

**CONDOMINIUM
INFORMATION
STATEMENT**

3321 ROSEDALE

ISSUED FEBRUARY 19, 2004

2004 112 13180

CONDOMINIUM INFORMATION STATEMENT

THE 3321 ROSEDALE CONDOMINIUMS

NAME OF CONDOMINIUM: 3321 Rosedale

LOCATION OF CONDOMINIUM: 3321 Rosedale Avenue, Dallas, Texas 75205

NAME OF DECLARANT: Cleveland Partners, L.P.

ADDRESS OF DECLARANT: PMB 652
6333 E. Mockingbird, Suite 147
Dallas, TX 75214-2692

DECLARANT'S PHONE: (214) 766-7767

EFFECTIVE DATE OF CONDOMINIUM INFORMATION STATEMENT: December 8, 2003

This Condominium Information Statement presents certain information regarding the condominium development and the units being offered for sale by the declarant. It consists of two parts, a narrative portion and an exhibits portion. The exhibits include legal documents that are required for the creation and operation of the condominium. The exhibits will control any inconsistency between the exhibits and the narrative. The declarant's representatives are prohibited from changing or attempting to interpret any of the terms and conditions of this Condominium Information Statement.

The Condominium Information Statement is not intended to be all inclusive or to address every significant feature of the condominium. Because purchasing real property is an important decision, the purchaser is encouraged to review this Condominium Information Statement with an attorney and to consult other sources for information not covered by the Condominium Information Statement.

Under limited circumstances, a purchaser of a condominium unit has a 5-day period after receiving the Condominium Information Statement during which the purchaser may cancel the contract of sale and obtain full refund of any money deposited in connection with the contract. This right to cancel does not apply if the purchaser received the Condominium Information Statement before signing the contract or if the contract contains an underlined or bold-print provision acknowledging the purchaser's receipt of the Condominium Information Statement and recommending that the purchaser read the Condominium Information Statement before signing the contract. If the purchaser elects to cancel, notice of cancellation must be given pursuant to Section 82.156 of the Texas Property Code, the Texas Uniform Condominium Act.

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THE 3321 ROSEDALE CONDOMINIUMS CONDOMINIUM INFORMATION STATEMENT

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THE 3321 ROSEDALE CONDOMINIUMS
 CONDOMINIUM INFORMATION STATEMENT

I. NARRATIVE PORTION

1. DECLARANT

The developer or "declarant" of 3321 ROSEDALE is 3321 Rosedale, L.P. a Texas limited partnership. The general partner of Cleveland Partners, L.P., is 3321 ROSEDALE ASSOCIATION, A Texas Non-profit Corporation. Declarant may be reached c/o Michael Dolhancey @ KELLER WILLIAMS REALTY, 5307 E. Mockingbird Ste 120, Dallas, Texas 75206, telephone (214) 763-8262.

2. LOCATION

The property is located at 3321 Rosedale Avenue, in the City of Dallas, Town off University Park, Dallas County, Texas. The property is in the middle of an established urban residential neighborhood with a successful mix of old and new housing, single family and multi-family, home owners and renters, in the sought after Park Cities neighborhood that is home to some of Dallas' finest restaurants, shops, galleries, and the prestigious Southern Methodist University, one of the nations best secondary schools. The 3321 ROSEDALE enjoys a wonderful location, less than a block away from Dedman College, one of the focal points of the SMU campus. The 3321 ROSEDALE is one half block east of Snider Plaza - conveniently located between the Dallas North Tollway and North Central Expressway - two major arteries that connect the property with major shopping malls and employment centers.

3. OVERALL PLAN

Declarant is developing The 3321 ROSEDALE as a wholly residential luxury mid-rise condominium. The three story building will have four condominium homes.

