to any fencing installed within a Lot that is adjacent to a thoroughfare, the Association shall have the exclusive right to stain the exterior of such fence facing the thoroughfare whenever, in the Board's sole and absolute discretion, it deems necessary. The Design Guidelines shall contain all construction and materials requirements for the walls adjacent to the Common Properties and any thoroughfare. The Association may include costs for maintenance, repairs and/or replacement required by this Section 4.1 to be included in the expenses of the Association to be paid by levying of Annual Assessments.

Section 4.2 Landscaping, Hardscaping, Other Improvements.

Declarant and/or the Association shall have the right to grade, plant and/or install landscaping, hardscaping, water wells, water fountains, lighting, and maintain, repair, replace and/or change such improvements on any portion of the Property not comprising any portion of a Lot and to maintain all landscaping, buffering, screening, irrigation and associated improvements

adjacent to the Subdivision along public thoroughfares (and including without limitation, open space area for screening or buffering), without limitation whatsoever, to do all things necessary within the Property to obtain full compliance with applicable City Ordinances. The Association may include costs for improvements, maintenance, repairs, replacement and/or changes required by this Section 4.2 to be included in the expenses of the Association to be paid by levying of Annual Assessments.

Section 4.3 Easement.

Declarant and the Association shall have, and hereby reserve, the right and easement to enter upon the Common Properties and those Lots which are situated along the perimeter of the Property and/or the Common Properties, as shown on a Final Plat, or the Lots adjacent to a thoroughfare, for the purpose of exercising the discretionary rights set forth in this Article IV.

Section 4.4 Declarant and the Association's Discretion.

Notwithstanding any provisions herein to the contrary, neither Declarant nor the Association shall ever be obligated to erect, install, maintain, repair or replace any fences, walls, sprinkler systems, grading, planting or landscaping on the Property.

Section 4.5 Fifteen (15) Year Limitation.

The provisions of this Article IV regarding Declarant's rights shall terminate and be of no further force and effect from and after that date which is fifteen (15) years after the recording of this Declaration. The rights of the Association shall continue throughout the term hereof.

**ARTICLE V
LOT MAINTENANCE BY OWNERS**

Section 5.1 Lot Maintenance.

After the installation of the landscaping on a Lot by a builder, the Owner of the Lot shall thereafter maintain the yard in a sanitary and attractive manner, including adequate watering and immediate replacement of dead vegetation and trees, and shall edge the street curbs that run along the Lot boundary lines. Yards must be kept mowed, trimmed, and edged at regular intervals so as to maintain the Lot in a neat and attractive manner. No vegetables shall be grown in any portion of a Lot yard that faces a street or is not screened by fencing built in accordance with the terms hereof. Grass shall not be permitted to grow to a height of greater than four inches (4") upon any Lot. Dead grass/turf and unsightly weeds must be addressed and remedied. A weed treatment program is recommended.

Section 5.2 Maintenance of Improvements.

Each Owner shall maintain the exterior of all buildings, fences, walls and other improvements on his Lot in good condition and repair at all times, and shall replace worn and rotten parts, and shall regularly repaint all painted surfaces and shall not permit the roofs, rain

gutters, down spouts, exterior walls, windows, doors, walks, driveways, parking areas or other exterior portions of the improvements to deteriorate or exist in an unattractive manner. All fences shall be kept neat, clean and in good repair at all times. Broken panels and pickets or fallen or leaning panels must be repaired immediately. No Owner is allowed to install or have only a portion of his Lot fenced (excluding the front yard or areas wherein fencing is prohibited).

ARTICLE VI ENFORCEMENT

Section 6.1 Special Enforcement Rights of the Board of the Association.

In the event an Owner or an Owners guests, invitees, or tenants, fails to comply with any provision of this Declaration, the Design Guidelines, including but not limited to any requirement contained in Article V, then, prior to the Board or the Association enforcing the compliance of such failure or seeking against such Owner remedies in accordance with this Declaration (or such other remedies as may be available to the Board and/or the Association at law or in equity), the Board shall first be obligated to give such Owner not less than one (1) notice of such failure and a reasonable time of not less than five (5) days or as determined by the Board to cure said violation. If the Owner, the Owner's occupants or tenants in the event the home is leased or rented, shall not have corrected such failure within the time given, the Board of Directors shall have the right but not the obligation, to assess monetary fines and / or enter upon the Lot to bring the Lot, and any improvements thereon, into full compliance with this Declaration, the Design Guidelines, or any rules and regulations. All costs and expenses incurred by the Association in connection with correcting any such failure shall be borne by the Owner. If any Owner does not promptly reimburse the Association for all such costs, expenses and violation fines assessed after receipt of written request for same, the Board shall have the right to assess the Owner for same plus interest, such assessment, interest and fines being a Special Individual Assessment under the provisions of Section 10.6 below. Monetary fines may be levied in lump sums or in increments notwithstanding, there shall be a maximum fine of \$500.00 levied for each individual violation and a minimum fine of not less than \$25.00 per day or \$50.00 when using the schedule of fines which may be amended at any time and from time to time by the Declarant and thereafter, the Board of Directors. Each occurrence shall constitute a new violation regardless of whether it is a repeat violation or not.

Section 6.2 Enforcement.

In addition to but not in lieu of the enforcement rights set forth in Section 6.1, the Board of Directors may impose sanctions for violation of this Declaration (including any rules, guidelines or standards adopted pursuant to the Declaration) in accordance with the applicable procedures set forth in any policy or procedure adopted by the Board. Such sanctions may include all remedies available at law and/or in equity and all remedies herein, including, without limitation, the following:

(a) Fines. The Board of Directors may impose reasonable monetary fines which shall constitute a lien upon the Owner of the Lot related to or connected with the alleged violation. Some

violations may be subject to greater fines than others depending upon the severity of the violation, frequency, and other factors which may be considered. Fines may be levied daily, in increments, or as a lump sum. The Owner shall be liable for the actions of any occupant, guest, or invitee of the Owner of such Lot. The Board of Directors may but, is not required, to provide a copy of the notice of violation to any tenant notwithstanding, the Owner shall be responsible for the abatement of a violation and payment of any fine, if applicable.

(b) Suspension of Rights to Use the Common Properties. The Board of Directors may suspend any person's or entity's right to use any recreational facilities within the Common Properties; provided, however, nothing herein shall authorize the Board of Directors to limit ingress or egress to or from a Lot. Owners who lease or rent their homes shall be responsible for all occupants / tenants.

(c) Right to Require Removal. The Board of Directors may require an Owner, at the Owner's expense, to remove any dead tree or landscaping from an Owner's Lot and to restore or install the necessary trees or landscaping as required by the Association Rules, upon failure of the Owner to do so, the Board of Directors or its designee shall have the right to enter the Lot, remove and cure the violation without such action being deemed a trespass and charge the costs thereof to the Owner's account as a Special Individual Assessment in accordance with Section 10.6 below.

(d) Levy Special Individual Assessment. The Board of Directors may levy a Special Individual Assessment in accordance with Section 10.6 as a violation fine and/or to cover costs incurred by the Association in bringing a Lot into compliance with this Declaration or the Design Guidelines. Owners leasing or renting their homes shall be responsible for their occupants / tenants. All fines shall be the responsibility of the Owner to pay.

(e) Lawsuit: Injunction or Damages. The Board of Directors may bring a suit at law or in equity to enjoin any violation or to recover monetary damages, or both.

Failure by Declarant or the Board of Directors, to enforce any covenant, condition, agreement or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In addition to the Association's enforcement rights, this Declaration may be enforced by any aggrieved Owner.

The decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case: (i) the Association's position is not strong enough to justify taking any or further action; (ii) the covenant, restriction, or rule being enforced is, or is likely to be construed as, inconsistent with applicable law; (iii) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or (iv) that it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

**ARTICLE VII
AMENDMENT AND TERMINATION**

Section 7.1 Amendment.

This Declaration may be amended by Declarant at any time within five (5) years from the date this Declaration is filed of record with the office of the County Clerk. Within such five (5) year period, Declarant may amend the Declaration for any reason without the consent or joinder of any party or without the need to call a meeting of the Association. In addition to the foregoing, the Declaration may be amended by an instrument containing such amendment(s) and recorded in the Official Public Records of the County, provided, that (i) during the period Declarant owns at least one Lot, no such amendment shall be valid or effective without the joinder and consent of Declarant and (ii) such amendment shall first be approved by the affirmative vote or written consent of the Association's Members representing at least 51% of the votes in the Association voting, in person or by proxy, at a duly convened meeting of the Association. Furthermore, Declarant or the Board may, at its sole discretion and without a vote or the consent of any other party, modify, amend, or repeal this Declaration: (i) as necessary to bring any provision into compliance with any applicable statute, governmental rule, regulation, or judicial determination; (ii) as necessary to comply with the requirements of VA, or HUD (Federal Housing Administration), FHLMC or FNMA or any other applicable governmental agency or secondary mortgage market entity; or (iii) as necessary for clarification or to correct technical, typographical or scrivener's errors; provided, however, any amendment pursuant to clause (ii) and/or (iii) immediately above must not have a material adverse effect upon any right of any Owner. Any amendment to this Declaration must be recorded in the Real Property Records of the County.

No amendment may remove, revoke, or modify any right or privilege of Declarant or the Class B Member without the written consent of Declarant or the Class B Member, respectively (or the assignee of such right or privilege). If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that the Owner has the authority to consent, and no contrary provision in any mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Notwithstanding anything to the contrary contained in this Section 7.1, any modification or amendment to the terms of this Declaration affecting the rights, duties or obligations of the Association to maintain and/or control Common Properties shall require the written approval and consent of the City in order to be effective or enforceable hereunder.

Section 7.2 Termination.

At any time, the Owners may terminate and extinguish this Declaration in its entirety by executing an instrument terminating this Declaration and recording same in the Official Public Records of the County, provided, however, that (i) for the period in which Declarant owns at least one Lot, no such termination shall be valid or effective without the joinder and consent of Declarant and (ii) such termination and extinguishment shall first be approved in writing by the

City and by the affirmative vote or written consent of the Association's Members representing at least 75% of the votes in the Association.

**ARTICLE VIII
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION**

Section 8.1 Membership.

Every Owner of a Lot shall automatically be a Member of the Association. Membership shall be appurtenant to each Lot, shall run with title to each Lot and may not be separated from ownership of any Lot which is subject to Assessment hereunder by the Association. Membership is mandatory and is not contingent upon the existence of or construction of any common element or amenity.

Section 8.2 Classes of Membership.

The Association shall have two (2) classes of voting membership:

CLASS A. Class A Members shall all be Members with the exception of the Class B Member. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership; provided, however, that in the event that more than one (1) person holds such interest or interests in any Lot, even though all such persons shall be Members, there shall be only one (1) vote for such Lot, which shall be exercised as they, among themselves, determine (but in no event shall more than one (1) vote be cast with respect to any such Lot).

CLASS B. The Class B Member(s) shall be Declarant. Until such time as 99% of the maximum number of Lots planned or approved for the Property has been conveyed to Class A Members other than Builders who purchase Lots for development and sale, the Class B Member shall have twenty (20) votes for each Lot owned by such Declarant. Class B Membership shall expire after title to 99% of the maximum number of Lots planned or approved for the Property has been transferred to Class A Members other than Builders who purchase Lots for development and sale. After such time, the Class B Member shall be a Class A Member entitled to one (1) vote for each Lot it owns.

