



AFTER RECORDING RETURN TO:

ROBERT D. BURTON  
WINSTEAD, PC  
401 CONGRESS AVE., SUITE 2100  
AUSTIN, TEXAS 78701  
Email: [rburton@winstead.com](mailto:rburton@winstead.com)

20130801001084620 08/01/2013 03:07:59 PM MA 1/73

**AMENDED AND RESTATED DECLARATION  
OF COVENANTS, CONDITIONS AND  
RESTRICTIONS**

**CHASE OAKS VILLAGE  
[COLLIN COUNTY, TEXAS]**

**THIS DOCUMENT AMENDS AND RESTATES THAT CERTAIN  
DECLARATIONS, COVENANTS AND RESTRICTIONS OF THE CHASE OAKS  
VILLAGE HOMEOWNER'S ASSOCIATION, INC. RECORDED AS DOCUMENT  
NO. 2005-0084380, OFFICIAL PUBLIC RECORDS OF COLLIN COUNTY, TEXAS**

**Declarant: CB JENI - CHASE OAKS VILLAGE, LLC, a Texas limited liability company**

**CHASE OAKS VILLAGE**  
**TABLE OF CONTENTS**

**ARTICLE 1 DEFINITIONS ..... 2**

**ARTICLE 2 EASEMENTS..... 5**

    2.01 Owner’s Easement of Enjoyment ..... 5

    2.02 Owner’s Maintenance Easement..... 5

    2.03 Owner’s Ingress/Egress Easement ..... 6

    2.04 Owner’s Encroachment Easement ..... 7

    2.05 Easement Of Cooperative Support ..... 7

    2.06 Association’s Access, Maintenance and Landscape Easement..... 7

    2.07 Utility Easement ..... 8

    2.08 Party Walls ..... 8

    2.09 Security ..... 9

    2.10 Injury to Person or Property ..... 9

    2.11 Easement to Inspect and Right To Correct ..... 10

**ARTICLE 3 GENERAL AND USE RESTRICTIONS..... 10**

    3.01 General..... 10

    3.02 Conceptual Plans..... 10

    3.03 Single-Family Residential Use..... 11

    3.04 Rentals..... 12

    3.05 Subdividing ..... 12

    3.06 Hazardous Activities..... 12

    3.07 Insurance Rates..... 13

    3.08 Mining and Drilling ..... 13

    3.09 Noise..... 13

    3.10 Clotheslines; Window Air Conditioners..... 13

    3.11 Animals - Household Pets..... 13

    3.12 Rubbish and Debris..... 14

    3.13 Antenna..... 14

    3.14 Signs ..... 15

    3.15 Tanks ..... 16

    3.16 Temporary Structures..... 16

    3.17 Unsightly Articles; Vehicles..... 16

    3.18 Garages ..... 16

    3.19 Holiday Decorations ..... 17

    3.20 Mobile Homes, Travel Trailers and Recreational Vehicles..... 17

    3.21 Trash Containers..... 17

    3.22 Drainage..... 17

3.23	Compliance with Restrictions.....	17
3.24	Liability of Owners for Damage to Common Area .....	18
3.25	Water Quality Facilities, Drainage Facilities and Drainage Ponds .....	18
3.26	Roofing.....	18
3.27	Solar Energy Device.....	19
3.28	Rainwater Harvesting Systems.....	20
3.29	Flags – Approval Requirements.....	21
3.30	Flags – Installation and Display .....	22
3.31	No Warranty of Enforceability .....	23
<b>ARTICLE 4</b>	<b>DISCLOSURES.....</b>	<b>23</b>
4.01	Service Contracts .....	23
4.02	Adjacent Thoroughfares.....	23
4.03	Fire Sprinkler Disclosure.....	23
4.04	Adjacent Use .....	24
4.05	Outside Conditions .....	24
4.06	Concrete.....	24
4.07	Construction Activities.....	24
4.08	Moisture.....	25
4.09	Mold and/or Mildew.....	25
4.10	Encroachments.....	25
4.11	Budgets .....	25
4.12	Light and Views.....	25
4.13	Schools .....	25
4.14	Suburban Environment .....	25
4.15	Water Runoff.....	26
4.16	Photography of the Property .....	26
4.17	Changes to Street Names and Addresses .....	26
4.18	Plans .....	26
4.19	Location of Utilities.....	26
4.20	Wood .....	26
4.21	Stone.....	26
4.22	Chemicals.....	27
4.23	Marketing .....	27
<b>ARTICLE 5</b>	<b>CHASE OAKS VILLAGE HOMEOWNERS ASSOCIATION, INC.....</b>	<b>27</b>
5.01	Organization.....	27
5.02	Membership .....	27
5.03	Governance.....	28
5.04	Voting Rights .....	29
5.05	Powers.....	29
5.06	Acceptance of Common Area.....	32

5.07	Indemnification.....	32
5.08	Insurance.....	33
5.09	Control by Declarant.....	33
5.10	Bulk Rate Contracts.....	33
5.11	Protection of Declarant's Interests .....	34
5.12	Notices and Disclaimers as to Security Systems .....	34
<b>ARTICLE 6</b>	<b>ENFORCING THE RESTRICTIONS .....</b>	<b>35</b>
6.01	Notice And Hearing.....	35
6.02	Remedies.....	35
6.03	Board Discretion .....	36
6.04	No Waiver.....	36
6.05	Recovery of Costs .....	37
<b>ARTICLE 7</b>	<b>ASSESSMENTS.....</b>	<b>37</b>
7.01	Purpose of Assessments .....	37
7.02	Personal Obligation.....	37
7.03	Types of Assessments .....	37
7.04	Regular Assessments .....	37
7.05	Annual Budget-Regular.....	38
7.06	Basis of Regular Assessments.....	38
7.07	Supplemental Increases .....	39
7.08	Special Assessments.....	39
7.09	Utility Assessments.....	39
7.10	Individual Assessments.....	39
7.11	Deficiency Assessments.....	39
7.12	Working Capital Fund .....	40
7.13	Due Date.....	40
7.14	Reserve Funds.....	40
7.15	Declarant's Right To Inspect And Correct Accounts .....	40
7.16	Association's Right To Borrow Money.....	41
7.17	Limitations of Interest.....	41
7.18	Exempt Property.....	41
<b>ARTICLE 8</b>	<b>ASSESSMENT LIEN.....</b>	<b>41</b>
8.01	Assessment Lien .....	41
8.02	Superiority of Assessment Lien.....	42
8.03	Effect of Mortgagee's Foreclosure.....	42
8.04	Notice and Release of Notice .....	42
8.05	Power of Sale.....	42
8.06	Foreclosure of Lien.....	42

<b>ARTICLE 9</b>	<b>EFFECT OF NONPAYMENT OF ASSESSMENTS .....</b>	<b>43</b>
9.01	Delinquent Assessment .....	43
9.02	Interest.....	43
9.03	Late Fees.....	43
9.04	Collection Expenses.....	43
9.05	Acceleration.....	43
9.06	Assignment Of Rents .....	43
9.07	Money Judgment.....	44
9.08	Notice to Mortgagee.....	44
9.09	Application of Payments .....	44
<b>ARTICLE 10</b>	<b>MAINTENANCE AND REPAIR OBLIGATIONS .....</b>	<b>44</b>
10.01	Overview .....	44
10.02	Association Maintains.....	44
10.03	Area of Common Responsibility .....	46
10.04	Inspection Obligations.....	46
10.05	Owner Responsibility .....	47
10.06	Yard Maintenance .....	48
10.07	Disputes .....	49
<b>ARTICLE 11</b>	<b>INSURANCE.....</b>	<b>49</b>
11.01	Association's Responsibility for Insurance.....	49
11.02	Owner's Responsibility for Insurance.....	49
11.03	Owner's Liability For Insurance Deductible .....	50
<b>ARTICLE 12</b>	<b>ARCHITECTURAL REVIEWER.....</b>	<b>50</b>
12.01	Purpose .....	50
12.02	Architectural Control By Declarant .....	50
12.03	Architectural Control by Association.....	51
12.04	Prohibition of Construction, Alteration and Improvement .....	51
12.05	Architectural Approval .....	52
<b>ARTICLE 13</b>	<b>MORTGAGE PROVISIONS.....</b>	<b>53</b>
13.01	Notice of Action.....	53
13.02	Examination of Books .....	54
13.03	Taxes, Assessments and Charges.....	54
<b>ARTICLE 14</b>	<b>GENERAL PROVISIONS.....</b>	<b>54</b>
14.01	Term .....	54
14.02	Eminent Domain.....	54
14.03	Amendment.....	55
14.04	Roadway and Utility Easements .....	55
14.05	Enforcement.....	55

14.06	Higher Authority.....	55
14.07	Severability.....	56
14.08	Conflicts.....	56
14.09	Gender.....	56
14.10	Notices.....	56
<b>ARTICLE 15</b>	<b>DEVELOPMENT EASEMENTS.....</b>	<b>56</b>
15.01	Subdivision Entry and Fencing Easement.....	56
15.02	Landscape and Monument Sign Easement.....	56
15.03	Declarant as Attorney in Fact.....	57
<b>ARTICLE 16</b>	<b>DEVELOPMENT RIGHTS.....</b>	<b>57</b>
16.01	Development by Declarant.....	57
16.02	Special Declarant Rights.....	57
16.03	Notice of Annexation.....	58
16.04	Withdrawal of Land.....	58
16.05	Assignment of Declarant's Rights.....	58
<b>ARTICLE 17</b>	<b>DISPUTE RESOLUTION.....</b>	<b>59</b>
17.01	Agreement to Encourage Resolution of Disputes Without Litigation.....	59
17.02	Dispute Resolution Procedures.....	60

UNOFFICIAL

**AMENDED AND RESTATED DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
CHASE OAKS VILLAGE**

This Amended and Restated Declaration of Covenants, Conditions and Restrictions for Chase Oaks Village (the "Declaration") is made by CB Jeni – Chase Oaks Village, LLC, a Texas limited liability company (the "Declarant"), and is as follows:

**RECITALS:**

A. Chase Oaks Village, L.P., a Texas limited partnership, was the original declarant under that certain Declarations, Covenants and Restrictions of the Chase Oaks Village Homeowner's Association, Inc. recorded as Document No. 2005-0084380, Official Public Records of Collin County, Texas (the "2005 Declaration"). The 2005 Declaration was subsequently amended by that certain First Amendment to Declarations, Covenants and Restrictions of the Chase Oaks Village Homeowner's Association, Inc. recorded as Document No. 20100217000152100 in the Official Public Records of Collin County, Texas (the "First Amendment"), and that certain Second Amendment to the Declarations, Covenants, and Restrictions of the Chase Oaks Village Homeowner's Association, Inc. recorded as Document No. 20120531000637540 in the Official Public Records of Collin County, Texas (the "Second Amendment"). The 2005 Declaration, the First Amendment and Second Amendment are referred hereto as the "Original Declaration". Pursuant to that certain Assignment of Declarant's Rights recorded as Document No. 20100802000791220 in the Official Public Records of Collin County, Texas, Chase Oaks Village, L.P. assigned its declarant rights under the Original Declaration (the "Declarant Rights") to Legacy Hamlet, LLC, a Texas limited liability company. Thereafter, Legacy Hamlet, LLC assigned the Declarant Rights to Declarant pursuant to that certain Assignment of Declarant Rights Under Declarations, Covenants, and Restrictions of the Chase Oaks Village Homeowner's Association, Inc. recorded as Document No. 20121002001248520 in the Official Public Records of Collin County, Texas.

B. Pursuant to Section 9.11 of the Original Declaration, the Declaration may be amended by the recording in the Official Public Records of Collin County, Texas, of an instrument executed and acknowledged by Declarant acting alone prior to the sale of ninety-five percent (95%) of all Lots in the Property and Living Lots (as defined in the Original Declaration) constructed thereon.

C. The sale of ninety-five percent (95%) of all Lots in the Property and Living Lots constructed thereon has not yet occurred, and the Declarant desires to amend certain provisions of the Original Declaration, and restate the Original Declaration in its entirety, as set forth hereinbelow.

**NOW, THEREFORE,** it is hereby declared: (i) that the Property will be held sold, conveyed, and occupied subject to the following covenants, conditions and restrictions, which

will run with the Property and will be binding upon all parties having right, title, or interest in or to such portions of the Property or any part thereof, their heirs, successors, and assigns and will inure to the benefit of each owner thereof; and (ii) that each contract or deed conveying those portions of the Property will conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not the same are set out in full or by reference in said contract or deed.

This Declaration uses notes (text set apart in boxes) to illustrate concepts and assist the reader. If there is a conflict between any note and the text of the Declaration, the text will control.

## ARTICLE 1 DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration will have the meanings hereinafter specified:

**“Architectural Reviewer”** means Declarant or its designee until expiration or termination of the Development and Sale Period. Upon expiration or termination of the Development and Sale Period, the rights of the Architectural Reviewer will automatically be transferred to the architectural control committee appointed by the Board.

**“Area of Common Responsibility”** means those portions of a Dwelling that are designated, from time to time, by this Declaration or the Association to be maintained, repaired, and replaced by the Association, as a common expense, as reflected in the Designation of Area of Common Responsibility and Maintenance Chart attached to this Declaration as Exhibit “B”.

**“Assessment”** or **“Assessments”** means assessments imposed by the Association under this Declaration.

**“Association”** means Chase Oaks Village Homeowners Association, Inc., a Texas non-profit corporation, which was created by Declarant to exercise the authority and assume the powers specified in *Article 5* and elsewhere in this Declaration.

**“Board”** means the Board of Directors of the Association.

**“Bulk Rate Contract”** or **“Bulk Rate Contracts”** means one or more contracts which are entered into by the Association for the provision of utility services or other services of any kind or nature to the Lots. The services provided under Bulk Rate Contracts may include, without limitation, cable television services, telecommunications services, internet access services, “broadband” services, security services, trash pickup services, propane service, natural gas service, lawn maintenance services, wastewater services, and any other services of any kind or nature which are considered by the Board to be beneficial.

**"Bylaws"** means the bylaws of the Association as adopted and as amended from time to time.

**"Certificate"** means the Certificate of Formation of the Association, filed in the Office of the Secretary of State of Texas, as the same may be amended from time to time.

**"Common Area"** means any property and facilities that the Association owns or in which it otherwise holds rights or obligations. Common Area includes any property that the Association holds under a lease, license, or any easement in favor of the Association. Some Common Area will be solely for the common use and enjoyment of the Owners, while other portions of the Common Area may be for the use and enjoyment of the Owners, members of the public, and/or other landowners and their guests, tenants and invitees.

**"Community Manual"** means the community manual, which may be adopted and recorded by the Declarant as part of the project documentation for the benefit of the Association and the Property or otherwise adopted by a Majority of the Board. The Community Manual may include the Bylaws, Rules and other policies governing the Association. The Community Manual may be amended, from time to time, by a Majority of the Board.

**"Declarant"** means CB Jeni - Chase Oaks Village, LLC, a Texas limited liability company, its successors or assigns, provided that any assignment(s) of the rights of CB Jeni - Chase Oaks Village, LLC, as Declarant, must be expressly set forth in writing and recorded in the Official Public Records of Collin County, Texas.

The "Declarant" is the party who causes the Property to be developed for actual residential use. Declarant enjoys special privileges to help protect its investment in the Property. These special rights are described in this Declaration. Many of these rights do not terminate until either Declarant: (i) has sold all Lots which may be created out of the Property; or (ii) voluntarily terminates these rights by a written instrument recorded in the Official Public Records of Collin County, Texas.

**"Development and Sale Period"** means the period of time beginning on the date when this Declaration has been recorded in the Official Public Records of Collin County, Texas, and ending twenty-five (25) years thereafter or until such time as Declarant no longer owns any Property, unless earlier terminated by Declarant. Declarant may terminate the Development and Sale Period by an instrument executed by Declarant and recorded in the Official Public Records of Collin County, Texas.