The ground level of each unit will consist of a two car garage opening into a foyer that accesses the formal staircase to the second floor as well as an entrance to the downstairs bedroom and bath. There are two methods of ingress and egress, either through the garage to the common drive, or through the entrance door located in the foyer. The staircase with solid oak treads and recessed lighting leads to the second floor which features a spacious open style kitchen with oak cabinetry, stainless appliances, and a large granite topped kitchen island. An expansive wood floored living area, a dining niche that features built in cabinetry, an oversized patio with French inspired wrought iron railings, and a spacious half bath with a pedestal style sink also adorn the second floor. State of the art high speed video and audio cabling provide both surround sound and internet capabilities for each room in the home. The central oak staircase leads to two third level bedrooms. The third level master bedroom features a luxury master bath with separate whirlpool tub and multi-color slate/ glass shower stall, a cabinet style vanity with his and her sinks, and a large walk in closet. Both upstairs bedrooms have their own French style doors and balconies and are cooled separately by the high efficiency zoned air conditioning system. State of the art controlled lighting, a zoned sprinkler system, and a

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professionally designed security and sound system are just a few of the amenities you can find at THE 3321 ROSEDALE.

4. FLOORPLANS

The 4 homes in The 3321 ROSEDALE will have approximately 1800 square feet based on an architect's pre-construction drawings and estimates, and including balcony and storage areas.

5. DEVELOPMENT RIGHTS

In Appendix B of the Declaration, Declarant reserves for itself certain "Development Rights" to add or withdraw real property in order to respond to changing market conditions. Declarant discloses that it reserves the right in the Declaration to change the numbers, sizes, types, and phasing of units, including the right to combine and subdivide units. Declarant further discloses that it reserves the right to create units, common elements, and limited common elements within The 3321 ROSEDALE. The Development Rights may be exercised at any time, but not more than 7 years after recording of the Declaration. Declarant may terminate some or all of the Development Rights prior to the 7 year expiration date by a recorded instrument. No Development Right may be exercised unless approved pursuant to Appendix B of the Declaration.

6. SPECIAL DECLARANT RIGHTS

In addition to Development Rights, Declarant has reserved for itself the following "Special Declarant Rights" to facilitate the creation and marketing of units: (1) to complete improvements indicated on the plats and plans filed with the Declaration; (2) to exercise any Development Rights; (3) to make The 3321 ROSEDALE part of a larger condominium or a planned community; (4) to maintain sales, management, and leasing offices, signs advertising The 3321 ROSEDALE Condominiums, and models; (5) to use easements through the common elements for the purpose of making improvements within The 3321 ROSEDALE, and (6) to appoint or remove an officer or director of the homeowners association during a period of Declarant control.

7. ASSOCIATION

The 3321 Rosedale Condominium Association (the "Association") is the Texas nonprofit corporation that will administer The 3321 ROSEDALE. While Declarant is constructing and marketing The 3321 ROSEDALE, it retains certain rights to control the Association to ensure an orderly operation during the initial population of this new community. Declarant intends to transition control of the Association to the homeowners in a step-by-step process, so the homeowners can participate in decision making while Declarant is still involved with The 3321 ROSEDALE. At first, all the officers and directors of the Association will be appointed by Declarant. The second stage occurs within 120 days after Declarant closes the sale of half the homes (2 of the 4 units). At that time, the homeowners other than Declarant will elect one of the three directors. The third stage of transition occurs within 120 days after Declarant closes the sale of three-fourths of the homes (3 of the 4 units). At that time, Declarant will invite the homeowners to the organizational meeting of the Association for the purpose of electing the

entire board of directors. The Declarant Control Period is described in Appendix B of the Declaration of The 3321 ROSEDALE Condominiums, which is included in this Condominium Information Statement.

8. MANAGEMENT

The Association is being managed by _____, an established professional management company with offices at _____. The president of _____ may be reached by phone at _____. Although _____ Management Company is not affiliated with Declarant, the two companies have worked together on other properties.

9. PROJECTED OR PRO FORMA BUDGET

The projected budget for the first fiscal year of the Association following the date of the first conveyance to a purchaser is attached as Exhibit E. It is based on the assumption that all 4 units are occupied for all or most of the budget year. The budget also assumes that the development will be managed by an independent third-party management firm. The budget was prepared for Declarant by _____ Management Company. By signing this Condominium Information Statement, Declarant affirms that, to the best of Declarant's knowledge and belief, the assumptions on which the projected budget is based are reasonable.