Section 8.3 Quorum and Notice Requirements.

8.3.1. Except as expressly provided herein to the contrary, any action of the Members shall require the assent of a majority of the votes of those Association Members who are present at a meeting, in person or by proxy, written notice of which shall be given to all Members not less than ten (10) days nor more than sixty (60) days in advance of such meeting.

8.3.2. A quorum is required for any action referred to in Section 8.3.1 and, unless otherwise provided, for any action for which a percentage vote at a meeting is required. A quorum shall be determined as set forth in this Section 8.3.2. The initial meeting, whether regular or special, whether Members present or of proxies, entitled to cast at least ten percent (10%) of all of the votes of the Association's Members, without regard to class,

shall constitute a quorum. If the required quorum is not present at the initial meeting, additional meetings may be called, subject to the notice requirement hereinabove set forth, and the required quorum at such subsequent meeting(s) shall be one-half (1/2) or five percent (5%) of the quorum requirement for such prior meeting. The Association may call as many subsequent meetings as may be required to achieve a quorum (although the quorum requirement shall be reduced for each such meeting, in no event shall a quorum be less than one-tenth (1/10) of the votes of the Association). At such adjourned or subsequent meeting at which a quorum shall be present or represented, any business may be transacted which may have been transacted at the meeting as originally notified.

8.3.3. Except as specifically set forth in this Declaration, notice, voting and quorum requirements of any action to be taken by the Association shall be set forth in its Bylaws, as same may be amended from time to time.

Section 8.4 Right of Inspection.

Each Owner shall have the right to inspect the financial records and books of the Association, during normal business hours and at the place where such books are kept, upon reasonable prior written notice to the Association stating a proper purpose in accordance with Section 209.005 of the Texas Property Code, as amended, and pursuant to the Open Records Policy established by the Association. Furthermore, at the request of the City, the Association shall provide to the City ongoing reports of budgetary actions, financial reports, and collection activity on Assessments that may impact the maintenance Common Properties. Should the funding of the maintenance of any Common Properties not support the level of maintenance required by the City Ordinances or any other governmental requirements, the City may require additional security or reserves be provided by the Association for the provision of such maintenance, and the Association may levy a Special Assessment therefor or the Declarant may, but is not obligated to, fund any deficit resulting therefrom in accordance with Section 10.17 hereof.

ARTICLE IX THE COMMON PROPERTIES

Section 9.1 Initial Common Properties.

The Common Properties may include but are not limited to, and by way of illustration only, all aspects of the entry features, entry monuments and walls, landscaping, irrigation for same and the land on which such entry features are situated, retention ponds, storm water detention system and storm drainage system in common area lots, screening walls, pocket parks, a clubhouse and associated recreational amenity, gates, fences, fountains and other structures, whether or not shown on a Final Plat, or as deemed necessary by Declarant, each as may be leased, maintained or owned by the Association. ***The foregoing list is intended to illustrate examples of Common Properties and under no circumstance shall such list impose any obligation on the Declarant or the Association to purchase, install or construct any such features or amenities.*** The Common Properties may hereafter include any neighborhood parks or other improvements or land conveyed to or leased by the Association for the use and benefit of the Owners. Declarant, at its sole

discretion, may transfer to the Association, and the Association shall accept as Common Properties, Personal Property and/or fee title or other property interests any improved or unimproved real property included within the property described in Exhibit A.

Section 9.2 Additional Common Properties.

Additional property may be added to the Common Properties hereunder upon the sole discretion of Declarant during such time as Declarant owns at least one (1) Lot. Thereafter, additional property may be added to the Common Properties hereunder upon the affirmative vote of sixty percent (60%) of the votes of those Association Members who are voting, in person or by proxy, at a meeting duly called for such purpose.

Section 9.3 Acceptance and Control of Common Properties.

Declarant, or any third-party at the request of Declarant, may transfer to the Association, and the Association shall accept as Common Properties, personal property and/or fee title or other property interests in any improved or unimproved real property included within the property described in Exhibit A or any other real property made subject to this Declaration in the future. Upon Declarant's written request, the Association shall transfer back to Declarant any unimproved real property originally conveyed to the Association for no payment, to the extent conveyed by Declarant in error or needed by Declarant to make minor adjustments in property lines.

Section 9.4 Extent of Members' Easement in the Common Properties.

Each Member shall have a right and easement of access, use and enjoyment in and to the Common Properties which is subject to the following:

9.4.1 The right of the Association to prescribe regulations governing the use, operation and maintenance of the Common Properties;

9.4.2 The right of the Association to take such steps as is reasonably necessary to protect the Common Properties against foreclosure;

9.4.3 The right of the Association to suspend the right of any individual including occupants / tenants to use any of the Common Properties and/or common facilities for any period during which any Assessment against a Lot resided upon or owned by such individual remains unpaid, and for any period not to exceed sixty (60) days for an infraction of the rules and regulations of the Association, the Declaration, or the Design Guidelines; and

9.4.4 The right of the Association to charge reasonable admission and other fees for the use of recreational facilities on the Common Properties, if any such recreational facilities are ever constructed.

Section 9.5 Dedication of the Common Properties.

The Board of Directors shall have the right at any time to sell, dedicate, or transfer all or any part of the Common Properties to any public agency, authority or utility for such purposes and upon such conditions as the Board of Directors may determine, provided that the City has issued acknowledgement and agreement, in writing, to the proposed sale, dedication, or transfer.

**ARTICLE X
COVENANT FOR ASSESSMENTS**

Section 10.1 Creation of the Lien and Personal Obligation of Assessments.

Each Owner hereby covenants and agrees, and each purchaser of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association (or to a mortgage company or other collection agency designated by the Association) the following: (a) annual assessments or charges ("Annual Assessments"); (b) assessments acquisition upon the acquisition of a Lot by an Owner other than Declarant for working capital or reserves ("Working Capital Contributions"); (c) special assessments for capital improvements and unanticipated costs of the Association or related to the performance of the Associations duties and responsibilities hereunder ("Special Assessments"); (d) individual special assessments (including, without limitation interest and fines) levied against individual Owners for violations of the Declaration, Design Guidelines or the Community-Wide Standard or to reimburse the Association for extra costs for maintenance and repairs caused by the willful or negligent acts of the individual Owner, his tenant(s) occupying his Lot, if applicable, and their respective family, agents, guests and invitees, or for costs incurred by the Association resulting from any Owner failing to comply with the terms and provisions hereof ("Individual Special Assessments"). The Annual Assessments, Working Capital Contributions, Special Assessments, and Individual Special Assessments are herein generally referred to as an "Assessment" and collectively (whether two or more) as the "Assessments." All such Assessments shall be fixed, established and collected as hereinafter provided.

The Assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such Assessment is made. Each such Assessment, together with late charges, collection costs, such interest thereon and cost of collection thereof, including attorneys' fees, as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such property at the time when the Assessment fell due.

Fines, not to exceed \$500.00 per occurrence shall be assessed as a Special Individual Assessment upon the expiration of a reasonable time after the date notice of such violation was sent to the violating Owner. In all instances of violations, the Owner shall be responsible for correcting such violation within a reasonable time after the date of such notice, regardless as to whether the residence is occupied by the Owner or a tenant. The lien provided for herein shall secure payment of fines not timely paid as a Special Individual Assessment and the Owner shall also have personal liability for the payment of same.

Section 10.2 Purpose of Assessments.

The Assessments levied by the Association shall be used as follows: (a) for the purpose of promoting the interests of the Association and the recreation, health and welfare of the residents of the Property, and in particular for the improvement and maintenance of the entry ways or any other properties, services and facilities devoted to this purpose and comprising or directly relating to the use and enjoyment of the Common Properties, including, but not limited, to the payment of taxes on and insurance in connection with the Common Properties, and the repair, replacement and additions thereto; (b) for paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of, the Common Properties; (c) for carrying out the duties of the Board of Directors of the Association as set forth in Article XI hereafter including, but not limited to, the payment by the Association of all assessments and charges payable in connection with sewer, water and garbage pickup services and the installation and maintenance of lighting (if any) of the Common Properties; (d) for paying the cost of maintenance of the monument sign for the Property, if any, in the event the appropriate governmental authority refuses to maintain the same; or (e) for carrying out the purposes of the Association as stated in its Certificate of Formation. *The list above is not intended to be construed as an all-inclusive list but, is provided for informational purposes based on the most common expenses incurred by an Association.*

Section 10.3 Basis and Amount of Annual Assessments.

10.3.1 The Board of Directors may fix the Annual Assessment at any amount equal to or less than the Maximum Annual Assessment for that year, as herein below provided. The Annual Assessment for each Lot beginning with the recording of this Declaration shall be **Four Hundred Fifty and No/100 Dollars (\$450.00)**. Commencing with the year 2018 and each year thereafter, the Board of Directors may set the amount of the Annual Assessment for that year (and for following years) for each Lot provided that the Annual Assessment may not be increased more than twenty percent (20%) above the Annual Assessment for the previous year unless a greater increase of the Annual Assessment is approved by a vote of the membership taken in accordance with the provisions of Section 10.3.2 (such increased Annual Assessment as permitted or approved by the Members being referred to herein as the "Maximum Annual Assessment" for such calendar year).

10.3.2 Commencing with the year 2019, and in each year thereafter, the Board of Directors may set the Maximum Annual Assessment for the following year for each Lot at an amount in excess of twenty percent (20%) above the Maximum Annual Assessment for the previous year; provided that any such increase in excess of twenty percent (20%) shall require the affirmative vote of fifty-one percent (51%) of the votes of those Association Members who are voting, in person or by proxy, regardless of class, at a meeting duly called for such purpose.

Section 10.4 Working Capital Contribution.

At any time, record title is transferred to any Owner (excluding Declarant or Builder), a Working Capital Contribution shall be paid to the Association by such Owner at closing in the

amount of **Three Hundred and No/100 Dollars (\$300.00) for each Lot acquired.** Working Capital Contributions shall be in addition to, not in lieu of, any other Assessment provided for herein. Working Capital Contributions are not refundable and shall be available for all necessary expenditures of the Association as determined by the Board and shall be deposited to the operating account of the Association for use. In addition to the foregoing but still considered an Assessment hereunder, the Board may, at its sole discretion, enter into a contract with a Managing Agent to oversee the daily operation and management of the Association. The Managing Agent may, and probably will, have fees, which will be charged to an Owner for the transfer of a significant estate or fee simple title to a Lot and the issuance of a "**Resale Certificate**" (herein so called). The Association or its agent shall not be required to issue a Resale Certificate until payment for the cost thereof has been received by the Association or its agent. Transfer fees and fees for the issuance of a Resale Certificate shall in no event exceed the greater of (i) an amount equal to **the current Annual Assessment applicable at the time of the transfer/sale, or (ii) the amount as set forth in a Management Contract for each home being conveyed** and are not refundable and may not be regarded as a prepayment of or credit against any Assessments, and are in addition to the contribution to the Working Capital Contributions. This Section does not obligate the Board or any third party to levy such fees.

Section 10.5 Special Assessments.

The Association may also levy in any calendar year a Special Assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the costs of any deficit, construction or reconstruction, maintenance, unexpected repair or replacement of an improvement or described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto; provided that any such Special Assessment in excess of the then current Annual Assessment shall be approved by the affirmative vote of fifty-one percent (51%) of the votes of those Association Members who are voting, in person or by proxy, at a meeting duly called for such purpose.

Section 10.6 Special Individual Assessments, Interest and Fines.