**"Dwelling"** means the single family residence located on a Lot, together with any garage incorporated therein, whether or not the Dwelling is occupied for residential purposes.

**"Improvement"** means every structure and all appurtenances of every type and kind, whether temporary or permanent in nature.

**"Lot"** means any portion of the Property designated by Declarant or as shown as a subdivided lot on a Plat other than Common Area.

**"Majority"** means more than half.

**"Manager"** has the meaning set forth in *Section 5.05(h)*.

**"Members"** means every person or entity that holds membership privileges in the Association.

**"Membership Agreement"** means an agreement in the form specified by the Board for execution by each Member, evidencing such Member's acknowledgment of and agreement to be bound by the terms of the Restrictions.

**"Mortgage" or "Mortgages"** means any mortgage(s) or deed(s) of trust securing indebtedness and covering any Lot.

**"Mortgagee" or "Mortgagees"** means the holder(s) of any Mortgage(s).

**"Notice of Annexation"** means a notice filed in the Official Public Records of Collin County, Texas, making all or a portion of the Property subject to the terms and provisions of this Declaration.

**"Owner"** means the person(s), entity or entities, including Declarant, holding all or a portion of the fee simple interest in any Lot, but does not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot pursuant to foreclosure of the lien of its Mortgage.

**"Plat"** means a subdivision plat of any portion of the Property recorded in the Official Public Records of Collin County, Texas, and any amendments thereto.

**"Property"** means all of that certain real property described on Exhibit "A", attached hereto, subject to such additions thereto and deletions therefrom as may be made pursuant to *Section 16.03* and *Section 16.04* of this Declaration.

**"Resident"** means an occupant or tenant of a Dwelling, regardless of whether the person owns the Lot on which such Dwelling is located.

**"Restrictions"** means the restrictions, covenants, and conditions contained in this Declaration, the Bylaws, Community Manual, or the Rules and Regulations, as adopted and amended from time to time. *See Table 1* for a summary of the Restrictions.

**“Rules and Regulations”** means any instrument, however denominated, which is adopted by the Board for the regulation and management of the Property, including any amendments thereto.

**“Solar Energy Device”** means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

TABLE 1: RESTRICTIONS	
<b>Declaration</b> (recorded in the Official Public Records of Collin County, Texas)	Creates obligations that are binding upon the Association and all present and future owners of Property.
<b>Certificate of Formation</b> (filed with the Secretary of State)	Establishes the Association as a Texas nonprofit corporation.
<b>Bylaws</b> (adopted by the Board of the Association)	Governs the Association's internal affairs, such as elections, meetings, etc.
<b>Community Manual</b> (adopted by the Board of the Association)	Establishes rules and policies governing the Association.
<b>Rules and Regulations</b> (if adopted)	Regulates the use of property, activities, and conduct within the Property.
<b>Board Resolutions</b> (adopted by the Board of the Association)	Establishes rules, policies, and procedures for the Association.

## ARTICLE 2 EASEMENTS

**2.01 Owner's Easement of Enjoyment.** Every Owner is granted a right and easement of enjoyment over the Common Area and to use of Improvements thereon, subject to other rights and easements contained in the Restrictions. An Owner who does not occupy a Dwelling delegates this right of enjoyment to the Residents of his Dwelling.

**2.02 Owner's Maintenance Easement.** Each Owner is hereby granted an easement over and across any adjoining Dwelling and Lot and the Common Area to the extent reasonably necessary to maintain or reconstruct such Owner's Dwelling, subject to the consent of the Owner of the adjoining Lot and Dwelling and the consent of the Board as provided below, or the consent of the Board in the case of Common Area, and provided that the Owner's use of the easement granted hereunder does not damage or materially interfere with the use of the adjoining Lot and/or Dwelling or Common Area. Requests for entry into an adjoining Lot must be made to the Owner of such Lot in advance. The consent of the adjoining Lot Owner will not be unreasonably withheld; however, the adjoining Lot Owner may require that access to its Lot be limited to Monday through Friday, between the hours of 8 a.m. until 6 p.m., and then only in

conjunction with actual maintenance or reconstruction activities. Access to the Common Area for the purpose of maintaining or reconstructing any Dwelling must be made in advance to the Board. The consent of the Board will not be unreasonably withheld; however, the Board may require that access to the Common Area be limited to Monday through Friday, between the hours of 8 a.m. until 6 p.m., and then only in conjunction with actual maintenance or reconstruction activities. In addition, the Board may require that the Owner abide by additional reasonable rules with respect to use and protection of the Common Area during any such maintenance or reconstruction. If an Owner damages an adjoining Dwelling or Common Area in exercising the easement granted hereunder, the Owner will be required to restore the Dwelling or Common Area to the condition which existed prior to any such damage, at such Owner's expense, within a reasonable period of time not to exceed thirty (30) days after the date the Owner is notified in writing of the damage by the Association or the Owner of the damaged Dwelling.

Notwithstanding the foregoing, no Owner shall perform any work to any portion of his Dwelling or Lot if the work requires access to, over or through the Common Area or other Lots and/or Dwellings without the prior consent of the Architectural Reviewer except in case of an emergency. All such work may only be performed by a person who shall deliver to the Architectural Reviewer prior to commencement of such work, in form satisfactory to the Board:

- (i) releases of the Board, the Architectural Reviewer, and the Association for all claims that such person may assert in connection with such work;
- (ii) indemnities of the Board, the Architectural Reviewer, and the Association, holding each and all of them harmless from and against any claims asserted for loss or damage to persons or property, including, but not limited to, Common Area, or other Lots and Dwellings;
- (iii) certificates of insurance, including liability and workmen's compensation coverage, in amounts and with companies reasonably acceptable to the Board, and
- (iv) all other information and assurances which the Board may reasonably require.

**2.03 Owner's Ingress/Egress Easement.** Each Owner is hereby granted a perpetual easement over the Property, including the Lots (but excluding any portion of the Lot enclosed by a private fence installed by the Declarant or approved by the Architectural Reviewer creating a private yard space for the Lot Owner), as may be reasonably required, for ingress to and egress from his Dwelling, but subject to any Rules and Regulations adopted from time to time by the Board.

**2.04 Owner's Encroachment Easement.** Every Owner is granted an easement for the existence and continuance of any encroachment by his Dwelling on any adjoining Lot, Dwelling or Common Area now existing or which may come into existence hereafter, as a result of construction, repair, shifting, settlement, or movement of any portion of a Dwelling, or as a result of condemnation or eminent domain proceedings, so that the encroachment may remain undisturbed so long as the improvement stands.

**2.05 Easement Of Cooperative Support.** Each Owner is granted an easement of cooperative support over each adjoining Lot and Dwelling as needed for the common benefit of the Property, or Dwellings that share any aspect of the Property that requires cooperation. By accepting an interest in or title to a Lot, each Owner: (i) acknowledges the necessity for cooperation in a townhome; (ii) agrees to try to be responsive and civil in communications pertaining to the Property and to the Association; (iii) agrees to provide access to his Dwelling and Lot when needed by the Association to fulfill its duties; and (iv) agrees to try refraining from actions that interfere with the Association's maintenance and operation of the Property.

**2.06 Association's Access, Maintenance and Landscape Easement.** Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, grants to the Association an easement of access, maintenance and entry over, across, under, and through the Property, including without limitation, each Lot and each Dwelling and all Improvements thereon for the following purposes:

(i) To perform inspections and/or maintenance that is permitted or required of the Association by the Restrictions or by applicable law.

(ii) To perform maintenance that is permitted or required of the Owner by the Restrictions or by applicable law, if the Owner fails or refuses to perform such maintenance.

(iii) To perform maintenance and repair, and to regulate use of all private streets and driveways located within the Property.

(iv) To enforce the Restrictions.

(v) To exercise self-help remedies permitted by the Restrictions or by applicable law.

(vi) To respond to emergencies.

(vii) To have the exclusive right to maintain landscaping and make, erect or install non-structural improvements (such as fences, irrigation systems, lighting systems, walking or biking paths, and the like) in or on those portions of each Owner's Lot (but excluding any portion of such Lot enclosed by a private

fence installed by the Declarant or approved by the Architectural Reviewer creating a private yard space for the Lot Owner).

(viii) To grant easements to utility providers as may be necessary to install, maintain, and inspect utilities serving any portion of the Property.

(ix) To perform any and all functions or duties of the Association as permitted or required by the Restrictions or by applicable law.

**2.07 Utility Easement.** The Association and Declarant (during the Development and Sale Period) may grant permits, licenses, and easements over the Common Areas and Lots for utilities, and other purposes reasonably necessary for the proper operation of the project. Declarant, during the Development and Sale Period, and the Board thereafter, may grant easements over and across the Lots and Common Areas to the extent necessary or required to provide utilities to Dwellings and/or Lots; provided, however, that such easements will not unreasonably interfere with the use of any Dwelling for residential purposes. A company or entity, public or private, furnishing utility service to the Property, is granted an easement over the Property for ingress, egress, meter reading, installation, maintenance, repair, or replacement of utility lines and equipment, and to do anything else necessary to properly maintain and furnish utility service to the Property. Utilities may include, but are not limited to, water, sewer, trash removal, electricity, gas, telephone, master or cable television, and security.

**2.08 Party Walls.** A fence or wall located on or near the dividing line between two (2) Lots or Dwellings constructed upon such Lots and intended to benefit both Lots constitutes a "Party Wall" and, to the extent not inconsistent with the provisions of this Section 2.08, is subject to the general rules of law regarding party walls and liability for property damage due to negligence, willful acts, or omissions.

(a) **Encroachments & Easement.** If the Party Wall is on one Lot due to an error in construction, the Party Wall is nevertheless deemed to be on the dividing line for purposes of this Section 2.08. Each Lot sharing a Party Wall is subject to an easement for the existence and continuance of any encroachment by the Party Wall as a result of construction, repair, shifting, settlement, or movement in any portion of the Party Wall, so that the encroachment may remain undisturbed as long as the Party Wall stands. Each Lot is subject to a reciprocal easement for the maintenance, repair, replacement, or reconstruction of the Party Wall.

(b) **Right to Repair.** If the Party Wall is damaged or destroyed from any cause, the Owner of either Lot may repair or rebuild the Party Wall to its previous condition, and the Owners of both Lots, their successors and assigns, have the right to the full use of the repaired or rebuilt Party Wall.

(c) Maintenance Costs. The Owners of the adjoining Lots share equally the costs of repair, reconstruction, or replacement of the Party Wall, subject to the right of one Owner to call for larger contribution from the other under any rule of law regarding liability for negligence or willful acts or omissions. If an Owner is responsible for damage to or destruction of the Party Wall, that Owner will bear the entire cost of repair, reconstruction, or replacement. If an Owner fails or refuses to pay his share of costs of repair or replacement of the Party Wall, the Owner advancing monies has a right to file a claim of lien for the monies advanced in the Official Public Records of Collin County, Texas, and has the right to foreclose the lien as if it were a mechanic's lien. The right of an Owner to require contribution from another Owner under this Section is appurtenant to the Lot and passes to the Owner's successors in title.

(d) Alterations. The Owner of a Lot sharing a Party Wall may not cut openings in the Party Wall or alter or change the Party Wall in any manner that affects the use, condition, or appearance of the Party Wall to the adjoining Lot or residence. The Party Wall will always remain in the same location as when erected unless otherwise approved by the Owner of each Lot sharing the Party Wall and the Architectural Reviewer.

**2.09 Security.** The Association may, but is not obligated to, maintain or support certain activities within the Property designed, either directly or indirectly, to improve safety in or on the Property. Each Owner and Resident acknowledges and agrees, for himself and his guests, that Declarant, the Association and their respective directors, officers, committees, agents, and employees are not providers, insurers, or guarantors of security within the Property. Each Owner and Resident acknowledges and accepts as his sole responsibility to provide security for his own person and property, and assumes all risks for loss or damage to same. Each Owner and Resident further acknowledges that Declarant, the Association, and their respective directors, officers, committees, agents, and employees have made no representations or warranties, nor has the Owner or Resident relied on any representation or warranty, express or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire, burglary, and/or intrusion systems recommended or installed, or any security measures undertaken within the Property. Each Owner and Resident acknowledges and agrees that Declarant, the Association, and their respective directors, officers, committees, agents, and employees may not be held liable for any loss or damage by reason of any failure to provide adequate security or the ineffectiveness of security measures undertaken.

**2.10 Injury to Person or Property.** Neither the Association nor Declarant, or their respective directors, officers, committees, agents, and employees have a duty or obligation to any Owner, Resident or their guests: (a) to supervise minor children or any other person; (b) to fence or otherwise enclose any Lot or Common Area; or (c) to provide security or protection to any Owner, Resident, or their guests, employees, contractors, and invitees from harm or loss. By accepting title to a Lot, each Owner agrees that the limitations set forth in this Section are

reasonable and constitute the exercise of ordinary care by the Association and Declarant. Each Owner agrees to indemnify and hold harmless the Association and Declarant, and Declarant's agents from any claim of damages, to person or property arising out of an accident or injury in or about the Property to the extent and only to the extent caused by the acts or omissions of such Owner, his tenant, his guests, employees, contractors, or invitees to the extent such claim is not covered by insurance obtained by the Association at the time of such accident or injury.

**2.11 Easement to Inspect and Right To Correct.** For a period of 10 years after the expiration of the Development and Sale Period, Declarant reserves for itself and for Declarant's architect, engineer, other design professionals, builder, and general contractor the right, but not the duty, to inspect, monitor, test, redesign, correct, and relocate any Improvement, Dwelling, or condition that may exist on any portion of the Property, and a perpetual nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise this right. Declarant will promptly repair, at its sole expense, any damage resulting from the exercise of this right. By way of illustration but not limitation, relocation of a retaining wall may be warranted by a change of circumstance, imprecise siting of the original wall, or desire to comply more fully with applicable law. This Section may not be construed to create a duty for Declarant, and may not be amended without Declarant's written and acknowledged consent. In support of this reservation, each Owner, by accepting an interest in or title to a Lot, hereby grants to Declarant an easement of access and entry over, across, under, and through the Property, including without limitation, each Lot and Dwelling, and all Improvements thereon for the purposes contained in this Section.

### ARTICLE 3 GENERAL AND USE RESTRICTIONS

**3.01 General.** All Lots within the Property will be owned, held, encumbered, leased, used, occupied and enjoyed subject to the Restrictions.

Ordinances and requirements imposed by local governmental authorities are applicable to all Lots within the Property. Compliance with the Restrictions is not a substitute for compliance with such ordinances and regulations. Please be advised that the Restrictions do not purport to list or describe each requirement which may be applicable to a Lot located within the Property. Each Owner is advised to review all encumbrances affecting the use and improvement of their Lot. Furthermore, approval by the Architectural Reviewer should not be construed by the Owner that any Improvement complies with the terms and provisions of all encumbrances which may affect the Owner's Lot. Certain encumbrances may benefit parties whose interests are not addressed by the Architectural Reviewer.

**3.02 Conceptual Plans.** All master plans, site plans, brochures, illustrations, information and marketing materials relating to the Property, the Property, or adjacent land (collectively, the "Conceptual Plans") are conceptual in nature and are intended to be used for illustrative purposes only. The land uses reflected on the Conceptual Plans are subject to

change at any time and from time to time; and it is expressly agreed and understood that land uses within the Property, the Property, and/or adjacent land may include uses which are not shown on the Conceptual Plans. The Declarant hereby expressly disclaims any representation or warranty concerning such land uses and it is expressly agreed and understood that no Owner will be entitled to rely upon the Conceptual Plans in making the decision to purchase any land or Improvements within the Property or the Property. Each Owner who acquires a Lot acknowledges that development of the project will likely extend over many years, and agrees that the Association will not engage in, or use Association funds to support, protest, challenge, or make any other form of objection to changes in the Conceptual Plans as they may be amended or modified from time to time

**3.03 Single-Family Residential Use.** The Lots shall be used solely for private single family residential purposes.

No professional, business, or commercial activity to which the general public is invited shall be conducted on any Lot, except an Owner or Resident may conduct business activities within a Dwelling so long as: (i) such activity complies with all the applicable zoning ordinances; (ii) the business activity is conducted without the employment of persons other than the Residents; (iii) the existence or operation of the business activity is not apparent or detectable by sight, i.e., no sign may be erected advertising the business on any Lot, sound, or smell from outside the residence; (iv) the business activity conforms to all zoning requirements for the Lot; (v) the business activity does not involve door-to-door solicitation of residents within the Property; (vi) the business does not, in the Board's judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles parked within the Property which is noticeably greater than that which is typical of residences in which no business activity is being conducted; (vii) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Residents as may be determined in the sole discretion of the Board; and (viii) the business does not require the installation of any machinery other than that customary to normal household operations. In addition, for the purpose of obtaining any business or commercial license, neither the Dwelling nor Lot will be considered open to the public. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time; (b) such activity is intended to or does generate a profit; or (c) a license is required.