10. INITIAL CAPITAL CONTRIBUTION

Consistent with the underwriting guidelines of Fannie Mae, the Declaration requires each original purchaser of a unit to contribute the equivalent of at least 2 months' of assessments to the Association's capital fund. This is a one-time nonrefundable fee paid to the Association to create a "start up" fund from which operating expenses and insurance premiums can be paid. Please be advised that the amount of capital contribution may vary from time to time as the budget is revised.

11. EASEMENTS, RESTRICTIONS, LIENS, LEASES, OR ENCUMBRANCES

Title to the condominium and each unit is subject to all easements, restrictions, liens, leases, and encumbrances recorded against the property. A description of recorded easements and licenses is attached to the Declaration as Appendix E. Copies of documents listed in Appendix E to the Declaration is available through the title company handling your home purchase.

Declarant subjected the entire property to a deed of trust lien to secure construction financing. As Declarant sells units, Declarant expects to obtain a partial release -- unit by unit -- from the holder of the deed of trust, so that each unit will be conveyed free of the construction loan lien. In this manner, when Declarant sells all the units the deed of trust lien for construction financing will be completely released as to all parts of the property.

12. WRITTEN WARRANTY

As part of the purchase price, Declarant is providing a limited one-year warranty, which is the only warranty -- express or implied -- offered by Declarant. A copy of the limited warranty is attached as Exhibit H.

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13. NO JUDGMENTS OR SUITS

Declarant has no actual knowledge of any unsatisfied judgments against The 3321 Rosedale Condominium Association, nor of any pending suits to which the Association is a party, or which are material to the land title and construction of The 3321 ROSEDALE.

14. INSURANCE PROVIDED FOR THE BENEFIT OF UNIT OWNERS

Article 14 of the Declaration requires the Association to purchase, as a common expense, certain insurance coverages and bonds for the benefit of unit owners. The initial policies will be purchased by Declarant, for the benefit of the Association, owners, and mortgagees. Section 14.2.2 of the Declaration requires the Association to maintain property insurance on the units as originally constructed.

On the date of this Condominium Information Statement, the condominium and the Association have not been created. Therefore, the requirements of Article 14 of the Declaration are not yet effective. When policies are purchased, at a later date, this Condominium Information Statement will be supplemented with information about those policies.

The Association does not provide liability coverage for accidents or occurrences that occur within the units. Also, the Association does not provide owners or residents with coverage for household and personal property (including jewelry and fine art), betterments and improvements to the unit made at the expense of an individual unit owner, additional living expenses, personal injury, loss assessment coverage, and business interruptions. Because of the exclusions in the Association's policies, you should consult with your own agent about purchasing a policy to cover those exposures.

15. FEES OR CHARGES FOR USE OF COMMON ELEMENTS

There is no charge to owners or residents for the mere use of common elements. However, the resident or owner may be charged for replacement of devices - such as remotes or cards - used to control access to the property.

16. UNIT UTILITIES

a. Electricity. Each unit will be individually metered for electricity. The resident will make payment directly to the utility company. Electricity for the common area is a common expense of the Association.

b. The water used by all the units and common elements is provided through the Association's central water meters. Therefore, the Association receives the entire property's water bill. The owners pay for water by one of three methods, any of which may be used by the Association. If submetering services and equipment are available, the homes will be sub-metered for water. In that event, the Association (or its contractor) will charge each home for its sub-metered portion of the bill based on the home's individual water consumption, plus a percentage of the common area water, plus a servicing or administrative fee. If submetering is not available,

the Association may add the cost of water to the Association's budget, in which case the monthly assessment to owners will be increased and, the owners will pay on a percentage basis, rather than a consumption basis. Alternatively, the Association may allocate the water charges among the units by any conventional method for similar types of properties. The allocation may include a share of the utilities for the common elements, as well as administrative and processing fees, and an allocation of any other charges that are typically incurred in connection with utility services. The Association may, from time to time, change the method allocation, provided the same method or combination of methods is used for all units.

c. Wastewater. The Association is billed for sewerage service in connection with the water service. The Association will charge each home for wastewater in the same manner as water.