In the event that any Owner fails to comply with the provisions of this Declaration, the Design Guidelines or the Community-Wide Standard and/or the Association incurs any cost or expense in either enforcing said provisions against any such Owner or in carrying out the obligations of any such Owner, the Association shall have the right to assess against such Owner and the Lot of such Owner a Special Individual Assessment in the amount of all such costs incurred by the Association plus interest and/or in the amount of any violation fine(s) levied by the Board. Special Individual Assessment, interest and fines to be paid by the applicable Owner upon demand by the Association.

Section 10.7 Uniform Rate of Assessments.

Both Annual Assessments and Special Assessments (excepting there from Special Individual Assessments) shall be fixed at a uniform rate for all Lots.

Section 10.8 Date of Commencement and Due Dates of Assessments.

The obligation to pay Assessments commences as to each Lot: (a) upon acquisition of record title to a Lot by the Owner thereof other than Declarant; the initial Annual Assessment levied on each Lot shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Lot. Annual Assessments shall be payable in advance on the first (1st) business day of each January; provided, if the Board so elects, Annual Assessments may be paid in monthly, quarterly, or semi-annual installments. The Board may require advance payment of all or any portion of the Annual Assessment at closing of the transfer of title to a Lot. The due date or dates, if it is to be paid in installments, of any Special Assessment under Section 10.5 shall be fixed in the respective resolution authorizing such Special Assessment.

Section 10.9 Duties of the Board of Directors with Respect to Assessments.

10.9.1 The Board of Directors shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each calendar year in which such Annual Assessment shall apply and shall, at that time, prepare a roster of the Lots and Assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Owner.

10.9.2 Only if any Assessment is an amount different from that charged for the previous year, written notice of the Assessment shall thereupon be delivered or mailed to every Owner subject thereto (according the Association's then current records).

10.9.3 The Board of Directors shall, upon demand, cause to be furnished to any Owner liable for said Assessments a certificate in writing signed by an officer or agent 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. A reasonable charge may be made by the Board or the Association's managing agent for the issuance of such certificates.

Section 10.10 Assessment Lien to Secure Charges and Assessments.

All Assessments, interest, late charges, collection fees and attorneys' fees, as provided for herein, shall constitute and be secured by a separate and valid and subsisting assessment lien, hereby created and fixed, and which shall exist upon and against each Lot and all improvements and fixtures thereon, for the benefit of the Association. Notwithstanding any other provision hereof, the lien to secure the payment of Assessments or any other sums due hereunder and any other lien which the Association may have on any Lot pursuant to this Declaration shall be subordinate to the lien or equivalent security interest of any first lien mortgage or deed of trust on any Lot. Any foreclosure of any such superior lien under the power of sale of any mortgage, deed of trust or other security instrument, or through court proceedings in which the Association has been made a party, shall extinguish the liens securing maintenance charges or Assessments or any other sums due hereunder which became due and payable prior to such foreclosure date, but no such foreclosure shall free any Lot from the liens securing Assessments thereafter becoming

due and payable, nor shall the liability of any Member personally obligated to pay maintenance charges or Assessments which become due prior to such foreclosure be extinguished by any foreclosure, nor shall the lien for future Assessments or charges be affected in any manner.

Section 10.11 Effect of Nonpayment of Assessment.

If any Assessment is not paid within thirty (30) days from the due date thereof, the same shall bear interest from time to time, at the sole discretion of the Board, from the due date until paid at the highest non-usurious rate allowed under the laws of the State of Texas, or other applicable law, or if no such limitation imposed then at the rate of fifteen percent (15%) per annum, and if placed in the hands of an attorney for collection or if collected through probate or other judicial proceedings, there shall be reimbursed to the Association its reasonable attorneys' fees. Should any Assessment provided for herein be payable in installments, the Association may accelerate the entire Assessment and demand immediate payment thereof. In addition, a late charge shall be assessed against the non-paying Owner for each month that any Assessment remains unpaid. The late charge shall be in the amount of **Twenty-Five and No/100 Dollars (\$25.00)** per month and shall serve to reimburse the Association for administrative expenses and time involved in collecting and processing delinquent Assessments. A charge of **Twenty-Five and No/100 Dollars (\$25.00)** or an amount equal to the bank charges shall be assessed against an Owner for payment returned for insufficient funds or for any other reason. The Association's managing agent shall be entitled to charge an Owner a monthly collection fee(s) to compensate managing agent for its efforts in collecting Assessments whether delinquent or not. The Managing Agent shall be entitled to reimbursement for collection efforts such as but, not limited to demand letters, routine monthly collection actions, payment plan set up and monthly monitoring, processing and handling of certified or certified, return receipt mailings, and credit reporting. The Association, in the Board's discretion, shall have the right to waive any part of or all of such interest and/or fees owed only to the Association.

Section 10.12 Collection and Enforcement.

The Association shall have a lien on each Lot securing payment of any Assessment, together with interest thereon as provided herein, reasonable attorneys' fees, late charges, collection fees and costs incurred in the collection of same and the enforcement of said lien. The Board of Directors shall take such action as it deems necessary to collect Assessments and may settle and compromise the same if deemed appropriate in the exercise of the Board's business judgment. Such liens shall be effective as and in the manner provided for herein and shall have the priorities established in this Declaration.

The Board of Directors may bring an action at law against any Owner personally obligated to pay an Assessment or foreclose the lien against such Owner's Lot, or both, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such Assessment. Each Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Board of Directors of the Association or its agent the right and power to bring all actions against such Owner personally for the collection of such Assessments as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including, but not limited to, nonjudicial foreclosure pursuant to Texas Property Code Section 51.002 in force and effect on the date of this

Declaration, or in accordance with the prescribed manner for foreclosure of deed of trust liens provided by any future amendment to such Section 51.002 or any other statute or article enacted in substitution therefore, and such Owner hereby expressly grants to the Board of Directors a private power of sale in connection with said lien. The Board is hereby appointed trustee, unless and until the Board of Directors shall designate a substitute or successor trustee, as hereinafter provided, to post the required notices as provided by law and conduct such foreclosure sale. The lien provided for in this Section shall be in favor of the Association and shall have the same effect as though each Owner had expressly granted to the Association a deed of trust lien as well as a security interest in said Lot to secure the payment of the Assessments provided for herein. In addition to such notices as required by the aforesaid statute, the trustee shall mail to the Owner of a Lot for which the Assessment has not been paid, a copy of the notice of Assessment lien prior to the date any notice of sale is posted, by certified, return receipt requested, at the Lot or such other address as the Board has been advised in writing for receipt of notices under this Declaration. Notwithstanding the foregoing, any mandatory foreclosure requirements of Section 209 of the Texas Property Code shall be adhered to by the foreclosing entity.

At any foreclosure, judicial or nonjudicial, the Association shall be entitled to bid up to the amount of its lien, together with costs and attorneys' fees, and to apply as cash credit against its bid all sums due the Association covered by the lien foreclosed. All foreclosure sales provided for herein shall be subject to any then existing statutory right of redemption in favor of the former Owner. From and after any such foreclosure, the former Owner or Owners, their heirs and assigns, shall forthwith upon the making of such sale surrender and deliver possession of the property so sold to the purchaser at such sale, and in the event of their failure to surrender possession of said property upon demand, the purchaser, or his heirs or assigns, shall be entitled to institute and maintain an action for forcible detainer of said property in the Justice of the Peace Court in the Justice Precinct in which such Lot, or any part thereof, is situated. The Board of Directors in any event is hereby authorized to appoint a substitute trustee, or a successor trustee, to act in the place of the trustee without any formality other than the designation in writing of a substitute or successor trustee; and the authority hereby conferred by the Board of Directors shall extend to the appointment of other successor and substitute trustees successively until the delinquent Assessment or Assessments have been paid in full, or until said property is sold, and each substitute and successor trustee shall succeed to all the rights and powers of the original trustee appointed by the Board of Directors or its agents.

Section 10.13 Homestead.

By acceptance of a deed thereto, the Owner and spouse thereof, if married at the time of the conveyance or subsequently married, of a Lot shall be deemed to have waived any exemption from liens created by this Declaration or the enforcement thereof by foreclosure or otherwise, which may other be available by reason of the homestead exemption provisions of Texas law, if for any reason such are applicable. This Section is not intended to limit or restrict in any way the lien or rights granted to the Association by this Declaration, but construed in its favor.

Section 10.14 Omission of Assessments.

The omission of the Board of Directors, before the expiration of any calendar year, to fix the Assessments hereunder for that or the next calendar year, shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay the Assessments, or any installment thereof for that or any subsequent calendar year, but the Assessment fixed for the preceding Assessment period shall continue until a new Assessment is fixed or levied by the Board.

Section 10.15 Maintenance Fund; Reserve Fund.

10.15.1 The Association shall establish and maintain a maintenance fund for the periodic maintenance of the Common Properties. Subject to the provisions of Section 10.3 above, the Board may at any time ratably increase or decrease the amounts of Annual Assessments in accordance with this Declaration to such level as shall be reasonably necessary in the judgment of the Board to cover obligations of the Association under this Declaration, including provisions for reasonable reserves. So long as the Board exercises business judgment in determining the amount or necessity of the reserve fund, the amount held in reserves shall be considered adequate, subject to the City's approval of the level of common area maintenance being provided by the Association for the Common Properties. Pursuant to City Code § 142-107(f), the City may, upon ninety (90) days' written notice to the Association, require the Association to provide additional security and/or reserves for the maintenance of the Common Properties. The Maintenance Fund; Reserve Fund may be a general, non-restricted fund.

10.15.2 The Association may establish a working capital fund for the initial operation of the Common Properties in such amount as the Board shall determine.

Section 10.16 Exempt Property.

The following property subject to this Declaration shall be exempted from the Assessments, charges and liens created herein:

- 10.16.1 All properties dedicated and accepted by the local public authority and devoted to public use; and
- 10.16.2 All Lots and/or Property owned by Declarant, subject to the terms of Sections 10.17 and 10.18 below; and
- 10.16.2 All Common Properties.

Section 10.17 Declarant Subsidy.

Declarant may, but shall not be obligated to, pay a subsidy to the Association (in addition to any amounts paid by Declarant under Section 10.18 below) in order to reduce or eliminate a shortfall in the Association's operating budget. Unless the Declarant approves, no subsidy provided shall be used for non-recurring expenses, establishment of a reserve or contributions to a

reserve of any kind notwithstanding, any subsidy provided by the Declarant regardless of its use, shall be disclosed as a line item in the income portion of the budget. The subsidy may be treated by the Declarant, in its sole discretion, as a loan from the Declarant to the Association or as an advance against future Assessments due or as a contribution.

Section 10.18 Declarant's Assessment.

Notwithstanding any provision of this Declaration or the Certificate of Formation or Bylaws to the contrary, so long as there is Class B membership in the Association, the Declarant is exempt from payment of Assessments. **The Declarant may, but is not obligated,** on an annual basis, elect either to pay Annual Assessments on its unsold Lots or pay the difference between: (a) the Association's operating expenses otherwise to be funded by Annual Assessments (after applying all income received by the Association from other sources); and (b) the sum of the revenues of the Association from all sources. Upon sixty (60) days' notice to the Association, the Declarant may change its election hereunder during the fiscal year. "All sources" includes, but is not limited to, revenues from the operation of Common Properties, capital contributions, accounting service fees, property management fees, guest fees, user fees, and the Assessments levied against the owners of Lots, other than the Declarant. Such difference, herein called the "deficiency", shall not include any non-budgeted or non-recurring expenses, reserve for replacements, operating reserves, depreciation reserves, capital expenditures or Special Assessments, and Declarant shall not be responsible, in any event, for any reserve for replacements, operating reserves, depreciation reserves, capital expenditures or Special Assessments. Any sums paid by the Declarant to the Association to fund the "deficiency" may be considered by the Declarant to be the payment of a subsidy to the Association pursuant to Section 10.17 of this Article. Declarant may satisfy any deficiency in the form of cash or by "in kind" consideration of services or materials, or by a combination of these. After termination of the Class B membership, Declarant shall pay Assessments on its unsold Lots in the same manner as any other Owner, except as otherwise expressly provided herein.