Leasing of a Dwelling shall not be considered a business or trade within the meaning of this subsection. This subsection shall not apply to any activity conducted by the Declarant or an Owner engaged in the business of constructing homes for resale who acquires a Lot for the purpose of constructing a Dwelling thereon for resale to a third party.

Notwithstanding any provision in this Declaration to the contrary, until the earlier to occur of expiration or termination of the Development and Sale Period, or forty (40) years from the date this Declaration is recorded in the Official Public Records of Collin County, Texas:

(i) Declarant and/or its licensees may construct and maintain upon portions of the Common Area and any Lot owned by the Declarant such facilities and may conduct such activities which, in Declarant's sole opinion, may be reasonably required, convenient, or incidental to the construction or sale of Dwellings constructed upon the Lots, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and/or its licensees shall have an easement over and across the Common Area for access and use of such facilities at no charge; and

(ii) Declarant and/or its licensees will have an access easement over and across the Common Area for the purpose of making, constructing and installing Improvements to the Common Area and the Property.

**3.04 Rentals.** Nothing in this Declaration shall prevent the rental of any Dwelling by the Owner thereof for residential purposes; provided that all rentals must be for terms of at least twelve (12) months. All leases shall be in writing. The Owner must provide to its lessee copies of the Restrictions. Notice of any lease, together with such additional information as may be required by the Board, will be remitted to the Association by the Owner on or before the expiration of ten (10) days after the effective date of the lease.

**3.05 Subdividing.** No Lot shall be further divided or subdivided, nor may any easements or other interests therein less than the whole be conveyed by the Owner thereof without the prior written approval of the Architectural Reviewer; provided, however, that when Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot and convey any easements or other interests less than the whole, all without the approval of the Architectural Reviewer.

**3.06 Hazardous Activities.** No activities may be conducted on or within the Property and no Improvements constructed on any portion of the Property which, in the opinion of the Architectural Reviewer, are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or fireworks may be discharged upon any portion of the Property unless discharged in conjunction with an event approved in advance by the Board and no open fires may be lighted or permitted except within safe and well-designed fireplaces or in contained barbecue units while attended and in use for cooking purposes. In no event may barbecue units be located within a garage while they are in use. No portion of the Property may be used for the takeoff, storage, or landing of aircraft (including, without limitation, helicopters) except for medical emergencies.

**3.07 Insurance Rates.** Nothing shall be done or kept on the Property which would increase the rate of casualty or liability insurance or cause the cancellation of any such insurance on the Common Area without the prior written approval of the Board.

**3.08 Mining and Drilling.** No portion of the Property may be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth. This provision will not be construed to prevent the excavation of rocks, stones, sand, gravel, aggregate, or earth or the storage of such material for use as fill provided that such activities are conducted by or on behalf of the Declarant and in conjunction with the construction of Improvements within the Property.

**3.09 Noise.** No exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes) shall be located, used, or placed on any of the Property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Property or to its Residents. Without limiting the generality of the foregoing, if any noise or nuisance emanates from any Improvement on any Lot, the Association may (but shall not be obligated to) enter any such Improvement and take such reasonable actions necessary to terminate such noise (including silencing any burglar or break-in alarm).

**3.10 Clotheslines; Window Air Conditioners.** No clotheslines and no outdoor clothes drying or hanging shall be permitted within the Property, nor shall anything be hung, painted or displayed on the outside of the windows (or inside, if visible from the outside) or placed on the outside walls or outside surfaces of doors of any of the Dwelling, and no awnings, canopies or shutters (except for those heretofore or hereinafter installed by Declarant) shall be affixed or placed upon the exterior walls or roofs of Dwellings, or any part thereof, nor relocated or extended, without the prior written consent of the Architectural Reviewer. Window air conditioners are prohibited.

**3.11 Animals - Household Pets.** No animals, including pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained, or cared for on or within the Property. No Owner may keep on such Owner's Lot more than three (3) cats and dogs, in the aggregate. No animal will be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic pets will be allowed within the Property other than on the Lot of its Owner unless confined to a leash. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration within the Property, and no kennels or breeding operation will be allowed. No animal will be allowed to run at large, and all animals will be kept within enclosed areas which must be clean, sanitary, and reasonably free of refuse, insects, and waste at all times. All pet waste will be removed and appropriately disposed of by the Owner of the pet. All pets must be registered, licensed and inoculated as required by law.

**3.12 Rubbish and Debris.** No rubbish or debris of any kind may be placed or permitted to accumulate on or within the Property, and no odors will be permitted to arise therefrom so as to render all or any portion of the Property unsanitary, unsightly, offensive, or detrimental to any other property or to its occupants. Refuse, garbage, and trash must be kept at all times in covered containers, and such containers must be kept within enclosed structures or appropriately screened from view. Each Owner will contract with an independent disposal service to collect all garbage or other wastes, if such service is not provided by a governmental entity or the Association.

**3.13 Antenna.** Except as expressly provided below, no exterior radio or television antenna or aerial or satellite dish or disc, nor any solar energy system, shall be erected, maintained, or placed on a Dwelling without the prior written approval of the Architectural Reviewer.

(a) Dishes Over One Meter Prohibited. A satellite dish antenna which is over one meter in diameter is prohibited within the Property.

(b) Notification. An Owner or Resident who wishes to install a satellite dish one meter or less in diameter (a "Permitted Antenna") must submit a written notice to the Architectural Reviewer, which notice must include the Owner or Resident's installation plans for the satellite dish.

(c) One Dish Limitation. Only one satellite dish per Dwelling is permitted. In the event an acceptable quality signal for video programming or wireless communications cannot be received from one satellite dish, the Owner must provide written notification to the Architectural Reviewer. Upon notification, the Owner will be permitted to install an additional antenna if a single satellite is not sufficient for the reception of an acceptable quality signal and the use of an additional antenna results in the reception of an acceptable quality signal.

(d) Permitted Installation Locations. An Owner or Resident may erect a satellite dish antenna (after written notification has been provided to the Architectural Reviewer) if the Owner or Resident has an exclusive use area in which to install the antenna. An "exclusive use area" is an area in which only the Owner or Resident may enter and use to the exclusion of all other Owners and Residents. Unless otherwise approved by the Board or its designee, the permitted Antenna must be entirely within the exclusive use area of the Owner's Lot. Any portion of an Owner's Lot or Dwelling subject to an easement in favor of another Owner or the Association **IS NOT AN EXCLUSIVE USE AREA.** A Permitted Antenna or the use of a Permitted Antenna may not interfere with satellite or broadcast reception to other Dwellings, or otherwise be a nuisance to Residents of other Dwellings or to the Association. A Permitted Antenna exists at the sole risk of the Owner and/or Resident of the Dwelling. The Association does not insure the Permitted Antenna and is not liable to the Owner or any other

person for any loss or damage to the Permitted Antenna from any cause. **The Owner will defend and indemnify the Association, its directors, officers, and Members, individually and collectively, against losses due to any and all claims for damages or lawsuits, by anyone, arising from his Permitted Antenna.** The Board may determine what constitutes a nuisance to the Association. The Board may, from time to time, modify, amend, or supplement the rules regarding installation and placement of a Permitted Antenna.

(e) Cable Conduit. The Property is designed with a conduit for use with cable television lines. Each Owner may use the conduit for its intended purpose and for no other purpose. The draping of cable wires on the exteriors of buildings, or the installation of additional conduits are prohibited without the Board's prior written consent.

**3.14 Signs.** Unless otherwise prohibited by applicable law, no sign of any kind may be displayed to the public view on any Lot without the prior written approval of the Architectural Reviewer, except for:

(i) signs which are part of Declarant's overall marketing or construction plans or activities for the Property;

(ii) one (1) temporary "For Sale" sign displayed inside the window of a Dwelling. The sign will be limited to a maximum face area of 18" by 24". The sign must be removed within two (2) business days following the sale of the Lot. Signs advertising a lot for lease or rent are prohibited;

(iii) permits as may be required by legal proceedings;

(iv) permits as may be required by any governmental entity;

(v) political signs may be erected provided the sign: (i) is erected no earlier than the 90<sup>th</sup> day before the date of the election to which the sign relates; (ii) is removed no later than the 10<sup>th</sup> day after the date of the election to which the sign relates; and (iii) is ground-mounted. Only one sign may be erected for each candidate or ballot item. In addition, signs which include any of the components or characteristics described in Section 202.009(c) of the Texas Property Code are prohibited;

(vi) a "no soliciting" sign near or on the front door to the residence constructed on the Lot, provided, that the sign not exceed twenty-five (25) square inches;

(vii) a religious item on the entry door or door frame of a residence (which may not extend beyond the outer edge of the door frame), provided that

the size of the item(s), individually or in combination with other religious items on the entry door or door frame of the residence, does not exceed twenty-five (25) square inches;

(viii) Representatives of the Association may remove any sign not otherwise permitted by this *Section 3.14* or approved in advance by the Architectural Control Committee; and

(ix) An Owner or Resident will be permitted to post a "no soliciting" sign near or on the front door to their Dwelling, provided, that the sign may not exceed twenty-five (25) square inches.

**3.15 Tanks.** The Architectural Reviewer must approve any tank used or proposed in connection with a Dwelling, including tanks for storage of fuel, water, oil, or LPG. No elevated tanks of any kind may be erected, placed or permitted on any Lot without the advance written approval of the Architectural Reviewer. This provision will not apply to a tank used to operate a standard residential gas grill.

**3.16 Temporary Structures.** No tent, shack, or other temporary building, or Improvement shall be placed upon the Property, provided, however, that temporary structures necessary for storage of tools and equipment, and for office space for architects, builders, and foremen during actual construction may be maintained with the prior approval of the Architectural Reviewer, approval to include the nature, size, duration, and location of such structure.

**3.17 Unsightly Articles; Vehicles.** No article deemed to be unsightly by the Board shall be permitted to remain on any Lot so as to be visible from adjoining property or from public or private thoroughfares. Without limiting the generality of the foregoing, trailers, graders, trucks other than pickups, boats, tractors, campers, wagons, buses, motorcycles, motor scooters and all-terrain vehicles shall be kept at all times except when in actual use, in a garage and no repair or maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages. No lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials, scrap, refuse or trash shall be kept, stored, or allowed to accumulate on any portion of a Lot except within enclosed structures or appropriately screened from view. No: (i) racing vehicles; or (ii) other vehicles (including, without limitation, motorcycles or motor scooters) which are inoperable or do not have a current license tag shall be permitted to remain visible on any Lot or to be parked on any street or driveway within the Property.

**3.18 Garages.** All garages shall be maintained for the parking of automobiles, may not be used for storage or other purposes which preclude its use for the parking of automobiles, and no garage may be permanently enclosed or otherwise used for habitation.

**3.19 Holiday Decorations.** No decorative appurtenances such as sculptures, birdbaths and birdhouses, fountains, or other decorative embellishments shall be placed on the Dwelling or on any other portion of a Lot which is visible from any street, unless such specific items have been approved in writing by the Board. Customary seasonal decorations for holidays are permitted without approval by the Board but shall be removed within thirty (30) days of the applicable holiday

**3.20 Mobile Homes, Travel Trailers and Recreational Vehicles.** No mobile homes, travel trailers or recreational vehicles shall be parked or placed on any Lot or street located within the Property. This provision will not apply to Declarant or its designee during the Development and Sale Period.

**3.21 Trash Containers.** Trash containers and recycling bins must be stored inside the garage of the residence except for the twenty-four (24)-hour period surrounding the time schedule for trash pick-up services. Notwithstanding the foregoing provision, the Board shall have the right to specify additional locations on each Owner's Lot in which trash containers or recycling bins must be stored.

**3.22 Drainage.** There shall be no interference with the established drainage patterns over any of the Property, including the Lots, except by Declarant, unless adequate provision is made for proper drainage and such provision is approved in advance by the Architectural Reviewer. Specifically, and not by way of limitation, no Improvement, including landscaping, may be installed which impedes the proper drainage of water between Lots or within the Property.

**3.23 Compliance with Restrictions.** Each Owner, his or her family, Residents of a Dwelling, tenants, and the guests, invitees, and licensees of the preceding shall comply strictly with the provisions of the Restrictions as the same may be amended from time to time. Failure to comply with any of the Restrictions shall constitute a violation of the Restrictions and may result in a fine against the Owner in accordance with *Section 6.02(b)* of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Declarant, the Manager, the Board on behalf of the Association, or by an aggrieved Owner. Without limiting any rights or powers of the Association, the Board may (but shall not be obligated to) remedy or attempt to remedy any violation of any of the provisions of Restrictions, and the Owner whose violation has been so remedied shall be personally liable to the Association for all costs and expenses of effecting (or attempting to effect) such remedy. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1-1/2%) per month) shall be assessed against and chargeable to the Owner's Lot(s) as an Individual Assessment. **Each such Owner shall indemnify and hold harmless the Association and its officers, directors, employees and agents from any cost, loss, damage, expense, liability, claim or cause of action incurred or that may arise by reason of the**

Association's acts or activities under this *Section 3.23* (including any cost, loss, damage, expense, liability, claim or cause of action arising out of the Association's negligence in connection therewith), except for such cost, loss, damage, expense, liability, claim or cause of action arising by reason of the Association's gross negligence or willful misconduct. "Gross negligence" as used herein does not include simple negligence, contributory negligence or similar negligence short of actual gross negligence.

**3.24 Liability of Owners for Damage to Common Area.** No Owner shall in any way alter, modify, add to or otherwise perform any work upon the Area of Common Responsibility or Common Area without the prior written approval of the Board. Each Owner shall be liable to the Association for any and all damages to: (i) the Common Area and any Improvements constructed thereon; or (ii) any Improvements constructed on any Lot, the maintenance of which has been assumed by the Association, including but not limited to the Area of Common Responsibility, which damages were caused by the neglect, misuse or negligence of such Owner or Owner's family, or by any tenant or other Resident of such Owner's Lot, or any guest or invitee of such Owner. The full cost of all repairs of such damage shall be levied as an Individual Assessment against such Owner's Lot.

**3.25 Water Quality Facilities, Drainage Facilities and Drainage Ponds.** The Common Area may include one or more water quality facilities, sedimentation, drainage and detention facilities, or ponds which serve all or a portion of the Property and are inspected, maintained and administered by the Association in accordance with all applicable governmental regulations, codes and ordinances, including Collin County regulations, and state and federal laws. Access to these facilities and ponds is limited to persons engaged by the Association to periodically maintain such facilities. Each Resident is advised that the water quality facilities, sedimentation, drainage and detention facilities and ponds are an active utility feature integral to the proper operation of the Property and may periodically hold standing water. Each Resident is advised that entry into the water quality facilities, sedimentation, drainage and detention facilities or ponds may result in injury and is a violation of the Restrictions.