17. ADDITIONAL DISCLOSURES

a. Marketing Information. The promotional literature used to market the homes contains floorplans and drawings with approximate dimensions and details based on preconstruction architectural drawings. The published square footage of each floorplan is an approximated area representation that includes the private balconies and storage areas, which are part of the unit ownership. The actual size of the air conditioned space in each home may be less than the square footage shown on the marketing literature.

b. Construction Loan. Declarant is subjecting the entire property to a deed of trust lien to secure construction financing. As Declarant sells homes, Declarant expects to obtain a partial release - home by home - from the holder of the deed of trust lien, so that each home will be conveyed free of the construction loan lien. In this manner, when Declarant sells all the homes the deed of trust lien for construction financing will be completely released as to all parts of the property .

c. Preconstruction Presales. If, in Declarant's sole opinion, there are an insufficient number of sales contracts to meet the presale requirement of a present or prospective mortgage lender, guarantor, or insurer, then Declarant may extend construction and closing dates until the presale requirement is met, or may terminate unit reservations or purchase contracts - without penalty to Declarant as seller and any earnest money paid by purchasers will be fully refunded.

18. EXHIBITS

The exhibits that accompany this Narrative Portion include a number of documents that are slated for public recording or filing. Because this Condominium Information Statement is issued before those documents have been recorded, DRAFTS of those documents may be included as exhibits. At any time after recording, Declarant may but is not obligated to replace DRAFT documents with copies of the recorded documents. The following exhibits are attached to this Condominium Information Statement and incorporated by reference:

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- Exhibit A Declaration of The 3321 ROSEDALE Condominiums, to be executed by Declarant, and to be recorded in the Real Property Records of Dallas County, Texas.
- Exhibit B Bylaws of The 3321 Rosedale Condominium Association, to be executed by Declarant, and to be recorded in the Real Property Records of Dallas County, Texas.
- Exhibit C Articles of Incorporation of The 3321 Rosedale Condominium Association, to be filed with the Secretary of State of Texas as a nonprofit corporation, and to be recorded in the Real Property Records of Dallas County, Texas.
- Exhibit D The 3321 Rosedale Community Manual, to be executed by Declarant, and to be recorded in the Real Property Records of Dallas County, Texas.
- Exhibit E Budget Information.
- Exhibit F Purchaser's Certificates
- Exhibit G Insurance Information
- Exhibit H Your Limited One-Year Warranty.

Except for the Purchaser's Certificates, Declarant does not require purchasers to sign documents other than loan documents at closing. The purpose of the Purchaser's Certificates is to induce lenders to make mortgage loans on the units, to induce title insurance companies to issue policies with respect to the units, and to affirm purchasers' understanding of the nature and condition of the property they are purchasing.

19. GENERAL INFORMATION

The exhibits which follow this narrative portion provide a more detailed description of the condominium and the rights and obligations of the unit owner. The purchaser should carefully consider the exhibits, as well as this narrative portion of the Condominium Information Statement. If the purchaser does not understand any aspect of this Condominium Information Statement, the sales contract, and any other materials provided in connection with the sale of units, the purchaser should obtain competent legal counsel.

Declarant reserves the right to amend, in writing, the terms of this Condominium Information Statement. If the change may adversely affect a purchaser under contract who has received a Condominium Information Statement but who has not yet closed, Declarant will furnish a copy of the amendment to that purchaser before closing. Statement may not be changed or modified orally.

This Condominium Information Statement was prepared in the law offices of Cafiero, Lenahan, & Lafuente, P.C., 3838 Oak Lawn Avenue, Suite 920, Dallas, Texas 75219.

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Dated: February 19, 2004

Cleveland Partners L. P. , a Texas limited partnership

BY:

3321 ROSEDALE ASSOCIATION, A Texas Non-profit Corporation, its general partner

By: _____
Josiah B. Cleveland, Manager

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