**ARTICLE XI
GENERAL POWERS OF THE
BOARD OF DIRECTORS OF THE ASSOCIATION**

Section 11.1 Power and Duties.

Except as provided in Article XII below, the Board, for the benefit of the Association, the Property and the Owners shall have the right and authority to do all things which are necessary or advisable in connection with enforcing the provisions of this Declaration. Such powers shall include, but shall not be limited to, the following:

11.1.1 Paying assessments and charges for sewer, water and garbage pickup services for the Properties, if any, the installation and maintenance charges for street lighting for the Property, if any, and taxes, assessments and other charges which shall properly be assessed or charged against the Common Properties.

11.1.2 Performing maintenance on the Common Properties and Lots which may include, without limitation, the following: (a) maintenance of any driveways, private roadways, jogging paths, walkways and sidewalks; (b) maintenance of grounds, including care of trees, shrubs and grass, lighting systems, sprinkler systems (if installed) and similar facilities on the Common Properties and Lots; and (c) maintenance of the entry monument(s) and any screening walls or fences constructed around the perimeter of the Property; provided, further, that in the event that the need for maintenance or repair is caused through the willful or negligent act of any Owner, his family, his guests or invitees, the cost of such maintenance or repairs shall be added to and become a part of the Assessment to which such Lot is subject.

11.1.3 Managing and maintaining the Common Properties and full maintenance of any utility service for the Common Properties; the furnishing and upkeep of any desired personal property for use in the Common Properties.

11.1.4 Purchasing a policy or policies of insurance insuring the Association against any liability to the public or to the Owners (and/or invitees or tenants) incident to the operation of the Association, in an amount not less than \$250,000.00 to indemnify against the claim of one person, \$500,000.00 against the claims of two or more persons in any one occurrence, and property damage insurance in an amount not less than \$50,000.00 per occurrence; which policy or policies shall contain an endorsement providing that the rights of the named insured shall not be prejudiced with respect to actions against other named insured's; provided, that under no circumstances shall the Board be authorized to provide or pay for fire, casualty, or other insurance insuring the interest of any Owner in his Lot.

11.1.5 Executing all replats of the Property and all declarations of ownership for tax assessment purposes with regard to the Common Properties on behalf of all Owners.

11.1.6 Borrowing funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit.

11.1.7 Entering into contracts, maintaining one or more bank accounts, and generally exercising all the powers necessary or incidental to the operation and management of the Association, expressly including the power to enter into management and maintenance contracts. Contracts entered into by the Declarant may have stricter or differing termination clauses. The Board may not terminate any contract during the period of Declarant control without the express written consent of the Declarant.

11.1.8 Protecting or defending the Common Properties from loss or damage by suit or otherwise, and to provide adequate reserves for replacements.

11.1.9 Making reasonable rules and regulations for the operation of the Common Properties and amending or rescinding them from time to time, provided that any rule or regulation may be amended or repealed by the majority vote of the Board (without limiting the generality of the foregoing language, the rules and regulations may provide for

limitations on use of the Common Properties during certain periods by youthful persons, visitors or otherwise).

11.1.10 Adjusting the amount, collecting and using any insurance proceeds to repair damage or replace lost property, and if proceeds are insufficient to repair damage or replace lost property, assessing the Members in proportionate amounts to cover the deficiency.

11.1.11 Enforcing the provisions of this Declaration, the Design Guidelines, any Community-Wide Standard so long as such provisions do not interfere with or counter any rights of the Declarant during the Declarant Control Period, and any rules made hereunder, and to enjoining and seeking damages from any Owner for violation of such provisions or rules.

11.1.12 Exercising the rights granted to the Association in this Declaration, including, without limitation, all rights of the Board, the Association, and the ACC relating to architecture, design, and construction review and inspections under Article III.

The Association may exercise any right or privilege given to it expressly or by reasonable implication by this Declaration, the Bylaws, or the Certificate of Formation, and may take action reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in such documents or by law, all of the Association's rights and powers may be exercised by the Board without a vote of the membership.

The Board may institute, defend, settle, or intervene on the Association's behalf in mediation, binding or non-binding arbitration, litigation, or administrative proceedings in matters pertaining to the Common Properties, enforcement of this Declaration, or any other civil claim or action. **However, the Board shall exercise business judgment in determining whether to take any such action under particular circumstance and shall have no legal duty to institute litigation under any circumstances on behalf of or in the name of the Association or the Members.**

Section 11.2 Board Power, Exclusive.

The Board shall have the exclusive right to contract for all goods, services and insurance, payment for which is to be made from the maintenance fund, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein.

Section 11.3 Owner's Obligations to Repair.

Except for those portions of each Lot constituting the Common Properties, each Owner shall at his sole cost and expense, maintain and repair his Lot and the improvements situated thereon, keeping the same in good condition and repair at all times. In the event that any Owner shall fail to maintain and repair his Lot and such improvements as required hereunder, the Association, in addition to all other remedies available to it hereunder or by law, and without

waiving any of said alternative remedies, shall have the right but not the obligation, subject to the notice and cure provisions of Section 6.1 above, through its agents and employees, to enter upon said Lot and to repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon; and each Owner (by acceptance of a deed for his Lot) hereby covenants and agrees to repay to the Association the cost thereof immediately upon demand, and the failure of any such Owner to pay the same shall carry with it the same consequences as the failure to pay any Assessments hereunder when due.

Section 11.4 Maintenance Contracts with Owners.

The Board, on behalf of the Association, shall have full power and authority to contract with any Owner for the performance by or for the Association of services pursuant to the terms hereof (including, but not limited to, the maintenance and repair of fences owned by any such Owner), such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable and to the best interest of the Association; provided, however, that same must be commercially reasonable in all circumstances.

Section 11.5 Liability of the Board of Directors.

The Association shall indemnify every officer, director, and committee member against all damages and expenses, including attorneys' fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding if approved by the Board of Directors at the time of such settlement) to which he or she may be a party by reason of being or having been an officer, director, or committee member.

OFFICERS, DIRECTORS, AND COMMITTEE MEMBERS SHALL NOT BE LIABLE FOR ANY MISTAKE OF JUDGMENT, NEGLIGENCE OR OTHERWISE, EXCEPT FOR THEIR OWN INDIVIDUAL WILLFUL MISFEASANCE, MALFEASANCE, MISCONDUCT, OR BAD FAITH. The Association's officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association. The Association shall indemnify and forever hold each such officer, director, and committee member harmless from any and all liability to others on account of any such contract, commitment, or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as an Association expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 11.6 Notice and Hearing Procedures Prior to the Initiation of Certain Types of Actions by the Association.

Except as set forth in paragraph (c) below, prior to filing suit to enforce the provisions of this Declaration, the Design Guidelines, any Community-Wide Standard or rules promulgated hereunder, the Association shall comply with the notice and hearing procedures set forth in subsections (a) and (b) below.

(a) Notice. The Association shall serve the alleged violator with a minimum of one (1) written notice describing (i) the nature of the alleged violation, (ii) the action which the Association proposes or intends to take unless the violation is corrected within a reasonable time (reasonable time being not less than five (5) days and not more than twenty (20) days for each notice) after the date of the written notice, and (iii) a period of not less than thirty (30) calendar days within which the alleged violator may present a written request for a hearing. The Association may proceed with the action which may include the Association's right to initiate Self Help actions wherein the Association shall make the necessary repairs to correct the violation and all charges incurred by the Association in abating the violation shall be assessed to the Owner's account notwithstanding, if Owner presents a request for a hearing within the thirty (30) day time allotted, all fines for non-compliance shall be placed on hold and any further enforcement action shall be placed on hold until after the hearing date and the rendering of decision. Non-Payment of fines for non-compliance or charges assessed by the Association for Self Help remedies will be collected according to applicable law and per current Texas Property Code regulations. Charges will be subject to possible late and/or collection charges when applicable. If the violation is abated within the time period set forth in the written notice, the Association shall suspend the proposed action unless a similar violation occurs within six (6) months from the date of the written notice. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Owner. Recurring violations within a six (6) month period will not require the Association to issue again notices previously sent. If the required one (1) notice was previously sent, the Association may, at its discretion, send an immediate notice of fine warning to the Owner which must allow the Owner not less than ten (10) days to correct the violation. If Owner does not make the necessary corrections, the Association may begin fines or initiate Self Help action without further notice required.

(b) Hearing. If a hearing is requested within the allotted thirty (30) day period, the hearing shall be held before a committee appointed by the Board consisting of three (3) persons, all of whom shall be Owners or residents of the Subdivision or representatives of the Declarant or Managing Agent. A representative of the Association shall be afforded a reasonable opportunity to make a statement describing the alleged violation and to present any evidence or witnesses to support its statement. The alleged violator shall also be afforded a reasonable opportunity to be heard and to present any evidence or witnesses on his or her behalf. At the conclusion of all statements and presentations, the committee may close the hearing and retire to discuss the evidence and to render a judgment as to whether, in fact, a violation has occurred. The committee shall notify the Association and the alleged violator in writing of its determination within ten (10) days after the hearing. If the committee determines that a violation has occurred, the Association may pursue any and all remedies described in its original notice of the violation. The alleged violator shall have the opportunity to appeal the decision of the committee to the Board in accordance with Section 209.007 of the Texas Residential Property Owners Act, Texas Property Code, as it may be amended.

(c) Applicability. The notice and hearing procedures set forth in this Section shall not apply to any claim: (i) upon which the Board deems it necessary to obtain emergency injunctive relief; (ii) pertaining to the collection of Assessments; or (iii) where the Association decides to exercise its right of self-help to cure the violation after written notice to the Owner and an opportunity to cure.

**ARTICLE XII
AUTHORITY AND CONTROL BY DECLARANT**

Section 12.1 Declarant Rights.

Notwithstanding anything herein to the contrary, so long as Declarant owns any Lot, Declarant shall have the sole right, but not the obligation, in its sole discretion, at any time, without consent or joinder of the Board or Members effective as of the date hereof, to control, perform and/or conduct the following:

- (1) amend this Declaration, the Design Guidelines and/or the Community-Wide Standard, or the Bylaws in whole or in part for any reason as the Declarant in its discretion, deems necessary without the consent or joinder of the Board or Members;
- (2) enforce the provisions of this Declaration;
- (3) review, determine and enforce the architectural control of the Lots; and
- (4) assigns its rights and obligations under this Declaration to any entity at any time, in whole or in part.

Declarant's rights set forth above are absolute in its sole discretion and do not require the approval, consent, or joinder of (i) any Owner, (ii) the Association, (iii) the Board of Directors, or (iv) any committees or other parties which may be established with respect hereto. At such time as Declarant no longer owns any Lot within the Property, all of such rights of enforcement shall revert to the Board of Directors of the Association. Declarant may but, is not obligated to limit the powers or duties of the Board of Directors during the period of Declarant control.