**3.26 Roofing.** Roofs of buildings may be constructed with Energy Efficiency Roofing with the advance written approval of the ACC. For the purpose of this *Section 3.26*, "Energy Efficiency Roofing" means shingles that are 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. The ACC will not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (i) resemble the shingles used or otherwise authorized for use within the community; (ii) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (iii) match the aesthetics of adjacent property. An Owner who desires to install Energy Efficient Roofing will be required to comply with the architectural review and approval procedures set forth the Restrictions. In conjunction with any such approval process, the Owner should submit information which will enable the

ACC to confirm the criteria set forth in this *Section 3.26*. Any other type of roofing material shall be permitted only with the advance written approval of the ACC.

**3.27 Solar Energy Device.** During the Development and Sale Period this *Section 3.27* does not apply and the Declarant must approve in advance and in writing the installation of any Solar Energy Device or apparatus. Until expiration or termination of the Development and Sale Period, the Declarant may prohibit the installation of any Solar Energy Device. After expiration or termination of the Development and Sale Period, Solar Energy Devices may be installed with the advance written approval of the ACC.

(a) Application. To obtain ACC approval of a Solar Energy Device, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Solar Energy Device; and (ii) a description of the Solar Energy Device, including the dimensions, manufacturer, and photograph or other accurate depiction (the "**Solar Application**"). A Solar Application may only be submitted by an Owner. The Solar Application shall be submitted in accordance with the provisions of *Article 12* of this Declaration.

(b) Approval Process. The ACC will review the Solar Application in accordance with the terms and provisions of *Article 12* of this Declaration. The ACC will approve a Solar Energy Device if the Solar Application complies with *Section 3.27(c)* below **UNLESS** the ACC makes a written determination that placement of the Solar Energy Device, despite compliance with *Section 3.27(c)*, will create a condition that substantially interferes with the use and enjoyment of property within the Property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The ACC's right to make a written determination in accordance with the foregoing sentence is negated if all Owners of Lots immediately adjacent to the Owner/applicant provide written approval of the proposed placement. Any proposal to install a Solar Energy Device on property owned or maintained by the Association or property owned in common by Members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request.

(c) Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Solar Application and each Solar Energy Device to be installed in accordance therewith must comply with the following:

(i) The Solar Energy Device must be located on the roof of the residence located on the Owner's Lot, entirely within a fenced area of the Owner's Lot, or entirely within a fenced patio located on the Owner's Lot. If the Solar Energy Device will be located on the roof of the residence, the ACC may designate the location for placement unless the location proposed by the Owner increases the estimated annual energy production of the Solar Energy Device, as

determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than 10 percent above the energy production of the Solar Energy Device if installed in the location designated by the ACC. If the Owner desires to contest the alternate location proposed by the ACC, the Owner should submit information to the ACC which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device will be located in the fenced area of the Owner's Lot or patio, no portion of the Solar Energy Device may extend above the fence line.

(ii) If the Solar Energy Device is mounted on the roof of the principal residence located on the Owner's Lot, then: (a) the Solar Energy Device may not extend higher than or beyond the roofline; (b) the Solar Energy Device must conform to the slope of the roof and the top edge of the Solar Device must be parallel to the roofline; (c) the frame, support brackets, or visible piping or wiring associated with the Solar Energy Device must be silver, bronze or black.

**3.28 Rainwater Harvesting Systems.** Rain barrels or rainwater harvesting systems (a "Rainwater Harvesting System") may be installed with the advance written approval of the ACC.

(a) Application. To obtain ACC approval of a Rainwater Harvesting System, the Owner shall provide the ACC with the following information: (a) the proposed installation location of the Rainwater Harvesting System; and (b) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the "Rain System Application"). A Rain System Application may only be submitted by an Owner.

(b) Approval Process. The decision of the ACC will be made in accordance with *Article 12* of this Declaration. Any proposal to install a Rainwater Harvesting System on property owned by the Association or property owned in common by Members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request.

(c) Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Rain System Application and each Rainwater Harvesting System to be installed in accordance therewith must comply with the following:

(i) The Rainwater Harvesting System must be consistent with the color scheme of the residence constructed on the Owner's Lot, as reasonably determined by the ACC.

(ii) The Rainwater Harvesting System does not include any language or other content that is not typically displayed on such a device.

(iii) The Rainwater Harvesting System is in no event located between the front of the residence constructed on the Owner's Lot and any adjoining or adjacent street.

(iv) There is sufficient area on the Owner's Lot to install the Rainwater Harvesting System, as reasonably determined by the ACC.

(v) If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be visible from a street, the Common Area, or another Owner's Lot, the ACC may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. See *Section 3.28(d)* for additional guidance.

(d) Guidelines. If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be visible from a street, the Common Area, or another Owner's Lot, the ACC may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. Accordingly, when submitting a Rain System Application, the application should describe methods proposed by the Owner to shield the Rainwater Harvesting System from the view of any street, Common Area, or another Owner's Lot. When reviewing a Rain System Application for a Rainwater Harvesting System that will be installed on or within the side yard of a Lot, or would otherwise be visible from a street, the Common Area, or another Owner's Lot, any additional requirements imposed by the ACC to regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System, may not prohibit the economic installation of the Rainwater Harvesting System, as reasonably determined by the ACC.

**3.29 Flags – Approval Requirements.** An Owner is permitted to display the flag of the United States of America, the flag of the State of Texas, or an official or replica flag of any branch of the United States Military ("**Permitted Flag**") and permitted to install a flagpole no more than five feet (5') in length affixed to the front of a residence near the principal entry or affixed to the rear of a residence ("**Permitted Flagpole**"). Only two (2) permitted Flagpoles are allowed per residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the ACC. Approval by the ACC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any Lot ("**Freestanding Flagpole**"). To obtain ACC approval of any Freestanding Flagpole, the Owner shall provide the ACC with the following information: (a) the location of the Freestanding Flagpole to be installed on the Lot; (b) the type of Freestanding Flagpole to be installed; (c) the dimensions of the Freestanding Flagpole; and (d) the proposed materials of the Freestanding Flagpole (the "**Flagpole Application**"). A Flagpole Application may only be submitted by an Owner. The Flagpole Application shall be submitted in accordance with the provisions of *Article 12* of this Declaration.

**3.30 Flags – Installation and Display.** Unless otherwise approved in advance and in writing by the ACC, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, must comply with the following:

(i) No more than one (1) Freestanding Flagpole OR no more than two (2) Permitted Flagpoles are permitted per Lot, on which only Permitted Flags may be displayed;

(ii) Any Permitted Flagpole must be no longer than five feet (5') in length and any Freestanding Flagpole must be no more than twenty feet (20') in height

(iii) Any Permitted Flag displayed on any flagpole may not be more than three feet in height by five feet in width (3'x5');

(iv) With the exception of flags displayed on Common Area or any Lot which is being used for marketing purposes by a Homebuilder, the flag of the United States of America must be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code;

(v) The display of a Permitted Flag, or the location and construction of a Permitted Flagpole or Freestanding Flagpole must comply with all Applicable Law;

(vi) Each Permitted Flagpole and Freestanding Flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction thereof and harmonious with the residence;

(vii) Permitted Flag, Permitted Flagpole or Freestanding Flagpole must be maintained in good condition and any deteriorated Permitted Flag or deteriorated or structurally unsafe Permitted Flagpole or Freestanding Flagpole must be repaired, replaced or removed;

(viii) A Permitted Flag may be illuminated by no more than one (1) halogen landscaping light of low beam intensity which shall not be aimed towards or directly affect any neighboring Lot; and

(ix) Any external halyard of a Permitted Flagpole or Freestanding Flagpole must be secured so as to reduce or eliminate noise from flapping against the metal of the Permitted Flagpole or Freestanding Flagpole.

The requirements of this *Section 3.30* shall not apply to any flag or flagpole erected by the Declarant.

**3.31 No Warranty of Enforceability.** Declarant makes no warranty or representation as to the present or future validity or enforceability of any Restrictions. Any Owner acquiring a Lot in reliance on the Restrictions shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant harmless therefrom.

#### ARTICLE 4 DISCLOSURES

This Article discloses selective features of the Property that may not be obvious to potential Owners and Residents. Because features may change over time, no disclosure in this Article should be relied upon without independent confirmation.

**4.01 Service Contracts.** Declarant may have contracted, on behalf of the Owner, for one or more services to be provided by vendors to the Dwellings on a contract basis, such as intrusion monitoring and cable television. In that event, whether or not an Owner chooses to use the service, the Owner is required its share of the contract for the contract period. The Association may serve as the conduit for the service fees and payments, which may be considered Regular Assessments or Individual Assessments. However, the Association is not the service provider and has no responsibility or liability for the availability or quality of the service, or for the maintenance, repair, or replacement of the wires, conduits, equipment, or other fittings relating to the contract service.

**4.02 Adjacent Thoroughfares.** The Property is located adjacent to thoroughfares that may be affected by traffic and noise from time to time and may be improved and/or widened in the future.

**4.03 Fire Sprinkler Disclosure.** The Dwellings may be constructed with a fire sprinkler system. If sprinklers are present, water lines and sprinkler heads may be in the ceilings above rooms in the Dwelling. This disclosure is given because damage to, or a malfunction of, a water line or sprinkler head may harm or destroy real and personal property. Each Owner is solely responsible for all of the following:

- (i) Determining the location and proper care of the sprinkler equipment, water lines and sprinkler heads in the Dwelling.
- (ii) Preserving the integrity and functionality of the portion of the fire sprinkler system in their Dwelling.
- (iii) Instructing each Resident, invitees and contractors about the care and protection of the sprinkler system, including any applicable rules adopted by the Board.
- (iv) Any damage to their Dwelling, an adjoining Dwelling, Common Area, and/or any personal property (such as furnishings and clothing) caused by

the functioning or malfunctioning of any component of the sprinkler system in or serving their Dwelling.

**The Association does not inspect or fix water lines  
and sprinkler heads, if any, in your Dwelling.**

(b) Components of a fire sprinkler system may be located in the attic portion of the Dwelling. If the attic is also the location of air conditioning equipment or other equipment that requires periodic servicing or repair, to ensure protection of the water lines and sprinkler heads, the Owner is advised to closely supervise all persons using the attic.

**4.04 Adjacent Use.** No representations are made regarding the use of adjacent property.

**4.05 Outside Conditions.** Since in every neighborhood there are conditions that different people may find objectionable, it is acknowledged that there may be conditions outside of the Property that an Owner or Resident may find objectionable, and it shall be the sole responsibility of an Owner or Resident to become acquainted with neighborhood conditions that could affect the Property.

**4.06 Concrete.**

(a) Cracks. Minor cracks in poured concrete, including foundations, garage floors, sidewalks, driveways and patios, are inevitable as a result of the natural movement of soil (expansion and contraction), shrinkage during the curing of the concrete, and settling of a Dwelling.

(b) Exposed Floors. This Section applies to Dwellings with exposed concrete floors. This notice is given because Owners may be inexperienced with concrete and expect it to be as forgiving as wood or sheetrock. In deciding whether, when, and how to fill cracks in exposed concrete floors, an Owner is hereby made aware that the color and texture of the fill material may not match the rest of the concrete floor. On some exposed concrete floors, fill materials make minor cracks more noticeable than if the cracks had been left in their natural state. In addition, an Owner is hereby made aware that any specification for polished concrete means that the concrete will be polished, but this does not mean an Owner will be able to actually see their reflection in the floor.

**4.07 Construction Activities.** Declarant will be constructing portions of the Property and engaging in other construction activities related to the construction of Dwellings and Common Area. Such construction activities may, from time to time, produce certain conditions on the Property, including, without limitation: (a) noise or sound that is objectionable because

of its volume, duration, frequency or shrillness; (b) smoke; (c) noxious, toxic or corrosive fumes or gases; (d) obnoxious odors; (e) dust, dirt or flying ash; (f) unusual fire or explosion hazards; (g) temporary interruption of utilities; and/or (h) other conditions that may threaten the security or safety of Persons within the Property.

**4.08 Moisture.** Improvements within a Dwelling may trap humidity created by general use and occupancy. As a result, condensation may appear on the interior portion of windows and glass surfaces and fogging of windows and glass surfaces may occur due to temperature disparities between the interior and exterior portions of the windows and glass. If left unattended and not properly maintained by Owners and Residents, the condensation may increase resulting in staining, damage to surrounding seals, caulk, paint, wood work and sheetrock, and potentially, mildew and/or mold.

**4.09 Mold and/or Mildew.** Mold and/or mildew can grow in any portion of a Dwelling that is exposed to elevated levels of moisture including, but not limited to, those portions of a Dwelling in which HVAC condenser units are located. Each Owner is advised to regularly inspect the Owner's Dwelling for the existence of mold, mildew and/or water intrusion (except when the water intrusion is part of the normal functioning of Improvements and appliances such as showers, sinks, dishwashers and other similar appliances and Improvements) and/or damage.

**4.10 Encroachments.** Improvements may have been constructed on adjoining lands that encroach onto the Property. Declarant gives no representations or warranties as to property rights, if any, created by any such encroachments.

**4.11 Budgets.** Any budgets of the Association provided by the Declarant are based on estimated expenses only without consideration for the effects of inflation and may increase or decrease significantly when the actual expenses become known.

**4.12 Light and Views.** The natural light available to and views from a Dwelling or Lot can change over time due to among other things, additional development and the removal or addition of landscaping. **NATURAL LIGHT AND VIEWS ARE NOT PROTECTED.**

**4.13 Schools.** No representations are being made regarding which schools may now or in the future serve the Property.

**4.14 Suburban Environment.** The Property is located in a suburban environment. Sound and vibrations may be audible and felt from such things as sirens, whistles, horns, the playing of music, people speaking loudly, trash being picked up, deliveries being made, equipment being operated, dogs barking, construction activity, building and grounds maintenance being performed, automobiles, buses, trucks, ambulances, airplanes, and other generators of sound and vibrations typically found in an suburban area. In addition to sound and vibration, there may be odors and light in suburban areas.

**4.15 Water Runoff.** The Property may still be subject to erosion and/or flooding during unusually intense or prolonged periods of rain. In addition, water may pond on various portions of the Property having impervious surfaces, such as rooftop terraces, patios, and balconies, as applicable.

**4.16 Photography of the Property.** Declarant retains the right to obtain and use photography of the Property for publication and advertising purposes.

**4.17 Changes to Street Names and Addresses.** Declarant retains the right to change, in its sole discretion, the Property name and the street names and addresses in or within the Property including the street address of the Dwellings and/or Lots before or after conveyance to any third-party.

**4.18 Plans.** Any advertising materials, brochures, renderings, drawings, and the like, furnished by Declarant to Owner which purport to depict the Improvements to be constructed on any Lot are merely approximations and do not necessarily reflect the actual as-built conditions of the same.

**4.19 Location of Utilities.** Declarant makes no representation as to the location of mailboxes, utility boxes, street lights, fire hydrants or storm drain inlets or basins.

**4.20 Wood.** Natural wood has considerable variation due to its organic nature. There may be shades of white, red, black or even green in areas. In addition, mineral streaks may also be visible. Grain pattern or texture will vary from consistent to completely irregular; wood from different areas of the same tree can also have variations in pattern or texture. It is these variations in wood that add to its aesthetic appeal. These variations in grain will in turn accept stain in varying amounts, which will show throughout the wood products from one door to the next, one panel to the next or one piece of wood to the next. Also, cabinet finishes (including gloss and/or matte finishes) will not be entirely consistent and some minor irregularities will be apparent. Additionally, wood and wood products may be subject to warping, splitting, swelling and/or delamination. Wood floors may require more maintenance than some man-made materials. Owners of Dwellings with wood floors should educate themselves about wood floor care.

**4.21 Stone.** Veins and colors of any marble, slate or other stone if any, within a Dwelling, may vary drastically from one piece of stone to another. Each piece is different. Marble, granite, slate and other stone can also have chips and shattering veins, which look like scratches. The thickness of the joints between marble, granite, slate and other stone and/or other materials against which they have been laid will vary and there will be irregularities in surface smoothness. Marble and other stone finishes may be dangerously slippery and Declarant assumes no responsibility for injuries sustained as a result of exposure to or use of such materials. Periodic use of professionally approved and applied sealant is needed to ensure proper maintenance of the marble, granite, slate and other stone and it is the Owner's

responsibility to properly maintain these materials. Marble, granite and other stone surfaces may scratch, chip or stain easily. Such substances, as part of their desirable noise attenuating properties, may flex or move slightly in order to absorb impacts. Such movement may in turn cause grout to crack or loosen or cause some cracking in the stone flooring which may need to be repaired as part of normal home maintenance.

**4.22 Chemicals.** Each Dwelling will contain products that have water, powders, solids and industrial chemicals, which will be used in construction. The water, powders, solids and industrial chemicals will and do contain mold, mildew, fungus, spores and chemicals that may cause allergic or other bodily reactions in certain individuals. Leaks, wet flooring and moisture will contribute to the growth of molds, mildew, fungus or spores. Declarant is not responsible for any illness or allergic reactions that a Person may experience as a result of mold, mildew, fungus or spores. It is the responsibility of the Owner to keep their Dwelling clean, dry, well ventilated and free of contamination.

**4.23 Marketing.** Declarant's use of a sales center and/or model homes or reference to other construction by Declarant is intended only to demonstrate the quality of finish detail, the basic floor plans and styles of the Dwellings available for purchase. A Dwelling may not conform to any model in any respect, or contain some or all of the amenities featured, such as furnishings and appliances. Likewise, any model of a Dwelling is intended only to demonstrate approximate size and basic architectural features. The Dwellings, as completed, may not conform to the models displayed by Declarant. Declarant may also have shown prospective purchasers model homes, floor plans, sketches, drawings, and scale models of Dwellings ("Promotional Aids"). Owner understands and agrees that the Promotional Aids are conceptual, subject to change, for display purposes only, and may not be incorporated into the Dwellings.

## ARTICLE 5

### CHASE OAKS VILLAGE HOMEOWNERS ASSOCIATION, INC.

**5.01 Organization.** The Association is a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers of a Texas non-profit corporation.

**5.02 Membership.**

(a) Any person or entity, upon becoming an Owner, will automatically become a Member of the Association. Membership will be appurtenant to and will run with the ownership of the Lot that qualifies the Owner thereof for membership, and membership may not be severed from the ownership of the Lot, or in any way transferred, pledged, mortgaged or alienated, except together with the title to such Lot.

**If you acquire a Lot you automatically become a member of the Association.  
Membership is Mandatory!**

(b) Easement of Enjoyment – Common Area. Every Member will have a right and easement of enjoyment in and to all of the Common Area and an access easement by and through any Common Area, which easements will be appurtenant to and will pass with the title to such Member's Lot, subject to the following restrictions and reservations:

(i) The right of the Association to suspend the Member's right to use the Common Area for any period during which any Assessment against such Member's Lot remains past due and for any period during which such member is in violation of any provision of the Restrictions;

(ii) The right of the Association and Declarant (during the Development and Sale Period) to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for any purpose;

(iii) The right of the Association and Declarant (during the Development and Sale Period) to grant easements or licenses over and across the Common Area;

(iv) The right of the Association to borrow money for the purpose of improving the Common Area and, in furtherance thereof, mortgage the Common Area;

(v) The right of the Association to make reasonable rules and regulations regarding the use of the Common Area and any Improvements thereon; and

(vi) The right of the Association to contract for services with any third parties on such terms as the Association may determine.

**5.03 Governance.** The Board will consist of no less than three (3) but no more than five (5) persons elected at the annual meeting of the Association, or at a special meeting called for such purpose. Notwithstanding the foregoing provision or any provision in this Declaration to the contrary, Declarant will have the sole right to appoint and remove all members of the Board until the 10th anniversary of the date the Original Declaration was Recorded. No later than the 10th anniversary of the date this Declaration is Recorded, or sooner as determined by Declarant, the Board must have held a meeting of Members of the Association for the purpose of electing one-third of the Board (the "Initial Member Election Meeting"), which Board member(s) must be elected by Owners other than the Declarant. Declarant shall continue to have the sole right to appoint and remove two-thirds of the Board

from and after the Initial Member Election Meeting until expiration or termination of the Development and Sale Period.

**5.04 Voting Rights.** The right to cast votes and the number of votes which may be cast for election of members to the Board and on all other matters to be voted on by the Members will be calculated as set forth below.

(i) The Owner of each Lot, including the Declarant, will have one (1) vote for each Lot so owned.

(ii) In addition to the votes to which Declarant is entitled by reason of *Section 5.04(i)*, for every one (1) vote outstanding in favor of any other person or entity, Declarant will have four (4) additional votes until the expiration or termination of the Development and Sale Period. Notwithstanding any provision to the contrary in this Declaration, until expiration or termination of the Development and Sale Period, Declarant will be entitled to appoint and remove all members of the Board. Declarant may terminate its right as to the appointment and removal of one or all the Board members by the recordation of a termination notice executed by Declarant and recorded in the Official Public Records of Collin County, Texas.

(iii) When more than one person or entity owns a portion of the fee simple interest in any Lot, all such persons or entities will be Members. The vote or votes (or fraction thereof) for such Lot will be exercised by the person so designated in writing to the Secretary of the Association by the Owner of such Lot, and in no event will the vote for such Lot exceed the total votes to which such Lot is otherwise entitled under this *Section 5.04*.

**5.05 Powers.** The Association has the powers of a Texas nonprofit corporation. It further has the power to do and perform any and all acts that may be necessary or proper, for or incidental to, the exercise of any of the express powers granted to it by the laws of Texas or this Declaration. Without in any way limiting the generality of the two preceding sentences, the Board, acting on behalf of the Association, has the following powers at all times:

(a) Rules, Bylaws and Community Manual. To make, establish and promulgate, and in its discretion to amend from time to time, or repeal and re-enact, such Rules and Regulations, Bylaws, and the Community Manual not in conflict with this Declaration, as it deems proper, covering any and all aspects of the Property (including the operation, maintenance and preservation thereof) or the Association.

(b) Insurance. To obtain and maintain in effect, policies of insurance that, in the opinion of the Board, are reasonably necessary or appropriate to carry out the Association's functions.

(c) Records. To keep books and records of the Association's affairs, and to make such books and records, together with current copies of the Restrictions available for inspection by the Owners, Mortgagees, and insurers or guarantors of any Mortgage upon request during normal business hours.

(d) Assessments. To levy and collect assessments, as provided in *Article 7* below.

(e) Right of Entry and Enforcement. To enter at any time without notice in an emergency (or in the case of a non-emergency, after twenty-four (24) hours written notice), without being liable to any Owner or Resident, upon any Lot and into any Dwelling thereon for the purpose of enforcing the Restrictions or for the purpose of maintaining or repairing any area, Improvement or other facility to conform to the Restrictions. The expense incurred by the Association in connection with the entry upon any Lot and/or Dwelling, and the maintenance and repair work conducted thereon or therein, will be a personal obligation of the Owner of the Lot so entered, will be deemed an Individual Assessment against such Lot, will be secured by a lien upon such Lot, and will be enforced in the same manner and to the same extent as provided in *Article 7* hereof for Assessments. The Association will have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Restrictions. The Association is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce the Restrictions; provided, however, that the Board will never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, or its successors or assigns. The Association may not alter or demolish any Improvements on any Lot other than Common Area in enforcing this Declaration before a judicial order authorizing such action has been obtained by the Association, or before the written consent of the Owner(s) of the affected Lot(s) has been obtained. **EACH SUCH OWNER AND RESIDENT WILL INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION 5.05(e) (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

(f) Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association.

(g) Conveyances. To grant and convey to any person or entity the real property and/or other interest, including fee title, leasehold estates, easements, rights-of-way or mortgages, out of, in, on, over, or under any Common Area for the purpose of constructing, erecting, operating or maintaining the following:

- (i) Parks, parkways or other recreational facilities or structures;
- (ii) Roads, streets, sidewalks, signs, street lights, walks, driveways, trails and paths;
- (iii) Lines, cables, wires, conduits, pipelines or other devices for utility purposes;
- (iv) Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines; and/or
- (v) Any similar Improvements or facilities.

(h) Manager. To retain and pay for the services of a person or firm (the "Manager"), which may include Declarant or any affiliate of Declarant, to manage and operate the Association, including its property, to the extent deemed advisable by the Board. Personnel may be employed directly by the Association or may be furnished by the Manager. To the extent permitted by law, the Board may delegate any other duties, powers and functions to the Manager. In addition, the Board may adopt transfer fees, resale certificate fees or any other fees associated with the provision of management services to the Association or its Members. **THE MEMBERS HEREBY RELEASE THE ASSOCIATION AND THE MEMBERS OF THE BOARD AND COMMITTEE MEMBERS FROM LIABILITY FOR ANY OMISSION OR IMPROPER EXERCISE BY THE MANAGER OF ANY SUCH DUTY, POWER OR FUNCTION SO DELEGATED.**

(i) Delegation of Management Duties. The Board may delegate the performance of certain functions to the Manager. Notwithstanding any delegation of its functions, the Board is ultimately responsible to the Members for governance of the Association.

(j) Property Services. To pay for water, sewer, garbage removal, street lights, landscaping, gardening and all other utilities, services, repair and maintenance for any portion of the Property, Common Area, private or public recreational facilities, easements, roads, roadways, rights-of-ways, signs, parks, parkways, median strips, sidewalks, paths, trails, ponds, and lakes.

(k) Other Services and Properties. To obtain and pay for any other property and services, and to pay any other taxes or assessments that the Association or the Board is required or permitted to secure or to pay for pursuant to applicable law (including the Texas Business Organizations Code as applicable to non-profit corporations) or under the terms of the Restrictions or as determined by the Board.

(l) Construction on Common Area. To construct new Improvements or additions to any property owned, leased, or licensed by the Association, subject to the approval of the Board.

(m) Contracts. To enter into Bulk Rate Contracts or other contracts or licenses with Declarant or any third party on such terms and provisions as the Board will determine, to operate and maintain any Common Area, or other property, or to provide any service, including but not limited to cable, utility, or telecommunication services, or perform any function on behalf of Declarant, the Board, the Association, or the Members.

(n) Property Ownership. To acquire, own and dispose of all manner of real and personal property, including habitat, whether by grant, lease, easement, gift or otherwise.

(o) Membership Privileges. To establish rules and regulations governing and limiting the use of the Common Area and any Improvements thereon.

**5.06 Acceptance of Common Area.** The Association may acquire, hold, and dispose of any interest in tangible and intangible personal property and real property. Declarant and its assignees may transfer or convey to the Association interests in real or personal property within or for the benefit of the Property, the general public, and/or other landowners, and the Association will accept such transfers and conveyances. Such property may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. Such property will be accepted by the Association and thereafter will be maintained as Common Area by the Association subject to any restrictions set forth in the deed or other instrument transferring or assigning such property to the Association. Upon Declarant's written request, the Association will re-convey to Declarant any property that Declarant originally conveyed to the Association for no payment or in error.

**5.07 Indemnification.** To the fullest extent permitted by applicable law but without duplication (and subject to) any rights or benefits arising under the Certificate or Bylaws of the Association, the Association will indemnify any person who was, or is, a party, or is threatened to be made a party to any threatened pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he is, or was, a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorneys' fees, reasonably incurred by him in connection with such action, suit or

proceeding if it is found and determined by the Board or a court of competent jurisdiction that he: (i) acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of *nolo contendere* or its equivalent, will not of itself create a presumption that the person did not act in good faith or in a manner which was reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

**5.08 Insurance.** The Board may purchase and cause to be maintained, at the expense of the Association, insurance on behalf of any person who is acting as a director, officer, committee member, employee, servant or agent of the Association against any liability asserted against him or incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability or otherwise.

**5.09 Control by Declarant.** Notwithstanding anything to the contrary, Declarant, or its successors or assigns, will have the absolute right to appoint members of the Board and their successors (any appointment of a successor will be a deemed removal of the Board member being replaced by such appointment) until expiration or termination of the Development and Sale Period. Declarant, at its option, may assign or delegate, in whole or in part, its rights and powers to the Association, the Board or any other entity provided such designation is in writing.

**5.10 Bulk Rate Contracts.** Without limitation on the generality of the Association powers set out in *Section 5.05* hereinabove, the Association will have the power to enter into Bulk Rate Contracts at any time and from time to time. The Association may enter into Bulk Rate Contracts with any service providers chosen by the Board (including Declarant, and/or any entities in which Declarant, or the owners or partners of Declarant are owners or participants, directly or indirectly). The Bulk Rate Contracts may be entered into on such terms and provisions as the Board may determine in its sole and absolute discretion. The Association may, at its option and election, add the charges payable by such Owner under such Bulk Rate Contract to the Assessments against such Owner's Lot. In this regard, it is agreed and understood that, if any Owner fails to pay any charges due by such Owner under the terms of any Bulk Rate Contract, then the Association will be entitled to collect such charges by exercising the same rights and remedies it would be entitled to exercise under this Declaration with respect to the failure by such Owner to pay Assessments, including without limitation the right to foreclose the lien against such Owner's Lot which is reserved under the terms and provisions of this Declaration. In addition, in the event of nonpayment by any Owner of any charges due under any Bulk Rate Contract and after the lapse of at least twelve (12) days since such charges were due, the Association may, upon five (5) days' prior written notice to such Owner (which may run concurrently with such 12 day period), in addition to all other rights

and remedies available at law, equity or otherwise, terminate, in such manner as the Board deems appropriate, any utility service or other service provided at the cost of the Association and not paid for by such Owner (or the Resident of such Owner's Lot) directly to the applicable service or utility provider. Such notice will consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of termination, with the title "termination notice" or similar language prominently displayed on the notice. The notice will include the office or street address where the Owner (or the Resident of such Owner's Lot) can make arrangements for payment of the bill and for re-connection or re-institution of service. No utility or cable television service will be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services.

**5.11 Protection of Declarant's Interests.** Despite any assumption of control of the Board by Owners other than Declarant, until the expiration or termination of the Development and Sale Period, the Board is prohibited from taking any action which would discriminate against Declarant, or which would be detrimental to the sale of Lots owned by Declarant. Declarant shall be entitled to determine, in its sole and absolute discretion, whether any such action discriminates or is detrimental to Declarant. The Board will be required to continue the same level and quality of maintenance, operations and services as that provided immediately prior to assumption of control of the Board by Owners other than Declarant until the expiration or termination of the Development and Sale Period.

**5.12 Notices and Disclaimers as to Security Systems.** Declarant, the Association, AND their successors or assigns may enter into contracts for the provision of security services. **DECLARANT, THE ASSOCIATION, AND THEIR SUCCESSORS OR ASSIGNS DO NOT GUARANTEE OR WARRANT, EXPRESSLY OR IMPLIEDLY, THE MERCHANTABILITY OR FITNESS FOR USE OF ANY SUCH SECURITY SYSTEM OR SERVICES, OR THAT ANY SYSTEM OR SERVICES WILL PREVENT INTRUSIONS NOTIFY AUTHORITIES OF FIRES OR OTHER OCCURRENCES, OR THE CONSEQUENCES OF SUCH OCCURRENCES, REGARDLESS OF WHETHER OR NOT THE SYSTEM OR SERVICES ARE DESIGNED TO MONITOR SAME; AND EVERY OWNER OR RESIDENT OF THE DWELLING RECEIVING SECURITY SERVICES ACKNOWLEDGES THAT DECLARANT, THE ASSOCIATION, AND ANY SUCCESSOR OR ASSIGN ARE NOT INSURERS OF THE OWNER OR RESIDENT'S PROPERTY OR OF THE PROPERTY OF OTHERS LOCATED ON THE LOT AND WILL NOT BE RESPONSIBLE OR LIABLE FOR LOSSES, INJURIES OR DEATHS RESULTING FROM SUCH OCCURRENCES.** It is extremely difficult and impractical to determine the actual damages, if any, which may proximately result from a failure on the part of a security service provider to perform any of its obligations with respect to security services and, therefore, every owner or occupant of property receiving security services through the Community Systems agrees that Declarant, the Association, and any successor or assign assumes no liability for loss or damage to property or for personal injury or death to persons due to any reason, including, without limitation, failure in transmission of an alarm, interruption of security service or failure to respond to an alarm because of: (i) any

failure of the Owner's security system, (ii) any defective or damaged equipment, device, line or circuit, (iii) negligence, active or otherwise, of the security service provider or its officers, agents or employees; or (iv) fire, flood, riot, war, act of God or other similar causes which are beyond the control of the security service provider. Every Owner and Resident obtaining security services further agrees for himself, his grantees, tenants, guests, invitees, licensees and family members that if any loss or damage should result from a failure of performance or operation, or from defective performance or operation, or from improper installation, monitoring or servicing of the system, or from negligence, active or otherwise, of the security service provider or its officers, agents, or employees, the liability, if any, of the Declarant, its affiliated entity, the Association, their successors or assigns for loss, damage, injury or death shall be limited to a sum not exceeding Two Hundred Fifty U.S. Dollars (\$250.00), which limitation apply irrespective of the cause or origin of the loss or damage and notwithstanding that the loss or damage results directly or indirectly from negligent performance, active or otherwise, or non-performance by an officer, agent or employee of Declarant, its affiliated entity, the Association, their successor or assign of any of same. Further, in no event will Declarant, its affiliated entity, the Association, their successors or assigns be liable for consequential damages, wrongful death, personal injury or commercial loss.