In the event any other provision in this Declaration is in contradiction to this Article XII, in whole or in part, this Article XII shall prevail.

Section 12.2 Easement to Inspect and Right to Correct.

Declarant reserves for itself and others it may designate the right, but not the obligation, to inspect, monitor, test, redesign, and correct any structure, improvement, or condition which may exist on any portion of the Property, including Lots, and a nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Lot shall be only after reasonable notice to the Owner and no entry into a residence or other structure on a Lot shall be permitted without the Owner's consent, which consent shall not unreasonably be withheld, conditioned, or delayed. The failure or refusal to permit reasonable access to the Lot for the purposes contemplated under this paragraph shall excuse Declarant or its designee from responsibility for repairs or damages relating to defective workmanship or materials.

Section 12.3 Right to Develop.

Declarant and its employees, agents, and designees shall have a right of access and use and an easement over and upon all of the Property for the purpose of making, constructing, and installing such improvements to the Property, as Declarant deems appropriate in its discretion.

Section 12.4 Construction Activities.

All Owners, occupants, and users of Lots are hereby placed on notice that Declarant, and/or its agents, contractors, subcontractors, licensees, and other designees, shall conduct development and construction activities within the Property and that such activities shall be conducted in phases and may cause disturbance and disruption which impact the use and enjoyment of a Lot. Declarant and builders will attempt to limit construction to reasonable hours and although efforts will be taken to minimize any disturbance, construction can be expected from sun-up to sun-down most any day of the week. Declarant reserves the right to change or restrict hours or days of construction at any time.

By the acceptance of a deed or other conveyance or mortgage, leasehold, license, or other interest, and by using any portion of a Lot or the Property generally, the Owners and all occupants and users of Lots acknowledge, stipulate, and agree: (a) that such activities shall not be deemed nuisances, or noxious or offensive activities, under any applicable covenants or at law generally; (b) not to enter upon, or allow their children or other persons under their control or direction to enter upon, or allow their children or other persons under their control or direction to enter upon (regardless of whether such entry is a trespass or otherwise) any property within or in proximity to the Lot where such activities are being conducted (even if not being actively conducted at the time of entry, such as at night or otherwise during non-working hours); (c) that Declarant and all of its agents, contractors, subcontractors, licensees, and other designees, shall not be liable but, rather, shall be held harmless for any and all losses, damages (compensatory, consequential, punitive, or otherwise), injuries, or deaths arising from or relating to the aforesaid activities; (d) that any purchase or use of any portion of a Lot has been and will be made with full knowledge of the foregoing; and (e) this acknowledgment and agreement is a material inducement to Declarant to sell, convey, lease, and/or allow the use of Lots within the Property.

Section 12.5 Changes in Master Plan.

Each Owner acknowledges that Subdivision is a planned community, the development of which is likely to extend over many years, and agrees that the Association shall not engage in, or use Association funds to support any protest, challenge, or other form of objection to (a) changes in uses or density of property within the Property, or (b) changes in the master plan of Subdivision, including, without limitation, the enlargement of the master plan and the acquisition or revision of regulatory approvals to reflect the annexation of real property, without Declarant's prior written consent, which consent may be granted or withheld in Declarant's discretion.

Each Owner acknowledges and agrees that the present plans and themes for the Property's development may change and that it has not relied on any representation, warranty, or assurance by any person: (a) that any Lots, or other property or facilities will or will not be added, modified, or eliminated within the Property; or (b) as to the financial or other impact of such action on any Owner. Each Owner acknowledges and agrees that it is not entitled to rely upon and has not received or relied upon any representations, warranties, or guarantees whatsoever as to: (a) the design, construction, completion, development, use, benefits, or value of the Property; or (b) the number, types, sizes, prices, or designs of any residential structures or improvements built or to be built in any part of the Property.

Section 12.6 Dispute Resolution Involving Declarant.

(a) Right to Correct. Prior to the Association or any Member commencing any proceeding to which Declarant is a party, including but not limited to an alleged defect of any improvement, Declarant shall have the right to be heard by the Members, or the particular Member, and to access, inspect, correct the condition of, or redesign any portion of any improvement as to which a defect is alleged or otherwise correct the alleged dispute.

(b) Alternative Method for Resolving Disputes. *Declarant, its officers, directors, employees and agents; the Association, its officers, directors and committee members; all persons subject to this Declaration; any Builder, its officers, directors, employees and agents; and any person not otherwise subject to this Declaration who agrees to submit to this Section 12.6 (each such entity being referred to as a "Bound Party") agree to encourage the amicable resolution of disputes, without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees to submit those claims, grievances or disputes described in Section 12.6 (c) (collectively, the "Claims") to the mandatory procedures set forth in Section 12.6 (d).*

(c) Claims. Those Claims between any of the Bound Parties, regardless of how the same might have arisen, relating to the quality of design or construction of improvements within the Property including the Common Properties or based upon any statements, representations, promises, or warranties made by or on behalf of any Bound Party, shall be subject to the provisions of this Section 12.6.

(d) Mandatory Procedures.

(i) Notice. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent") (the Claimant and Respondent referred to herein being individually, as a "Party", or, collectively, as the "Parties") shall notify each Respondent in writing (the "Notice"), stating plainly and concisely:

(a) the nature of the Claim, including the persons involved and Respondent's role in the Claim;

(b) the legal basis of the Claim (*i.e.*, the specific authority out of which the Claim arises;

(c) the proposed remedy; and

(d) the fact that Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

(ii) Negotiations and Mediation.

(a) The parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in negotiation.

(b) If the parties do not resolve the Claim within thirty (30) days after the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have two (2) days to submit the Claim to mediation under the auspices of the American Arbitration Association ("AAA") in accordance with the AAA's Commercial or Construction Industry Mediation Rules, as appropriate.

(c) If Claimant does not submit the Claim to mediation within such time, or does not appear for mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to any Person other than the Claimant.

(d) Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If the Parties do not settle the Claim within thirty (30) days after submission of the matter to the mediation, or within such other time as determined by the mediator or agreed to by the Parties, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation Notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.

Each Party shall bear its own costs of the mediation, including attorneys' fees, and each Party shall share equally all charges rendered by the mediator. If the Parties agree to a resolution of any Claim through negotiations or mediation in accordance with this Section and any Party thereafter fails to abide by the terms of such agreement, then any other Party may file suit or initiate arbitration proceedings to enforce such agreement, without the need to again comply with the procedures set forth in this Section. In such event, the Party taking action to enforce the agreement shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement, including, without limitation, attorneys' fees and court costs.

(iii) Binding Arbitration.

(a) Upon Termination of Mediation, Claimant shall thereafter be entitled to initial final, binding arbitration of the Claim under the auspices of the AAA in accordance with the AAA's Commercial or Construction Industry Arbitration Rules, as appropriate. Such Claims shall not be decided by or in a court of law. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Claim. If the claimed amount exceeds \$250,000, the dispute shall be heard and determined by three (3) arbitrators. Otherwise, unless mutually agreed to by the Parties, there shall be one (1) arbitrator. Arbitrators shall have expertise in the area(s) of dispute, which may include legal expertise if legal issues are involved.

(b) Each Party shall bear its own costs and expenses and an equal share of the arbitrator's and administrative fees or arbitration. Notwithstanding the foregoing, if a Party unsuccessfully contests the validity or scope of arbitration in a court of law, the non-contesting Party shall be awarded reasonable attorneys' fees and expenses incurred in defending such contest. All decisions respecting the arbitrability of any Claim shall be decided by the arbitrator(s).

(c) The award of the arbitrator(s) shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a Party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both Parties.

ARTICLE XIII OBLIGATIONS OF BOARD OF DIRECTORS

Section 13.1 Obligations of Board of Directors.

Notwithstanding anything herein to the contrary, and so long as Declarant is acting on behalf of the Board of Directors as further described in Section 13.2 below, the sole responsibility and obligation of the Board of Directors shall be to maintain the corporation books of the Association and maintain the Association in good corporate standing with Secretary of State of the State of Texas and in good standing with the Office of the Comptroller of Public Accounts of the State of Texas.

Section 13.2 Liability for Association Operations.

The Association shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless Declarant (including its successors, and assigns) from and against any and all losses, claims, demands, damages, costs, and expenses of whatever kind or nature (including, without limitation, reasonable attorneys' fees and costs at all tribunal levels and whether or not suit is instituted, including those incurred in establishing the right to be indemnified, defended, and held harmless pursuant hereto), which relate to or arise out of Association management and operations,

including, without limitation, improvement, maintenance, and operation of amenities and other portions of the Common Properties and the collection of Assessments.

Section 13.3 No Liability for Acts of Third Party.

OWNERS AND OCCUPANTS OF LOTS, AND THEIR RESPECTIVE GUESTS AND INVITEES, ARE RESPONSIBLE FOR THEIR OWN PERSONAL SAFETY AND FOR THEIR PROPERTY WITHIN THE PROPERTY. THE ASSOCIATION MAY BUT IS NOT OBLIGATED TO MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE PROPERTY WHICH PROMOTE OR ENHANCE SAFETY OR SECURITY WITHIN THE PROPERTY. HOWEVER, THE ASSOCIATION, AND DECLARANT SHALL NOT IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SAFETY OR SECURITY WITHIN THE PROPERTY, NOR SHALL THEY BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.

NO REPRESENTATION OR WARRANTY IS MADE THAT ANY SYSTEMS OR MEASURES, INCLUDING FIRE PROTECTION, BURGLAR ALARM, OR OTHER SECURITY MONITORING SYSTEMS, OR ANY MECHANISM OR SYSTEM FOR LIMITING ACCESS TO THE PROPERTY, CANNOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER ACKNOWLEDGES, UNDERSTANDS, AND SHALL BE RESPONSIBLE FOR INFORMING ITS TENANTS AND ALL OCCUPANTS OF ITS LOT THAT THE ASSOCIATION, THE BOARD AND ITS COMMITTEES, AND DECLARANT ARE NOT INSURERS OR GUARANTORS OF SECURITY OR SAFETY AND THAT EACH PERSON WITHIN THE PROPERTY ASSUMES ALL RISKS OF PERSONAL INJURY AND LOSS OR DAMAGE TO PROPERTY, INCLUDING LOTS AND THE CONTENTS OF LOTS, RESULTING FROM ACTS OF THIRD PARTIES.

**ARTICLE XIV
EXPANSION OF THE PROPERTY**

Section 14.1 Expansion of the Property.

Declarant, in its sole discretion and without the approval of any other party, may from time to time subject this Declaration to additional real property by recording in the Real Property Records of the County, a Supplemental Declaration describing the additional real property to be subjected to this Declaration. Any such Supplemental Declaration which is executed by Declarant and the owner of such additional property, if other than Declarant, and recorded in the Real Property Records of the County shall not require the consent or approval of any other Owner or other person in order to be fully enforceable and effective to cause such additional real property to be incorporated herein. Nothing in this Declaration shall be construed to require Declarant to subject additional real property to this Declaration.

Section 14.2 Additional Covenants and Easements.

Declarant, in its sole discretion and without the approval of any other party, may from time to time subject any portion of the Property, whether now or hereafter a part of this Declaration, to additional covenants and easements, including, without limitation, covenants obligating the Association to maintain and insure such property and authorizing the Association to recover its costs through the Assessments, as described in Article X hereof. Such additional covenants and easements may be set forth either in a Supplemental Declaration subjecting such property to this Declaration or in a separate Supplemental Declaration referencing property previously subjected to this Declaration. Any such Supplemental Declaration may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the Property, whether now or hereafter a part of this Declaration, in order to reflect the different character and intended use of such Property. Any such Supplemental Declaration which is executed by Declarant and recorded in the Real Property Records of the County shall not require the consent or approval of any other Owner or other person in order to be fully enforceable and effective to cause such additional covenants and easements to be incorporated herein.

Section 14.3 Effect of Recording Supplemental Declaration.

A Supplemental Declaration shall be effective upon the recording of same in the Real Property Records of the County unless otherwise specified in such Supplemental Declaration. On the effective date of the Supplemental Declaration, any additional property subjected to this Declaration shall be assigned voting rights in the Association and Assessment liability in accordance with the provisions of this Declaration.

**ARTICLE XV
GENERAL PROVISIONS**

Section 15.1 Mortgages.

It is expressly provided that the breach of any of the conditions contained herein shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, as to the same premises or any part thereof encumbered by such mortgage or deed of trust, but said conditions shall be binding thereto as to Lots acquired by foreclosure, trustee's sale or otherwise, as to any breach occurring after such acquisition of title.

Section 15.2 Term.

This Declaration shall be enforceable by Declarant, the Association, any aggrieved Owner, and their respective legal representatives, heirs, successors, and assigns until December 31, 2050, after which time this Declaration shall extend automatically for successive 10-year periods unless at least sixty-seven percent (67%) of the then Owners have signed, within a six month period preceding the end of the initial term or any extension, an instrument which terminates this Declaration and such instrument is recorded in the Real Property Records of the County prior to the end of the term.

Section 15.3 Severability.

If any provision herein contained shall be invalid, which invalidity shall not be presumed until the same is determined by the final (*i.e.*, non-appealable) judgment or order of a court of competent jurisdiction, such invalidity shall in no way affect any other provision hereof, each of which shall remain in full force and effect.

Section 15.4 Binding Effect.

This Declaration is for the mutual benefit of, and shall be binding upon, each and every person acquiring any part of the Property, it being understood that the covenants, conditions, restrictions, easements, and other provisions contained in this Declaration are not for the benefit of the owner of any land except that which is a part of the Property. This Declaration, when executed, shall be filed of record in the Real Property Records of the County, so that each and every Owner or purchaser of any portion of the Property is on notice of the covenants, conditions, restrictions, easements, and other provisions herein contained.

Section 15.5 Notices.

Any notices or correspondence to an Owner shall be addressed to the street address of the Lot or to such other address as is specified by any such Owner in writing to the Association. The burden shall be on the Owner to prove that such written notification was duly given and delivered to the Association as provided below. ***Notification by electronic means will be used by the Association whenever it is deemed appropriate, necessary, or if the only means of communication available with the Owner.*** Any notices or correspondence to the Association shall be addressed to the registered office of the Association as shown by the records of the Secretary of State for the State of Texas or to such other address as is specified by the Association in writing to the Owners.

Except as this Declaration or the Bylaws otherwise provide, all notices, demands, bills, statements, or other communications under this Declaration or the Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or by private carrier; if sent by United States mail; or, if the intended recipient has given its prior written authorization to use such method of delivery, by facsimile or electronic mail with written confirmation of transmission.

Notices sent in accordance with this Declaration shall be deemed to have been duly given and effective:

- (i) sent by United States mail, when deposited with the U.S. Postal Service, correctly addressed, with first class postage prepaid;
- (ii) if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address who accepts such delivery; or

(iii) if sent by facsimile or electronic mail, upon transmission, as evidenced by a printed confirmation.

Section 15.6 Transfer Under Deed of Trust.

Upon any transfer of Declarant's interest in and to the Property, or any part thereof, under the terms of any deed of trust lien upon the Property, whether voluntary or involuntary, by foreclosure, deed in lieu of foreclosure or otherwise, all rights, title and interests of Declarant under this Declaration, shall be transferred to and devolve upon the party to whom the Property or any part thereof, is thereby conveyed.

Section 15.7 Notice of Transfer.

If at any time a Lot is sold, the new Owner shall have the sole obligation to promptly notify the Association of the name and address of the new Owner and shall be responsible for any cost, charge or expense added to the account of such Owner which may have otherwise been avoided if the above information was promptly delivered to the Association.

Section 15.8 No Liability for Trespass.

Whenever the Association, the Board of Directors or Declarant exercises any right hereunder and in connection therewith enters upon any Lot, such parties shall not be liable for trespass upon such Lot.

Section 15.9 Lien Priority.

Notwithstanding any other provision of the Declaration, the lien to secure the payment of Assessments and any other lien which the Association may have on any Lot pursuant to the Declaration for (a) Assessments or other charges becoming payable on or after the date of recordation of the first mortgage or deed of trust on any Lot, or (b) any fees, late charges, fines or interest that may be levied by the Association in connection with unpaid Assessments, shall be subordinate to the lien or equivalent security interest of any legitimate third-party first lien mortgage or deed of trust on any Lot, if any. Any foreclosure of any such superior lien under the power of sale of any mortgage, deed of trust or other security instrument, or through court proceedings in which the Association has been made a party, shall extinguish the liens securing maintenance charges or Assessments which became due and payable prior to such foreclosure date, but no such foreclosure shall free any Lot from the liens securing Assessments thereafter becoming due and payable, nor shall the liability of any Owner personally obligated to pay maintenance charges or Assessments which become due prior to such foreclosure be extinguished by any foreclosure, nor shall the lien for future Assessments or charges be affected in any manner. Any such maintenance charges or Assessments which are extinguished pursuant to the foregoing provision shall be reallocated and assessed to all Lots as a common expense.

Section 15.10 Use of Recreational Facilities and Other Common Properties.

The property made subject to this Declaration will contain common recreational facilities available for the use and enjoyment of Owners of all or any part of the Property, including lots and homes, within the Subdivision, their families, tenants and other occupants of their property, and the guests of any such persons. EACH OWNER, BY ACCEPTANCE OF A DEED TO ANY PORTION OF THE PROPERTY MADE SUBJECT TO THIS DECLARATION, ACKNOWLEDGES THAT THE USE AND ENJOYMENT OF ANY RECREATIONAL FACILITY OR ANY OTHER PORTION OF THE COMMON PROPERTIES INVOLVES RISK OF PERSONAL INJURY OR DAMAGE TO PROPERTY.

Each Owner acknowledges, understands, and covenants to inform his or her family members, and tenants and other occupants of Owner's property that Declarant, the Association, the Board and any committees, and Builders constructing homes and other improvements within the Property are not insurers of personal safety. EACH PERSON USING SUCH RECREATIONAL FACILITIES OR ANY OTHER PORTION OF THE COMMON PROPERTIES ASSUMES ALL RISKS OF PERSONAL INJURY, DEATH, AND LOSS OR DAMAGE TO PROPERTY, RESULTING FROM THE USE AND ENJOYMENT OF ANY RECREATIONAL FACILITY OR OTHER PORTION OF THE COMMON PROPERTIES. Each Owner agrees that Declarant, the Association, the Board and committees, and builders within the community shall not be liable to any person claiming any loss or damage, including, without limitation, indirect, special or consequential loss or damage arising from personal injury or death, destruction of property, trespass, loss of enjoyment, or any other wrong or entitlement to remedy based upon, due to, arising from, or otherwise relating to the use of any recreational facility or other portions of the Common Properties, including, without limitation, any claim arising in whole or in part from the negligence of Declarant, the Association, or any Builder within the community. THE FOREGOING RELEASE IS INTENDED TO RELEASE THE SPECIFIED PARTIES FROM LIABILITY FOR THEIR OWN NEGLIGENCE.

EACH OWNER ACKNOWLEDGES AND AGREES THAT THE ABOVE RELEASE FROM LIABILITY IS CONSIDERATION FOR, AND A CONDITION TO, THE USE AND ENJOYMENT OF THE RECREATIONAL FACILITIES AND OTHER COMMON PROPERTIES WITHIN THE SUBDIVISION AND THAT THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DECLARANT AND BUILDERS TO SELL, CONVEY, LEASE, AND/OR ALLOW THE USE OF LOTS WITHIN THE SUBDIVISION. ANY VIOLATION OF THIS RELEASE AGREEMENT BY AN OWNER, OR ANY OF OWNER'S FAMILY MEMBERS, TENANTS AND OTHER OCCUPANTS OF OWNER'S PROPERTY, OR THEIR RESPECTIVE GUESTS SHALL BE GROUNDS FOR THE SUSPENSION OR TERMINATION OF ALL OF SUCH PERSONS' USE PRIVILEGES IN SUCH FACILITIES.

Section 15.11 Construction of Declaration and All Association Documents.

The provisions of this Declaration and all other documents of the Association shall be liberally construed to give effect to its intended purpose. All doubts regarding the meaning, significance or effect of a provision in this Declaration or other documents of the Association,


shall be resolved in favor of the operation of the Association and its enforcement of the Declaration.

Section 15.12 City Right to Assume Association Rights and Responsibilities. In the event that the Association fails in its obligations hereunder to collect Assessments for maintenance of, or fails to maintain the Common Properties as required under the City Code of Ordinance 142-107(d), the City may assume the rights of the Association hereunder to levy Assessments on the Owners and Lots within the Subdivision, and to maintain the Common Properties, as may be required to ensure compliance with such City Code of Ordinance 142-107(d).

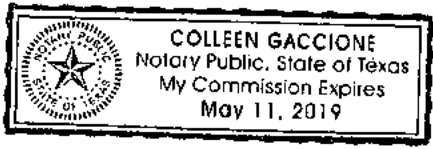
(Signature on next page)

EXECUTED to be effective as of March, 6, 2019.

Weston Ridge Development, LLC,
a Texas limited liability company,

By: 
Steve Lenart, Managing Member

STATE OF TEXAS §
 §
COUNTY OF COLLIN §



This instrument was acknowledged before me on the 6 day of March, 2019, by Steve Lenart, the Managing Member of Weston Ridge Development, LLC, a Texas limited liability company on behalf of said company.