#### ARTICLE 6 ENFORCING THE RESTRICTIONS

**6.01 Notice And Hearing.** Before levying a fine for violation of the Restrictions (other than nonpayment of Assessments), or before levying an Individual Assessment for property damage, the Association will give the Owner written notice of the levy and an opportunity to be heard, to the extent required by applicable law. The Association's written notice must contain a description of the violation or property damage; the amount of the proposed fine or damage charge; a statement that not later than the 30<sup>th</sup> day after the date of the notice, the Owner may request a hearing before the Board to contest the fine or charge; and a stated date by which the Owner may cure the violation to avoid the fine - unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding 12 months. The Association may also give a copy of the notice to the Resident. Pending the hearing, the Association may continue to exercise its other rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the levy of a fine or damage charge. The Owner may attend the hearing in person, or may be represented by another person or written communication. The Board may adopt additional or alternative procedures and requirements for notices and hearing, provided they are consistent with the requirements of applicable law.

**6.02 Remedies.** The remedies provided in this Article for breach of the Restrictions are cumulative and not exclusive. In addition to other rights and remedies provided by the Restrictions and by law, the Association has the following rights to enforce the Restrictions:

(a) Nuisance. The result of every act or omission that violates any provision of the Restrictions is a nuisance, and any remedy allowed by law against a nuisance, either public or private, is applicable against the violation.

(b) Fine. The Association may levy reasonable charges, as an Individual Assessment, against an Owner and the Owner's Lot if the Owner or Resident, or the Owner or Resident's family, guests, employees, agents, or contractors violate a provision of the Restrictions. Fines may be levied for each act of violation and does not constitute a waiver or discharge of the Owner's obligations under the Restrictions.

(c) Suspension. The Association may suspend the right of Owners and Residents to use Common Area (except rights of ingress and egress) for any period during which the Owner or Resident, or the Owner or Resident's family, guests, employees, agents, or contractors violate the Restrictions. A suspension does not constitute a waiver or discharge of the Owner's obligations under the Restrictions.

(d) Self-Help. The Association has the right to enter a Lot and/or Dwelling to abate or remove, using force as may reasonably be necessary any erection, thing, animal, person, vehicle, or condition that violates the Restrictions. In exercising this right, the Board is not trespassing and is not liable for damages related to the abatement. The Board may levy its costs of abatement against the Lot and Owner as an Individual Assessment. Unless an emergency situation exists in the good faith opinion of the Board, the Board will give the violating Owner fifteen (15) days' notice of its intent to exercise self-help.

(e) Suit. Failure to comply with the Restrictions will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Prior to commencing any legal proceeding, the Association will give the defaulting party reasonable notice and an opportunity to cure the violation.

**6.03 Board Discretion.** The Board may use its sole discretion in determining whether to pursue a violation of the Restrictions, provided the Board does not act in an arbitrary or capricious manner. In evaluating a particular violation, the Board may determine that under the particular circumstances: (i) the Association's position is not sufficiently strong to justify taking any or further action; (ii) the provision being enforced is or may be construed as inconsistent with applicable law; (iii) although a technical violation may exist, 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 enforcement is not in the Association's best interests, based on hardship, expense, or other reasonable criteria.

**6.04 No Waiver.** The Association and every Owner has the right to enforce all restrictions, conditions, covenants, liens, and charges now or hereafter imposed by the

Restrictions. Failure by the Association or by any Owner to enforce a provision of the Restrictions is not a waiver of the right to do so thereafter.

**6.05 Recovery of Costs.** The costs of curing or abating a violation are the expense of the Owner or other person responsible for the violation. If legal assistance is obtained to enforce any provision of the Restrictions, or in any legal proceeding (whether or not suit is brought) for damages or for the enforcement of the Restrictions or the restraint of violations of the Restrictions, the prevailing party is entitled to recover from the non-prevailing party all reasonable and necessary costs incurred by it in such action, including reasonable attorneys' fees.

## ARTICLE 7 ASSESSMENTS

**7.01 Purpose of Assessments.** The Association will use Assessments for the general purposes of preserving and enhancing the Property, and for the benefit of Owners and Residents, including but not limited to maintenance of real and personal property, management, and operation of the Association, and any expense reasonably related to thereto. If made in good faith, the Board's decision with respect to the use of Assessments is final.

**7.02 Personal Obligation.** An Owner is obligated to pay Assessments levied by the Board against the Owner or the Owner's Lot. Payments are made to the Association at its principal office or at any other place the Board directs. Payments must be made in full regardless of whether an Owner has a dispute with the Association, another Owner, or any other person or entity regarding any matter to which this Declaration pertains. No Owner may exempt himself from his Assessment liability by waiver of the use or enjoyment of the Common Area or by abandonment of his Lot. An Owner's obligation is not subject to offset by the Owner, nor is it contingent on the Association's performance of the Association's duties. Payment of Assessments is both a continuing affirmative covenant personal to the Owner and a continuing covenant running with the Owner's Lot.

**7.03 Types of Assessments.** There are five (5) types of Assessments: Regular, Special, Utility, Individual, and Deficiency Assessments.

**7.04 Regular Assessments.** Regular assessments are used for common expenses related to the recurring, periodic, and anticipated responsibilities of the Association, including but not limited to:

- (i) Maintenance, repair, and replacement of the items the Association is required to maintain, repair, and replace in accordance with *Section 10.02* below, and improvements, equipment, signage, and property owned by the Association.

- (ii) Annual maintenance examination and report, as required by *Article 10*.
- (iii) Utilities billed to the Association.
- (iv) Services obtained by the Association and available to all Dwellings.
- (v) Taxes on property owned by the Association and the Association's income taxes.
- (vi) Management, legal, accounting, auditing, and professional fees for services to the Association.
- (vii) Costs of operating the Association, such as telephone, postage, office supplies, printing, meeting expenses, and educational opportunities of benefit to the Association.
- (viii) Insurance premiums and deductibles.
- (ix) Contributions to the reserve funds.
- (x) Any other expense which the Association is required by law or the Restrictions to pay, or which in the opinion of the Board is necessary or proper for the operation and maintenance of the Property or for enforcement of the Restrictions.

**7.05 Annual Budget-Regular.** The Board will prepare and approve an annual budget with the estimated expenses to be incurred by the Association for each fiscal year. The budget will take into account the estimated income and common expenses for the year, contributions to reserve funds, and a projection for uncollected receivables. The Board will make the budget or a summary of the budget available to the Owner of each Lot, although failure to receive a budget or budget summary will not affect an Owner's liability for Assessments. The Board will provide copies of the budget to Owners who make written request and pay a reasonable copy charge.

**7.06 Basis of Regular Assessments.** Regular Assessments will be based on the annual budget, minus estimated income from sources other than Regular Assessments. Regular Assessments are allocated equally among all Lots and each Lot is liable for its allocated share of the annual budget. If the Board does not approve an annual budget or fails to determine new Regular Assessments for any year, or delays in doing so, Owners will continue to pay the Regular Assessment as last determined.

**7.07 Supplemental Increases.** If during the course of a year the Board determines that Regular Assessments are insufficient to cover the estimated common expenses for the remainder of the year, the Board may increase Regular Assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency. Supplemental increases are allocated equally among all Lots.

**7.08 Special Assessments.** In addition to Regular Assessments, the Board may levy one or more Special Assessments against all Lots for the purpose of defraying, in whole or in part, common expenses not anticipated by the annual budget or reserve funds. Special Assessments may be used for the same purposes as Regular Assessments. Special Assessments do not require the approval of the Owners, except that Special Assessments for the acquisition of real property by the Association must be approved by at least a majority of the votes in the Association. Special Assessments are allocated equally among all Lots.

**7.09 Utility Assessments.** This Section applies to utilities serving the individual Dwellings or Lots and consumed by the Residents that are billed to the Association by the utility provider, and which may or may not be sub-metered by or through the Association. In addition to Regular Assessments and Special Assessments, the Board may levy a Utility Assessment against each Lot. The Board may allocate the Association's utility charges among the Lots by any conventional method for similar types of properties. The levy of a Utility Assessment may include a share of the utilities for the Common Area, as well as administrative and processing fees, and an allocation of any other charges that are typically incurred in connection with utility or sub-metering services. The Board may, from time to time, change the method allocation, provided the same type of method or combination of methods is used for all Lots.

**7.10 Individual Assessments.** In addition to Regular, Special, and Utility Assessments, the Board may levy an Individual Assessment against an Owner and the Owner's Lot. Individual Assessments may include, but are not limited to: interest, late charges, and collection costs on delinquent Assessments; reimbursement for costs incurred in bringing an Owner or the Owner's Lot into compliance with the Restrictions; fines for violations of the Restrictions; transfer-related fees and resale certificate fees; fees for estoppel letters and project Restrictions; insurance deductibles; sub-metered utilities serving the Lot; reimbursement for damage or waste caused by willful or negligent acts of the Owner, the Owner's guests, invitees or Residents of the Owner's Lot, common expenses that benefit fewer than all of the Lots, which may be assessed according to benefit received; fees or charges levied against the Association on a per-Lot basis; and "pass through" expenses for services to Lots provided through the Association and which are equitably paid by each Lot according to benefit received.

**7.11 Deficiency Assessments.** The Board may levy a Deficiency Assessment against all Lots for the purpose of defraying, in whole or in part, the cost of repair or restoration of any portions of the Improvements the Association is required to insure if insurance proceeds or

condemnation awards prove insufficient. Deficiency Assessments are allocated equally among all Lots.

**7.12 Working Capital Fund.** Upon the transfer of a Lot (including both transfers from Declarant to the initial Owner, and transfers from one Owner to a subsequent Owner), a working capital fee in an amount equal to two (2) months of Regular Assessments will be paid to the Association for the Association's working capital fund. Each working capital contribution will be collected from the transferee upon the conveyance of the Lot from one Owner (including Declarant) to another (expressly including any re-conveyances of the Lot upon resale or transfer thereof). Notwithstanding the foregoing provision, the following transfers will not be subject to the working capital contribution: (i) foreclosure of a deed of trust lien, tax lien, or the Association's assessment lien; (ii) transfer to, from, or by the Association; (iii) voluntary transfer by an Owner to one or more co-owners, or to the Owner's spouse, child, or parent. Contributions to the fund are not advance payments of Regular Assessments and are not refundable.

**7.13 Due Date.** Regular Assessments are due on the first calendar day of each month or on such other date as the Board may designate in its sole and absolute discretion, and are delinquent if not received by the Association on or before such date. Special, Individual, and Deficiency Assessments are due on the date stated in the notice of Assessment or, if no date is stated, within ten (10) days after notice of the Special, Individual, or Deficiency Assessment is given.

**7.14 Reserve Funds.** The Association will establish, maintain, and accumulate reserves for operations and for replacement and repair. The Association will budget for reserves and may fund reserves out of Regular Assessments.

(a) **Operations Reserves.** The Association may maintain operations reserves at a level determined by the Board to be sufficient to cover the cost of operational or maintenance emergencies or contingencies, including deductibles on insurance policies maintained by the Association.

(b) **Replacement & Repair Reserves.** The Association will maintain replacement and repair reserves at a level that anticipates the scheduled replacement or major repair of components of Improvements insured by the Association pursuant to this Declaration

**7.15 Declarant's Right To Inspect And Correct Accounts.** For a period of five (5) years after termination of the Development and Sale Period, Declarant reserves for itself and for Declarant's accountants and attorneys, the right, but not the duty, to inspect, correct, and adjust the Association financial records and accounts. The Association may not refuse to accept an adjusting or correcting payment made by or for the benefit of Declarant. By way of illustration but not limitation, Declarant may find it necessary to recharacterize an expense or payment to

conform to Declarant's obligations under the Restrictions or applicable law. This Section may not be construed to create a duty for Declarant or a right for the Association, and may not be amended without Declarant's written and acknowledged consent.

**7.16 Association's Right To Borrow Money.** The Association is granted the right to borrow money, subject to the consent of a Majority of the Board and the ability of the Association to repay the borrowed funds from Assessments. To assist its ability to borrow, the Association is granted the right to encumber, mortgage, or pledge any of its real or personal property, and the right to assign its right to future income, as security for money borrowed or debts incurred, provided that the rights of the lender in the pledged property are subordinate and inferior to the rights of the Owners hereunder.

**7.17 Limitations of Interest.** The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Restrictions or any other document or agreement executed or made in connection with the Association's collection of Assessments, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by law, the excess amount will be applied to the reduction of unpaid Special and Regular Assessments, or reimbursed to the Owner if those Assessments are paid in full.

**7.18 Exempt Property.** The following area within the Property will be exempt from the Assessments provided for in this Article:

- (i) All area dedicated and accepted by public authority, by the recordation of an appropriate document in the Official Public Records of Collin County, Texas;
- (ii) The Common Area; and
- (iii) Any portion of the Property owned by Declarant.

## ARTICLE 8 ASSESSMENT LIEN

**8.01 Assessment Lien.** Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay Assessments to the Association. Each Assessment is a charge on the Lot and is secured by a continuing lien on the Lot. Each Owner, and each prospective Owner, is placed on notice that his title may be subject to the continuing lien for Assessments attributable to a period prior to the date he purchased his Lot. An express lien on each Lot is hereby granted and conveyed by Declarant to the Association to secure the payment of Assessments.

**8.02 Superiority of Assessment Lien.** The Assessment lien is superior to all other liens and encumbrances on a Lot, except only for: (i) real property taxes and assessments levied by governmental and taxing authorities; (ii) a recorded deed of trust lien securing a loan for acquisition of the Lot and Dwelling constructed thereon; (iii) a deed of trust or vendor's lien recorded before this Declaration; or (iv) a first or senior purchase money vendor's lien or deed of trust lien recorded before the date on which the delinquent Assessment became due. The Assessment lien is superior to any recorded assignment of the right to insurance proceeds on the Lot, unless the assignment is part of a superior deed of trust lien.

**8.03 Effect of Mortgagee's Foreclosure.** Foreclosure of a superior lien extinguishes the Association's claim against the Lot for unpaid Assessments that became due before the sale, but does not extinguish the Association's claim against the former Owner. The purchaser at the foreclosure sale of a superior lien is liable for Assessments coming due from and after the date of the sale, and for the Owner's pro rata share of the pre-foreclosure deficiency as a common expense.

**8.04 Notice and Release of Notice.** The Association's lien for Assessments is created by recordation of this Declaration, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien is required. However, the Association, at its option, may cause a notice of the lien to be recorded in the Official Public Records of Collin County, Texas. If the debt is cured after a notice has been recorded, the Association will record a release of the notice at the expense of the curing Owner. The Association may require reimbursement of its costs of preparing and recording the notice before granting the release.

**8.05 Power of Sale.** By accepting an interest in or title to a Lot, each Owner grants to the Association a private power of non-judicial sale in connection with the Association's assessment lien. The Board may appoint, from time to time, any person, including an officer, agent, trustee, substitute trustee, or attorney, to exercise the Association's lien rights on behalf of the Association, including the power of sale. The appointment must be in writing and may be in the form of a resolution recorded in the minutes of a Board meeting.

**8.06 Foreclosure of Lien.** The Assessment liens and rights to foreclosure thereof will be in addition to and not in substitution of any other rights and remedies the Association may have by law and under this Declaration, including the rights of the Association to institute suit against such Owner personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien. In any foreclosure proceeding, such Owner will be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association will have the power to bid (in cash or by credit against the amount secured by the lien) on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same.

**ARTICLE 9**  
**EFFECT OF NONPAYMENT OF ASSESSMENTS**

**9.01 Delinquent Assessment.** An Assessment is delinquent if the Association does not receive payment in full by the Assessment's due date. The Association, acting through the Board, is responsible for taking action to collect delinquent Assessments. From time to time, the Association may delegate some or all of the collection procedures and remedies, as the Board in its sole discretion deems appropriate, to the Association's manager, an attorney, or a debt collector. Neither the Board nor the Association, however, is liable to an Owner or other person for its failure or inability to collect or attempt to collect an Assessment. The following remedies are in addition to and not in substitution for all other rights and remedies which the Association may have pursuant to the Restrictions or applicable law.

**9.02 Interest.** Delinquent Assessments are subject to interest from the due date until paid, at a rate to be determined by the Board from time to time, not to exceed the lesser of eighteen percent (18%) per annum or the maximum permitted by law. If the Board fails to establish a rate, the rate is ten percent (10%) per annum.

**9.03 Late Fees.** Delinquent Assessments are subject to reasonable late fees, at a rate to be determined by the Board from time to time.

**9.04 Collection Expenses.** The Owner of a Lot against which Assessments are delinquent is liable to the Association for reimbursement of reasonable costs incurred by the Association to collect the delinquent Assessments, including attorneys' fees and processing fees charged by the manager.

**9.05 Acceleration.** If an Owner defaults in paying an Assessment that is payable in installments, the Association may accelerate the remaining installments on ten (10) days' written notice to the defaulting Owner. The entire unpaid balance of the Assessment becomes due on the date stated in the notice.

**9.06 Assignment Of Rents.** Every Owner hereby grants to the Association a continuing assignment of rents to secure the payment of assessments to the Association. If a Lot's account become delinquent during a period in which the Lot is leased, the Association may direct the tenant to deliver rent to the Association for application to the delinquent account, provided the Association gives the Owner notice of the delinquency, a reasonable opportunity to cure the debt, and notice of the Owner's right to a hearing before the Board. The Association must account for all monies received from a tenant and must remit to the Owner any rents received in excess of the past-due amount. A tenant's delivery of rent to the Association under the authority hereby granted is not a breach of the tenant's lease with the Owner and does not subject the tenant to penalties from the Owner.

**9.07 Money Judgment.** The Association may file suit seeking a money judgment against an Owner delinquent in the payment of Assessments, without foreclosing or waiving the Association lien for Assessments.

**9.08 Notice to Mortgagee.** The Association may notify and communicate with any holder of a lien against a Lot regarding the Owner's default in payment of Assessments.

**9.09 Application of Payments.** The Association may adopt and amend policies regarding the application of payments. After the Association notifies the Owner of a delinquency, any payment received by the Association may be applied in the following order: Individual Assessments, Deficiency Assessments, Special Assessments, Utility Assessments, and (lastly) Regular Assessments. The Association may refuse to accept partial payment, i.e., less than the full amount due and payable. The Association may also refuse to accept payments to which the payer attaches conditions or directions contrary to the Association's policy for applying payments. The Association's policy may provide that endorsement and deposit of a payment does not constitute acceptance by the Association, and that acceptance occurs when the Association posts the payment to the Owner's account.

#### ARTICLE 10 MAINTENANCE AND REPAIR OBLIGATIONS

**10.01 Overview.** Generally, the Association maintains the Common Area, and the Owner maintains his Lot and the Dwelling located thereon. If any Owner fails to maintain his Lot and the Dwelling located thereon, the Association may perform the work at the Owner's expense. This Declaration assigns portions of the Dwellings and Lots to the "Area of Common Responsibility", as defined and described below. The Area of Common Responsibility is maintained by the Association and not the Owner. On the date of this Declaration, the initial designation of components of Dwellings and Lots included within the Area of Common Responsibility is attached hereto as Exhibit B.

**10.02 Association Maintains.** The Association's maintenance obligations will be discharged when and how the Board deems appropriate. Unless otherwise provided in this Declaration, the Association maintains, repairs and replaces, as a common expense, the portions of the Property listed below, regardless of whether the portions are on an Owner's Lot:

- (i) the Common Area;
- (ii) the Area of Common Responsibility;
- (iii) any real and personal property owned by the Association not otherwise designated as a Common Area;

(iv) any property adjacent to the Property if maintenance of same is deemed to be in the best interests of the Association, and if not prohibited by the owner or operator of said property; and

(v) any area, item, easement or service the maintenance of which is assigned to the Association by this Declaration or in accordance with any recorded plat of the Property.

The Association may be relieved of all or any portion of its maintenance responsibilities herein to the extent that: (i) such maintenance responsibility is assigned to an Owner under this Declaration; (ii) such maintenance responsibility is otherwise assumed by or assigned to an Owner; or (iii) such property is dedicated to any local, state or federal government or quasi-governmental entity; provided, however, that in connection with such assumption, assignment or dedication, the Association may reserve or assume the right or obligation to continue to perform all or any portion of its maintenance responsibilities, if the Board determines that such maintenance is necessary or desirable.

Subject to the maintenance responsibilities herein provided, any maintenance or repair performed on or to the Common Area by an Owner or Resident that is the responsibility of the Association hereunder shall be performed at the sole expense of such Owner or Resident and the Owner and Resident shall not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair.

The Association shall not be liable for injury or damage to person or property caused by the elements or by the Owner or Resident of any Lot or any other person or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Area or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder, except for injuries or damages arising after the Owner or Resident of a Lot has put the Association on written notice of a specific leak or flow from any portion of the Common Area and the Association has failed to exercise due care to correct the leak or flow within a reasonable time thereafter. The Association shall not be liable to any Owner or Resident of any Lot for loss or damage, by theft or otherwise, of any property, which may be stored in or upon any of the Common Area or any Lot. The Association shall not be liable to any Owner or Resident, for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Section where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of Assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration or for inconvenience or discomfort arising from the making of repairs or Improvements which are the responsibility of the Association or from any action taken by the Association to comply with any law ordinance or with any order or directive of any municipal or other governmental authority.

**10.03 Area of Common Responsibility.** The Association, acting through its members only, has the right but not the duty to designate, from time to time, portions of the Dwelling and Lot as an Area of Common Responsibility to be treated, maintained, repaired, and/or replaced by the Association as a common expense. A designation applies to every Lot having the identified feature. The cost of maintaining the Area of Common Responsibility is added to the annual budget and assessed uniformly against all Lots as a Regular Assessment, unless, after expiration of the Development and Sale Period, the Owners of at least a Majority of the Lots decide to assess the costs as Individual Assessments.

(a) **Easement.** The Association is hereby granted an easement over and across each Lot and Dwelling to the extent reasonably necessary or convenient for the Association or its designee to maintain, repair and/or replace the Area of Common Responsibility. Unless otherwise agreed to by the Owner of the Lot to be accessed, access to the Area of Common Responsibility is limited to Monday through Friday, between the hours of 7 a.m. until 6 p.m., and then only in conjunction with actual maintenance activities. If the Association damages any Improvements located within a Lot or Dwelling in exercising the easement granted hereunder, the Association will be required to restore such Improvements to the condition which existed prior to any such damage, at the Association's expense, within a reasonable period of time not to exceed thirty (30) days after the date the Association is notified in writing of the damage by the Owner of the damaged Improvements.

(b) **Change in Designation.** The Association may, from time to time, include additional components of Lots and Dwellings within the Area of Common Responsibility; however, unless otherwise approved by the Declarant during the Development and Sale Period, in no event may the Association at any time remove from the Area of Common Responsibility components of Lots or Dwellings previously designated as an Area of Common Responsibility under this Declaration. During the Development and Sale Period, any addition to the Area of Common Responsibility must also be approved by the Declarant. After expiration or termination of the Development and Sale Period, any addition must be approved by the Owners of two-thirds of the votes in the Association. During the Development and Sale Period, the Area of Common Responsibility may be modified or amended by the Declarant, acting alone. Any modification or amendment to the Area of Common Responsibility must be recorded in the Official Public Records of Collin County, Texas.

**10.04 Inspection Obligations.**

(a) **Contract for Services.** In addition to the Association's general maintenance obligations set forth in this Declaration, the Association shall, at all times, contract with (subject to the limitations otherwise set forth in this Declaration) or otherwise retain the services of independent, qualified, licensed individuals or entities to

provide the Association with inspection services for the Area of Common Responsibility.

(b) Schedule of Inspections. Such inspections shall take place at least once every three (3) years. The inspectors shall provide written reports of their inspections to the Association promptly following completion thereof. The written reports shall identify any items of maintenance or repair that either require current action by the Association or will need further review and analysis. The Board shall report the contents of such written reports to the Members of the Association at the next meeting of the Members following receipt of such written reports or as soon thereafter as reasonably practicable and shall include such written reports in the minutes of the Association. Subject to the provisions of the Declaration below, the Board shall promptly cause all matters identified as requiring attention to be maintained, repaired, or otherwise pursued in accordance with prudent business practices and the recommendations of the inspectors.

(c) Notice to Declarant. During the Development and Sale Period, the Association shall, if requested by Declarant, deliver to Declarant ten (10) days advance written notice of all such inspections (and an opportunity to be present during such inspection, personally or through an agent) and shall provide Declarant (or its designee) with a copy of all written reports prepared by the inspectors.

(d) Limitation. The provisions of this Section shall not apply during the Development and Sale Period unless otherwise directed by the Declarant.

**10.05 Owner Responsibility.** This Declaration contemplates that the Association will maintain some significant components of the Dwellings and Lots. Every Owner is responsible for the maintenance, repair and replacement of all Improvements located on such Owner's Lot, unless such Improvements are maintained by the Association as an Area of Common Responsibility. Every Owner has the following responsibilities and obligations for the maintenance, repair and replacement of their Lot:

(i) to maintain, repair, and replace the Dwelling located on the Owner's Lot and any Improvements which exclusively serve such Owner's Lot, except for the Area of Common Responsibility;

(ii) to not do any work or fail to do any work which, in the reasonable opinion of the Board, would materially jeopardize the soundness and safety of the Property, reduce the value thereof, or impair any easement or real property right thereto;

(iii) to be responsible for his own willful or negligent acts and those of his or the Resident's family, guests, agents, employees, or contractors when those

acts necessitate maintenance, repair, or replacement of Common Area or the property of another Owner, or any component of the Property for which the Association has maintenance and/or insurance responsibility;

(iv) to perform his or her responsibilities in such manner so as not to unreasonably disturb other Owners and Residents;

(v) to promptly report to the Association or its agent any defect or need for repairs for which the Association is responsible;

(vi) to pay for the cost of repairing, replacing or cleaning up any item that is the responsibility of the Owner but which responsibility such Owner fails or refuses to discharge (which the Association shall have the right, but not the obligation, to do), or to pay for the cost of repairing, replacing, or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Owner, his or her family, tenants or guests, with the cost thereof to be added to and to become part of the Owner's next chargeable Assessment.

**SEE EXHIBIT "B"**  
**IF IT'S NOT AN AREA OF COMMON RESPONSIBILITY, THEN IT'S THE  
OWNER'S INDIVIDUAL RESPONSIBILITY.**

**10.06 Yard Maintenance.** As set forth on the Designation of Area of Common Responsibility and Maintenance Chart, attached as Exhibit "B", each Owner is obligated to maintain those yard areas within his Lot which are bounded or enclosed by a fence, and the Association is obligated to maintain, as an Area of Common Responsibility, all yard areas within a Lot, other than those yard areas enclosed or bounded by a fence. All yards must be maintained at a level to a standard, and with an appearance that is commensurate with the neighborhood. Specifically, the Owner, with respect to portions of the yard to be maintained by the Owner, and the Association, with respect to portions of the yard to be maintained by the Association, must:

- (i) maintain an attractive ground cover or lawn on all yards visible from a street;
- (ii) edge the street curbs and sidewalks at regular intervals;
- (iii) mow the lawns and grounds at regular intervals;
- (iv) prevent lawn weeds or grass from exceeding 6 inches in height;
- (v) not plant vegetable gardens that are visible from a street; and

(vi) maintain an attractive appearance for shrubs and trees visible from a street.

**10.07 Disputes.** If a dispute arises regarding the allocation of maintenance responsibilities by this Declaration, the dispute will be resolved by the Board, who shall delegate such maintenance responsibility to either the Association or the individual Owner(s), as determined by the Board in its sole and absolute discretion.

## ARTICLE 11 INSURANCE

**11.01 Association's Responsibility for Insurance.** The Association will insure the Common Area and property owned by the Association including, if any, records, furniture, fixtures, equipment, and supplies. The Association will maintain a commercial general liability insurance policy covering the Common Area - expressly excluding the liability of each Owner and occupant within his Dwelling - for bodily injury and property damage. In addition to insuring the Common Area against casualty loss, the Association may also maintain property insurance on the Dwellings as originally constructed, if reasonably available. In insuring Dwellings, the Association may be guided by types of policies customarily available for similar types of properties. The Association may maintain blanket fidelity coverage for any Person who handles or is responsible for funds held or administered by the Association, whether or not the Person is paid for his services. The Association may maintain directors and officer's liability insurance, errors and omissions insurance, indemnity bonds, or other insurance the Board deems advisable to insure the Association's directors, officers, committee members, and managers against liability for an act or omission in carrying out their duties in those capacities. The Association may maintain any insurance policies and bonds deemed by the Board to be necessary or desirable for the benefit of the Association.

### **11.02 Owner's Responsibility for Insurance.**

(a) **Insurance by Owners.** Notwithstanding the foregoing, the Board may establish minimum insurance requirements, including types and minimum amounts of coverage, to be individually obtained and maintained by Owners if the insurance is deemed necessary or desirable by the Board to reduce potential risks to the Association or other Owners. If an Owner fails to maintain required insurance, the Board may obtain it on behalf of the Owner who will be obligated for the cost as an Individual Assessment.

(b) **Owners' Responsibilities.** On request, an Owner will give the Board written notification of any and all structural changes, additions, betterments, or Improvements to his Dwelling, and any other information the Board may require to maintain adequate levels of insurance coverage. Each Owner will comply with reasonable requests by the Board for periodic inspection of the Dwelling for purposes of

insurance appraisal. Each Owner, at his expense, will maintain any insurance coverages required by the Association pursuant to this Article. Each Owner at his expense, may obtain additional insurance coverage of his real property, Improvements, and betterments thereto, or personal property.

(c) Association Does Not Insure. The Association does not insure an Owner or occupant's personal property. Each Owner and occupant is solely responsible for insuring his personal property in his Dwelling and on the Property, including furnishings, vehicles, and stored items. THE ASSOCIATION STRONGLY RECOMMENDS THAT EACH OWNER AND OCCUPANT PURCHASE AND MAINTAIN INSURANCE ON HIS PERSONAL BELONGINGS.

**11.03 Owner's Liability For Insurance Deductible.** If repair or restoration of Common Area or any Improvement thereon is required as a result of an insured loss, the Board may levy an Individual Assessment, in the amount of the insurance deductible, against the Owner or Owners who would be responsible for the cost of the repair or reconstruction in the absence of insurance.