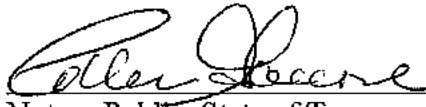

Notary Public, State of Texas

Exhibit "A"
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WESTON RIDGE

Property Description

(See Attached)

EXHIBIT "A"

**LEGAL DESCRIPTION FOR
WESTON RIDGE RESIDENTIAL AREAS**

ALL that certain tract or parcel of land situated in the JOHN EMBERSON SURVEY, ABSTRACT NUMBER 294, and the MEREDITH HART SURVEY, ABSTRACT NUMBER 371, Collin County, Texas, being all of that certain 38.888 acre tract, being the same tract described in Special Warranty Deed with Vendor's Lien to WESTON RIDGE DEVELOPMENT, LLC., as recorded in Clerk's File Number 20171204001599740 of the Land Records of Collin County, Texas, being more particularly described as follows:

BEGIN at a 5/8" capped iron rebar (KHA) found at the southeast corner of said WESTON RIDGE DEVELOPMENT tract, same being the southwest corner of GCEC CHAMBERSVILLE SUBSTATION ADDITION, according to the Conveyance Plat thereof, as recorded in Clerk's File No. 20140407010001080 of the Land Records of Collin County, Texas, which corner is in the north line of Farm-to-Market Road 543 (80 feet wide);

THENCE along the south line of said WESTON RIDGE DEVELOPMENT tract, same being said north line of Farm-to-Market Road 543, in a westerly direction the following three (3) courses:

- 1.) N 87°44'38" W a distance of 46.99 feet to a 1/2" capped iron rebar (PETSCH & ASSOC., INC.) found at an angle point;
- 2.) N 87°53'50" W (Bearing Reference for this Description) a distance of 951.31 feet to a 1/2" capped iron rebar (PETSCH & ASSOC., INC.) found at an angle point;
- 3.) S 89°38'42" W a distance of 179.15 feet

to a bent-top 1/2" iron rebar found for corner at the southwest corner of said WESTON RIDGE DEVELOPMENT tract, also being the southeast corner of a called 38.95 acre tract described in Warranty Deed to ROHOL, LTD., as recorded in Clerk's File No. 20081030001281150 of the Land Records of Collin County, Texas;

THENCE N 01°44'15" E along the west line of said WESTON RIDGE DEVELOPMENT tract and the east line of said ROHOL, LTD. tract, a distance of 1440.93 feet to a 1/2" capped iron rebar (CANTRELL) found for corner at the northwest corner of said WESTON RIDGE DEVELOPMENT tract and the northeast corner of said ROHOL, LTD. tract, said corner being on the south line of a called 27.38 acre tract described in Warranty Deed to COLE EVELYN FAMILY, LTD., as recorded in Volume 4652, Page 2413 of the Land Records of Collin County, Texas;

THENCE S 88°10'43" E, along the north line of said WESTON RIDGE DEVELOPMENT tract and the south line of a said COLE EVELYN FAMILY, LTD. tract, a distance of 599.88 feet to a galvanized 1 3/4" pinched-top pipe found at an angle point and the southeast corner of said COLE EVELYN FAMILY, LTD. tract, also being the southwest corner of a called 20.30 acre tract, described as TRACT 1A in a Deed to TOM B. WILSON, SR. as recorded in Volume 935, Page 598 of the Land Records of Collin County, Texas;

THENCE S 89°00'04" E, continuing along the north line of said WESTON RIDGE DEVELOPMENT tract and the south line of said TOM B. WILSON, SR. tract, a distance of 577.63 feet to a 1/2" capped iron rebar (PETSCH & ASSOC., INC.) found for corner at the northeast corner of said WESTON RIDGE DEVELOPMENT tract, and the southeast corner of said TOM B. WILSON, SR. tract, same being in the west line of aforesaid GCEC CHAMBERSVILLE SUBSTATION ADDITION;

THENCE S 01°44'36" W along the east line of said WESTON RIDGE DEVELOPMENT tract, common with said west line of said GCEC CHAMBERSVILLE SUBSTATION ADDITION, a distance of 1447.45 feet back to the POINT OF BEGINNING, containing 38.888 acres (1,693,981 SQUARE FEET) of land, MORE OR LESS.

LESS AND EXCEPT:

A PORTION OF that certain tract or parcel of land situated in the JOHN EMBERSON SURVEY, ABSTRACT NUMBER 294, and the MEREDITH HART SURVEY, ABSTRACT NUMBER 371, Collin County, Texas, being part of that certain 38.888 acre tract described Special Warranty Deed with Vendor's Lien to WESTON RIDGE DEVELOPMENT, LLC., as recorded in Clerk's File Number 20171204001599740 of the Land Records of Collin County, Texas, being more particularly described as follows:

COMMENCE at a 5/8" capped iron rebar (KHA) found at the southeast corner of said WESTON RIDGE DEVELOPMENT tract, same being the southwest corner of GCEC CHAMBERSVILLE SUBSTATION ADDITION, according to the Conveyance Plat thereof, as recorded in Clerk's File No. 20140407010001080 of the Land Records of Collin County, Texas, which corner is in the north line of Farm-to-Market Road 543 (80 feet wide);

THENCE along the south line of said WESTON RIDGE DEVELOPMENT tract, same being said north line of Farm-to-Market Road 543, in a westerly direction the following two (2) courses:

1.) N 87°44'38" W a distance of 46.99 feet to a 1/2" capped iron rebar (PETSCH & ASSOC., INC.) found at an angle point;

2.) N 87°53'50" W (Bearing Reference for this Description) a distance of 226.47 feet to a point for corner at an angle point;

THENCE N02°06'10" E, departing the south line of said WESTON RIDGE DEVELOPMENT tract, a distance of 10.00 feet to a point for corner at the POINT OF BEGINNING of the hereinafter described parcel of land;

THENCE continue N 02°06'10" E, a distance of 201.55 feet to a point for corner;

THENCE N 20°03'51" W, a distance of 152.38 feet to a point for corner;

THENCE S 78°40'38" W, a distance of 33.03 feet to a point for corner;

THENCE N 87°53'50" W, a distance of 129.56 feet to a point for corner on the arc of a curve having a radius of 520.00 feet, a central angle of 0°19'31" and a chord of S 2°15'56" W, 2.95 feet;

THENCE in a southerly direction, along the arc of said curve to the left, a distance of 2.95 feet to a point for corner at the point of tangency of said curve;

THENCE S 02°06'10" W, a distance of 84.10 feet to a point for corner at the point of curvature of a curve having a radius of 488.50 feet, a central angle of 4°27'20", and a chord of S 0°07'30" E, 37.98 feet;

THENCE in a southerly direction along the arc of said curve to the left, a distance of 37.99 feet to a point for corner at the point of tangency of said curve;

THENCE S 02°21'10" E, a distance of 38.33 feet to a point for corner at the point of curvature of a curve having a radius of 511.5 feet, a central angle of 4°27'20", and a chord of S 0°07'30" E, 39.78 feet;

THENCE in a southerly direction, along the arc of said curve to the right, a distance of 39.78 feet to a point for corner at the point of tangency of said curve;

THENCE S 02°06'10" W, a distance of 122.05 feet to point for corner;

THENCE S 42°53'50" E, a distance of 14.14 feet to a point for corner;

THENCE S 87°53'50" E, a distance of 203.17 feet back to the POINT OF BEGINNING, and containing 1.578 acres, (68,741 square feet) of land, MORE OR LESS.

The aggregate area of Weston Ridge Residential Areas is 37.310 acres, (1,625,240 square feet) of land, more or less.

Also known as all of the proposed plats of WESTON RIDGE PHASE 1 and WESTON RIDGE PHASE 2 less Lot 16, Block A, Commercial/Retail of said WESTON RIDGE PHASE 2.

Exhibit "B"
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WESTON RIDGE

Building Line Setbacks

25' Front Yard Setback

20' Rear Yard Setback

5' Side Yard Setback (interior Lots adjacent to other Lots)

*******EXHIBIT TO BE ADDED OR CONTACT
ARCHITECTURAL REVIEWER FOR INFORMATION*******

Exhibit "C"

**TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WESTON RIDGE**

Design Guidelines

PART ONE: LANDSCAPING, FENCES AND EXTERIOR ELEMENTS

SECTION 1.1 LANDSCAPING:

Upon completion of each residence, each residence must comply with the landscaping requirements of the Association Rules and any applicable City of McKinney ordinances to the extent the residence is situated within the City's corporate limits. Notwithstanding compliance with the foregoing, the following landscape elements shall be installed prior to occupancy of the residence:

- 1.1.1 Sod: Each residence shall have full sod installed over the entire front, side, and rear yard.
- 1.1.2 Trees: A minimum of One (1) trees with a caliper of at least four inches (4") measured at a point six inches (6") above ground level and 10 to 12 feet in height at the time of planting shall be placed in the front yard of each lot. Each homeowner shall be responsible for maintenance and preservation of trees located on their property and shall promptly replace dead trees within thirty (30) days of loss occurrence when favorable planting weather exists or sixty (60) days unless otherwise noticed by the ACC or compliance division.
- 1.1.3 Shrubbery and Planting Beds: Each Residence shall have a minimum of fourteen (14) five (5) gallon shrubs and two (2) ten (10) gallon shrubs. A mulched planting bed with edging to separate the sod and bed mulch areas are preferred but, is not required. The homeowner shall be responsible for the maintenance a preservation of the shrubs and planting bed, and shall promptly replace dead shrubbery within thirty (30) days of loss occurrence when favorable planting weather exists or sixty (60) days unless otherwise noticed by the ACC or compliance division.

SECTION 1.2 FENCES: Fence height for wood fences shall be a minimum of six feet (6') and maximum of eight feet (8').

- 1.2.1 Major thoroughfares and Corner Lots: Portions of a fence that face a major thoroughfare or street including corner lots will be considered major thoroughfare fencing and shall be spruce wood or better, board-to-board, with a cap, and stained with a Seal Rite Medium Brown. Steel posts are preferred but, not required. The smooth side of the fence must always be facing outward. The setback for fencing

for corner lots may be stricter if the Architectural Review Committee feels that line of sight issues is at risk. The decision of the Declarant or the ACC is final. Fencing must be kept in good repair at all times. Broken or missing pickets or panels must be promptly repaired or replaced. All leaning or fallen panels must be up righted, repaired or replaced. Fencing must be routinely stained and kept aesthetically pleasing at all times. All fencing shall be stained and preserved as follows:

Manufacturer: Seal Rite Medium Brown (any other stain color must be approved in advance, in writing, by the ACC prior to use)

- 1.2.2 Standard Side and Rear Yard Fences – Interior Lots: For all interior lots which shall include **any** portion of a fence that is **not** visible from a major street or thoroughfare shall be spruce or better, with steel or wood posts (steel posts preferred), and top rail. Fencing may be four inch (4”) dog-ear pickets and all fences to have step ups and step downs to adjust for grade. Fences shall be stained with the approved color from Section 1.2.1 above. Fencing must be kept in good repair at all times. Broken or missing pickets or panels must be promptly repaired or replaced. All leaning or fallen panels must be up righted, repaired or replaced. Fencing must be routinely stained and kept aesthetically pleasing at all times.

SECTION 1.3 MAIL BOXES:

- 1.3.1 Mail boxes shall be as approved by the U.S. Postmaster. Placement shall be as approved by the U.S. Postmaster and the Declarant.

SECTION 1.4 FLAGS AND FLAGPOLES

- 1.4.1 The only flags which may be displayed are: (i) the flag of the United States of America; (ii) the flag of the State of Texas; and (iii) an official or replica flag of any branch of the United States armed forces and School Spirit flags. No other types of flags, pennants, banners, kits or similar types of displays are permitted on a Lot if the display is visible from a street or Common Properties.
- 1.4.2 The flag of the United States must be displayed in accordance with 4 U.S.C. Sections 5-10.
- 1.4.3 The flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code.
- 1.4.4 Any freestanding flagpole, or flagpole attached to a residence, shall be constructed of permanent, long-lasting materials. The materials used for the flagpole shall be harmonious with the residence, and must have a silver finish with a gold or silver ball at the top. The flagpole must not exceed three (3) inches in diameter.

- 1.4.5 The display of a flag, or the location and construction of the supporting flagpole, shall comply with applicable zoning ordinances, easements, and setbacks of record.
- 1.4.6 A displayed flag, and the flagpole on which it is flown, shall be maintained in good condition at all times. Any flag that is deteriorated must be replaced or removed. Any flagpole that is structurally unsafe or deteriorated shall be repaired, replaced, or removed.
- 1.4.7 Only one flagpole will be allowed per Lot. A flagpole can either be securely attached to the face of the residence (no other structure) or be a freestanding flagpole. A flagpole attached to the residence may not exceed 4 feet in length. A freestanding flagpole may not exceed 20 feet in height. Any freestanding flagpole must be located in either the front yard or backyard of a Lot, and there must be a distance of at least 5 feet between the flagpole and the property line.
- 1.4.8 Any flag flown or displayed on a freestanding flagpole may be no smaller than 3'x5' and no larger than 4'x6'.
- 1.4.9 Any flag flown or displayed on a flagpole attached to the residence may be no larger than 3'x5'.
- 1.4.10 Any freestanding flagpole must be equipped to minimize halyard noise. The preferred method is through the use of an internal halyard system. Alternatively, swivel snap hooks must be covered or "Quiet Halyard" Flag snaps installed. Neighbor complaints of noisy halyards are a basis to have flagpole removed until Owner resolves the noise complaint.
- 1.4.11 The illumination of a flag is allowed so long as it does not create a disturbance to other residents in the community. Solar powered, pole mounted light fixtures are preferred as opposed to ground mounted light fixtures. Compliance with all municipal requirements for electrical ground mounted installations must be certified by Owner. Flag illumination may not shine into another residence. Neighbor complaints regarding flag illumination are a basis to prohibit further illumination until Owner resolves complaint.
- 1.4.12 Flagpoles shall not be installed in Common Properties or any property maintained by the Association.
- 1.4.13 All freestanding flagpole installations must receive prior written approval of ACC.

SECTION 1.5 RAIN BARRELS OR RAINWATER HARVESTING SYTEMS

- 1.5.1 Rain barrels or rain water harvesting systems and related system components (collectively, "Rain Barrels") may only be installed after receiving the written approval of the Reviewer.

- 1.5.2 Rain Barrels may not be installed upon or within Common Properties.
- 1.5.3 Under no circumstances shall Rain Barrels be installed or located in or on any area within a Lot that is in-between the front of the property owner's home and an adjoining or adjacent street.
- 1.5.4 The rain barrel must be of color that is consistent with the color scheme of the property owner's home and may not contain or display any language or other content that is not typically displayed on such Rain Barrels as manufactured.
- 1.5.5 Rain Barrels may be located in the side-yard or back-yard of an owner's Residential Parcel so long as these may not be seen from a street, another Lot or any Common Properties.
- 1.5.6 In the event the installation of Rain Barrels in the side-yard or back-yard of an owner's property in compliance with paragraph 1.5.5 above is impossible, the Reviewing Body may impose limitations or further requirements regarding the size, number and screening of Rain Barrels with the objective of screening the Rain Barrels from public view to the greatest extent possible. The owner must have sufficient area on their Lot to accommodate the Rain Barrels.
- 1.5.7 Rain Barrels must be properly maintained at all times or removed by the owner.
- 1.5.8 Rain Barrels must be enclosed or covered.
- 1.5.9 Rain Barrels which are not properly maintained become unsightly or could serve as a breeding pool for mosquitoes must be removed by the owner from the Lot.

SECTION 1.6 RELIGIOUS DISPLAYS

- 1.6.1 An owner may display or affix on the entry to the owner's or occupant's residence one or more religious items, the display of which is motivated by the owner's or resident's sincere religious belief.
- 1.6.2 If displaying or affixing of a religious item on the entry to the owner's or occupant's residence violates any of the following covenants, The Association may remove the item displayed:
 - (1) threatens the public health or safety;
 - (2) violates a law;
 - (3) contains language, graphics, or any display that is patently offensive to a passerby;
 - (4) is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the owner's or occupant's residence; or
 - (5) individually or in combination with each other religious item displayed or

affixed on the entry door or door frame has a total size of greater than 25 square inches

- 1.6.3 No owner or resident is authorized to use a material or color for an entry door or door frame of the owner's or occupant's residence or make an alteration to the entry door or door frame that is not authorized by the Association, Declaration or otherwise expressly approved by the Architectural Control Committee.

PART TWO: RESIDENCES

SECTION 2.1 ROOFS

- 2.1.1 **Roof Pitch:** Roof Pitch for homes shall have a minimum of 6-in-12 slopes. Roof Pitch over garages and for porches and patios may have a lesser pitch but, shall be subject to approval of the Declarant or ACC.
- 2.1.2 **Roofing Materials:** Roofing materials shall be asphalt shingles with a minimum 30-year rated shingle having a minimum weight of 220 pounds per square (100 square feet) and have a weatherwood or gray color. Other roofing materials or colors shall not be used without written approval from the Architectural Control Committee. The ACC may require proof of any applicable permit obtained prior to approving any request for roof repair or a new roof.
- 2.1.3 **Dormers & Above Roof Chimneys:** Dormers and Chimney Chases, above roof structure and roofing materials, may be finished with an approved exterior grade siding material. All Fireplace flues shall be enclosed and finished; exposed pre-fabricated metal flue piping is prohibited.
- 2.1.4 **Roof Pitch for primary room** shall conform to the Sections 2.1.1, 2.1.2 and 2.1.3 above. Exemptions allowing lower pitch pans in areas around windows, covered porches and patios are allowed and will be reviewed for approval by the ACC on a case by case basis.

SECTION 2.2 CERTAIN ROOFING MATERIALS

- 2.2.1 Roofing shingles covered by this Section are exclusively those designed primarily to: (i) be wind and hail resistant; (ii) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (iii) provide solar generation capabilities (collectively, "Roofing Shingles").
- 2.2.2 Roofing Shingles allowed under this Section 2.2 shall:
- (1) resemble the shingles used or otherwise authorized for use in the Subdivision and/or Property;
 - (2) be more durable than and are of equal or superior quality to the shingles

- used or otherwise authorized for use in the Subdivision and/or Property.
- (3) match the aesthetics of the property surrounding the property of the owner requesting permission to install the Roofing Shingles.

- 2.2.3 The owner requesting permission to install the Roofing Shingles will be solely responsible for accrediting, certifying and demonstrating to the Reviewer that the proposed installation is in full compliance with paragraphs a and b above.
- 2.2.4 Roofing Shingles shall be installed after receiving the written approval of the Reviewer.
- 2.2.5 Owners are hereby placed on notice that the installation of Roofing Materials may void or adversely other warranties.

SECTION 2.3 SOLAR PANELS

- 2.3.1 Solar energy devices, including any related equipment or system components (collectively, "Solar Panels") may only be installed after receiving the written approval of the Architectural Control Committee.
- 2.3.2 Solar Panels may not be installed upon or within Common Properties or any area which is maintained by the Association.
- 2.3.3 Solar Panels may only be installed on designated locations on the roof of a home, on any structure allowed under any Association dedicatory instrument, or within any fenced rear-yard or fenced-in patio of the owner's property, but only as allowed by the Reviewer. **Solar Panels may not be installed on the front elevation of the home.**
- 2.3.4 If located on the roof of a home, Solar Panels shall:
- (1) not extend higher than or beyond the roofline;
 - (2) conform to the slope of the roof;
 - (3) have a top edge that is parallel to the roofline; and
 - (4) have a frame, support bracket, or wiring that is black or painted to match the color of the roof tiles or shingles of the roof. Piping must be painted to match the surface to which it is attached, i.e. the soffit and wall. Panels must blend with the color of the roof to the greatest extent possible.
- 2.3.5 If located in the fenced rear-yard or patio, Solar Panels shall not be taller than the fence line or visible from a Lot, Common Properties or street.
- 2.3.6 The Reviewer may deny a request for the installation of Solar Panels if it determines that the placement of the Solar Panels, as proposed by the property owner, will create an interference with the use and enjoyment of land of neighboring owners.

- 2.3.7 **Owners are hereby placed on notice that the installation of Solar Panels may void or adversely affect roof warranties. Any installation of Solar Panels which voids material warranties is not permitted and will be cause for the Solar Panels to be removed by the owner.**
- 2.3.8 Solar Panels must be properly maintained at all times or removed by the owner.
- 2.3.9 Solar Panels which become non-functioning or inoperable must be removed by the owner of the property.

SECTION 2.4 EXTERIOR WALLS

- 2.4.1 Exterior Wall Materials: Exterior walls shall be a minimum of seventy-five percent (75%) brick and exterior-grade siding materials which may be Cementous siding or hardy board or as approved by the Architectural Control Committee.
 - 2.4.1.1 Front Walls: All front wall surfaces shall consist of a minimum of seventy-five percent (75%) masonry and twenty-five percent (25%) Cementous siding or hardy board or other materials as approved by the Architectural Control Committee. Siding may be used for hidden or concealed wall surfaces not directly visible from the lot front property line. Siding can be used in limited quantities for upper gable areas that would create a “brick-on-wood” condition. Approval of the use of this provision is at the sole discretion of the Reviewer.
 - 2.4.1.2 Side and Rear Walls: Side and rear wall surfaces may be constructed using a mixture of brick and exterior-grade siding as required to comply with the minimum seventy five percent (75%) brick overall requirement. Refer to 2.4.1.1 for exceptions to this rule. The second floor rear wall surfaces may be exterior-grade siding materials. Refer to 2.4.1.1 for exceptions to this rule.
 - 2.4.1.3 Chimneys: Chimney wall structures that are a direct extension of an exterior wall shall match the requirement of said wall.
 - 2.4.1.4 Required masonry percentages shall be calculated excluding exterior wall areas built on top of a roof.

SECTION 2.5 WINDOWS

2.5.1 Windows shall be constructed of vinyl, divided light on all front windows, divided light on all windows backing siding collectors, parks or open spaces. Reflective glass is prohibited.

SECTION 2.6 GARAGE

2.6.1 Garage Doors shall be constructed of metal or wood and shall be kept in good repair at all times.

SECTION 2.7 ADDRESS BLOCKS

2.7.1 All address blocks shall be cast stone.

SECTION 2.8 ELEVATION AND BRICK USAGE

2.8.1 Same Plan with Same Elevation: The repeat of the same floor plan with the same elevation design shall be governed by the following provisions:

2.8.1.1 Residences using the **same floor plan and same elevation** shall be separated by a minimum of two (2) Lots. Residences using the **same floor plan, but a different elevation**, shall be separated by a minimum of one (1) Lot. For purposes of this Paragraph 2.8.1.1, the street right-of-way adjacent to a Lot serves as the equivalent of (1) one Lot. Residences with the same floor plan and same elevation shall not be constructed directly across the street right-of-way from one another.

2.8.2 Repeat Brick Usage: All residence submittals shall calculate the percentage coverage for each material as follows:

2.8.2.1 Same Side of Street: No combination of brick color, mortar color, and sand color shall be repeated for adjacent residences. Street and alley intersections are acceptable separation elements.

2.8.2.2 Opposite Side of Street: There are no restrictions for the use of brick color, mortar color, and sand color for residences on opposing sides of the street.

2.8.2 Exterior Material Area Calculations: All residence plan submittals shall calculate the percentage coverage for each material as follows:

2.8.2.1 Calculation Method: Calculations for material coverage percentages shall include all exposed areas of the wall surface, excluding window and door openings.

2.8.2.2 Calculation Format: Calculations shall indicate the area coverage for front, side, and rear wall areas. Calculations shall be submitted in the following format:

Brick Calculations

<i>Overall</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
<i>Front</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
<i>Left</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
<i>Right</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%
<i>Rear</i>	
Total Wall Area	0 sf
Total Brick Area	0 sf
Total Brick Percentage	0%

** Openings removed from areas in all calculations