## ARTICLE 12 ARCHITECTURAL REVIEWER

**12.01 Purpose.** This Declaration creates rights to regulate the design, use, and appearance of all Improvements.

**12.02 Architectural Control By Declarant.** During the Development and Sale Period, neither the Association, the Board, nor a committee appointed by the Association or Board (no matter how the committee is named) may involve itself with the approval of any Improvements. Until expiration of the Development and Sale Period, the Architectural Reviewer for Improvements is Declarant or its designee.

(a) Declarant's Rights Reserved. Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, covenants and agrees that Declarant has a substantial interest in ensuring that the improvements within the Property enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market its property. Accordingly, each Owner agrees that during the Development and Sale Period no Improvements will be started or progressed without the prior written approval of Declarant, which approval may be granted or withheld at Declarant's sole discretion. In reviewing and acting on an application for approval, Declarant may act solely in its self-interest and owes no duty to any other person or any organization. Declarant may designate one or more persons from time to time to act on its behalf in reviewing and responding to applications.

(b) Delegation by Declarant. During the Development and Sale Period, Declarant may from time to time, but is not obligated to, delegate a portion of its reserved rights under this Article to an architectural control committee appointed by the Board or a committee comprised of architects, engineers, or other persons who may or may not be members of the Association. Any such delegation must be in writing and must specify the scope of delegated responsibilities. Any such delegation is at all times subject to the unilateral rights of Declarant to: (i) revoke such delegation at any time and reassume jurisdiction over the matters previously delegated; and (ii) to veto any decision which Declarant in its sole discretion determines to be inappropriate or inadvisable for any reason.

**12.03 Architectural Control by Association.** Unless and until such time as Declarant delegates all or a portion of its reserved rights to the Board, or the Development and Sale Period is terminated or expires, the Association has no jurisdiction over architectural matters. On termination or expiration of the Development and Sale Period, or earlier if delegated in writing by Declarant, the Association, acting through an architectural control committee (the "ACC") will assume jurisdiction over architectural control and will have the powers of the Architectural Reviewer hereunder.

(a) ACC. The ACC will consist of at least three (3) but not more than seven (7) persons appointed by the Board. Members of the ACC serve at the pleasure of the Board and may be removed and replaced at the Board's discretion. At the Board's option, the Board may act as the ACC, in which case all references in the Restrictions to the ACC will be construed to mean the Board. Members of the ACC need not be Owners or Residents, and may but need not include architects, engineers, and design professionals whose compensation, if any, may be established from time to time by the Board.

(b) Limits on Liability. The ACC has sole discretion with respect to taste, design, and all standards specified by this Article. The members of the ACC have no liability for the ACC's decisions made in good faith, and which are not arbitrary or capricious. The ACC is not responsible for: (i) errors in or omissions from the plans and specifications submitted to the ACC; (ii) supervising construction for the Owner's compliance with approved plans and specifications; or (iii) the compliance of the Owner's plans and specifications with governmental codes and ordinances, state and federal laws.

**12.04 Prohibition of Construction, Alteration and Improvement.** No Improvement, or any addition, alteration, improvement, installation, modification, redecoration, or reconstruction thereof may occur unless approved in advance by the Architectural Reviewer. The Architectural Reviewer has the right but not the duty to evaluate every aspect of construction, landscaping, and property use that may adversely affect the general value or appearance of the Property. ~~Notwithstanding the foregoing, each Owner will have the right to~~

modify, alter, repair, decorate, redecorate, or improve the interior of their Dwelling, provided that such action is not visible from any other portion of the Property.

**12.05 Architectural Approval.**

(a) Submission and Approval of Plans and Specifications. Construction plans and specifications will be submitted in accordance with procedural rules established from time to time by the Architectural Reviewer together with any review fee which is imposed by the Architectural Reviewer. No Improvement will be placed or allowed on any Lot until the plans and specifications have been approved in writing by the Architectural Reviewer. The Architectural Reviewer may, in reviewing such plans and specifications consider any information that it deems proper including, but not limited to, the harmony of external design and location in relation to surrounding structures. The Architectural Reviewer may postpone its review of any plans and specifications submitted for approval pending receipt of any information or material which the Architectural Reviewer, in its sole discretion, may require. The Architectural Reviewer may refuse to approve plans and specifications for proposed Improvements on any grounds that, in the sole and absolute discretion of the Architectural Reviewer, are deemed sufficient, including, but not limited to, purely aesthetic grounds.

(b) Failure to Act. In the event that any plans and specifications are submitted to the Architectural Reviewer as provided herein, and the Architectural Reviewer fails to either approve or reject such plans and specifications for a period of thirty (30) days following such submission, the plans and specifications will be deemed disapproved.

(c) Variances. The Architectural Reviewer may grant variances from compliance with any of the provisions of Restrictions when, in the opinion of the Architectural Reviewer, in its sole and absolute discretion, such variance is justified. All variances must be evidenced in writing and, if Declarant has assigned its rights to the ACC, must be approved by at least a majority of the members of the ACC. Each variance must also be recorded in the Official Public Records of Collin County, Texas; provided, however, that failure to record a variance will not affect the validity thereof or give rise to any claim or cause of action against the Architectural Reviewer, Declarant, the Board or the ACC. If a variance is granted, no violation of the Restrictions will be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance will not operate to waive or amend any of the terms and provisions of the Restrictions for any purpose except as to the particular property and in the particular instance covered by the variance, and such variance will not be considered to establish a precedent for any future waiver, modification, or amendment of the terms and provisions of the Restrictions.

(d) Duration of Approval. The approval of the Architectural Reviewer of any final plans and specifications, and any variances granted by the Architectural Reviewer will be valid for a period of one hundred and twenty (120) days only. If construction in accordance with such plans and specifications or variance is not commenced within such one hundred and twenty (120) day period and diligently prosecuted to completion thereafter, the Owner will be required to resubmit such final plans and specifications or request for a variance to the Architectural Reviewer, and the Architectural Reviewer will have the authority to re-evaluate such plans and specifications in accordance with this *Section 12.05(d)* and may, in addition, consider any change in circumstances which may have occurred since the time of the original approval.

(e) No Waiver of Future Approvals. The approval of the Architectural Reviewer to any plans or specifications for any work done or proposed in connection with any matter requiring the approval or consent of the Architectural Reviewer will not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications on any other matter, subsequently or additionally submitted for approval by the same or a different person, nor will such approval or consent be deemed to establish a precedent for future approvals by the Architectural Reviewer.

(f) Non-Liability of Architectural Reviewer. THE ARCHITECTURAL REVIEWER WILL NOT BE LIABLE TO ANY OWNER OR TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE ARCHITECTURAL REVIEWER'S DUTIES UNDER THIS DECLARATION, UNLESS SUCH LOSS, DAMAGE, OR INJURY IS DUE TO THE WILLFUL MISCONDUCT OR BAD FAITH OF THE ARCHITECTURAL REVIEWER OR ONE OR MORE INDIVIDUALS ACTING ON ITS BEHALF, AS THE CASE MAY BE.

### ARTICLE 13 MORTGAGE PROVISIONS

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots within the Property.

**13.01 Notice of Action.** An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its Mortgage relates (thereby becoming an "**Eligible Mortgage Holder**"), will be entitled to timely written notice of:

(i) Any condemnation loss or any casualty loss which affects a material portion of the Property or which affects any Lot on which there is an Eligible Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder; or

(ii) Any delinquency in the payment of assessments or charges owed for a Lot subject to the Mortgage of such Eligible Mortgage Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Restrictions relating to such Lot or the Owner or Resident which is not cured within sixty (60) days; or

(iii) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

**13.02 Examination of Books.** The Association will permit Mortgagees to examine the books and records of the Association during normal business hours.

**13.03 Taxes, Assessments and Charges.** All taxes, assessments and charges that may become liens prior to first lien mortgages under applicable law will relate only to the individual Lots and not to any other portion of the Property.

#### ARTICLE 14 GENERAL PROVISIONS

**14.01 Term.** The terms, covenants, conditions, restrictions, easements, charges, and liens set out in this Declaration will run with and bind the Property, and will inure to the benefit of and be enforceable by the Association, and every Owner, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Declaration is recorded in the Official Public Records of Collin County, Texas, and continuing through and including January 1, 2057, after which time this Declaration will be automatically extended for successive periods of ten (10) years unless a change (the word "change" meaning a termination or change of term or renewal term) is approved in a resolution adopted by Members entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association, voting in person or by proxy at a meeting duly called for such purpose, written notice of which will be given to all Members at least thirty (30) days in advance and will set forth the purpose of such meeting; provided, however, that such change will be effective only upon the recording of a certified copy of such resolution in the Official Public Records of Collin County, Texas. Notwithstanding any provision in this *Section 14.01* to the contrary, if any provision of this Declaration would be unlawful, void, or voidable by reason of any Texas law restricting the period of time that covenants on land may be enforced, such provision will expire (twenty one) 21 years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

**14.02 Eminent Domain.** In the event it becomes necessary for any public authority to acquire all or any part of the Common Area for any public purpose during the period this Declaration is in effect, the Board is hereby authorized to negotiate with such public authority for such acquisition and to execute instruments necessary for that purpose. Should acquisitions by eminent domain become necessary, only the Board need be made a party, and in any event

the proceeds received will be held by the Association for the benefit of the Owners. In the event any proceeds attributable to acquisition of Common Area are paid to Owners, such payments will be allocated on the basis of Assessment Units and paid jointly to the Owners and the holders of Mortgages or deeds of trust on the respective Lot.

**14.03 Amendment.** This Declaration may be amended or terminated by the recording in the Official Public Records of Collin County, Texas, of an instrument executed and acknowledged by: (a) Declarant acting alone and unilaterally; or (b) by the president and secretary of the Association setting forth the amendment and certifying that such amendment has been approved by Declarant (unless Declarant has relinquished such right by written instrument recorded in the Official Public Records of Collin County, Texas) and Members entitled to cast at least sixty-seven percent (67%) of the number of votes entitled to be cast by members of the Association. No amendment will be effective without the written consent of Declarant, its successors or assigns. Specifically, and not by way of limitation, Declarant may unilaterally amend this Declaration: (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on any Lot; (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans, including, for example, the Federal Home Loan Mortgage Corporation, to make, purchase, insure or guarantee mortgage loans on Lots; or (iv) to comply with any requirements promulgated by a local, state or governmental agency, including, for example, the Department of Housing and Urban Development.

**14.04 Roadway and Utility Easements.** Declarant reserves the right to locate, relocate, construct, erect, and maintain or cause to be located, relocated, constructed, erected, and maintained in and on any streets maintained by the Association, or areas conveyed to the Association, or areas reserved or held as Common Area, roadways, sewer lines, water lines, electrical lines and conduits, and other pipelines, conduits, wires, and any public utility function beneath or above the surface of the ground with the right of access to the same at any time for the purposes of repair and maintenance.

**14.05 Enforcement.** The Association, the Declarant, or any Owner will have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, charges and other terms now or hereafter imposed by the provisions of this Declaration. Failure to enforce any right, provision, covenant, or condition granted by this Declaration will not constitute a waiver of the right to enforce such right, provision, covenants or condition in the future.

**14.06 Higher Authority.** The terms and provisions of this Declaration are subordinate to federal and state law, and local ordinances. Generally, the terms and provisions of this Declaration are enforceable to the extent they do not violate or conflict with local, state, or federal law or ordinance.

**14.07 Severability.** If any provision of this Declaration is held to be invalid by any court of competent jurisdiction, such invalidity will not affect the validity of any other provision of this Declaration, or, to the extent permitted by applicable law, the validity of such provision as applied to any other person or entity.

**14.08 Conflicts.** If there is any conflict between the provisions of this Declaration, the Certificate, the Bylaws, or the Rules and Regulations, the provisions of this Declaration will govern.

**14.09 Gender.** Whenever the context so requires, all words herein in the male gender will be deemed to include the female or neuter gender, all singular words will include the plural, and all plural words will include the singular.

**14.10 Notices.** Any notice permitted or required to be given to any person by this Declaration will be in writing and may be delivered either personally or by mail. If delivery is made by mail, it will be deemed to have been delivered on the third (3rd) day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the person at the address given by such person to the Association for the purpose of service of notices. Such address may be changed from time to time by notice in writing given by such person to the Association.

## ARTICLE 15 DEVELOPMENT EASEMENTS

**15.01 Subdivision Entry and Fencing Easement.** Declarant reserves for itself and the Association, an easement over and across the Property for the installation, maintenance, repair or replacement of certain subdivision entry facilities and fencing which serves the Property. Declarant will have the right, from time to time, to record a written notice in the Official Public Records of Collin County, Texas, which identifies the subdivision entry facilities fencing to which the easement reserved hereunder applies. Declarant may designate all or any portion of the subdivision entry facilities and/or fencing as Common Area by written notice recorded in the Official Public Records of Collin County, Texas. The exercise of the easements reserved hereunder will not extend to permitting entry into any residence, nor will it unreasonably interfere with the use of any Lot or Dwelling.

**15.02 Landscape and Monument Sign Easement.** Declarant hereby reserves for itself and the Association, an easement over and across the Property for the installation, maintenance, repair or replacement of a monument sign which serves the Property. Declarant will have the right, from time to time, to record a written notice in the Official Public Records of Collin County, Texas, which identifies those portions of the Property to which the easement reserved hereunder applies. Declarant may designate the easement areas reserved hereunder as Common Area. The exercise of the easements reserved hereunder will not extend to permitting entry into any residence, nor will it unreasonably interfere with the use of any Lot or Dwelling.

**15.03 Declarant as Attorney in Fact.** To secure and facilitate Declarant's exercise of the rights reserved by Declarant pursuant to the terms and provisions of this Declaration, each Owner, by accepting a deed to a Lot and each Mortgagee, by accepting the benefits of a Mortgage against a Lot, and any other third party by acceptance of the benefits of a mortgage, deed of trust, mechanic's lien contract, mechanic's lien claim, vendor's lien and/or any other security interest against any Lot, will thereby be deemed to have appointed Declarant such Owner's, Mortgagee's, and third party's irrevocable attorney-in-fact, with full power of substitution, to do and perform, each and every act permitted or required to be performed by Declarant pursuant to the terms of this Declaration. The power thereby vested in Declarant as attorney-in-fact for each Owner, Mortgagee and/or third party, will be deemed, conclusively, to be coupled with an interest and will survive the dissolution, termination, insolvency, bankruptcy, incompetency and death of an Owner, Mortgagee and/or third party and will be binding upon the legal representatives, administrators, executors, successors, heirs and assigns of each such party. The aforesaid power shall be vested in Declarant, its successors and assigns, for a period of twenty-five (25) years from the date the first Lot is conveyed to an individual purchaser, or until the expiration or termination of the Development and Sale Period, whichever occurs first. Declarant hereby reserves for itself, its successors and assigns the right to execute on behalf of each Owner, Mortgagee, and third party claiming a legal or equitable interest in the Common Area, any such agreements, documents, amendments or supplements to the Restrictions which may be required by any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans (including, for example, the Federal Home Loan Mortgage Corporation) designated by Declarant or by any governmental or quasi-governmental agency having regulatory jurisdiction over the Common Area or by any title insurance company selected by Declarant to insure title to any portion of the Common Area.

## ARTICLE 16 DEVELOPMENT RIGHTS

**16.01 Development by Declarant.** It is contemplated that the Property will be developed pursuant to a coordinated plan, which may, from time to time, be amended or modified. Declarant reserves the right, but will not be obligated, to create and/or designate additional Lots and Common Area and to subdivide any of the Property pursuant to the terms of this Section 16.01, subject to any limitations imposed on portions of the Property by any applicable plat. These rights may be exercised with respect to any portions of the Property. As each area is developed or dedicated, Declarant may designate the use, classification and such additional covenants, conditions and restrictions as Declarant may deem appropriate for that area.

**16.02 Special Declarant Rights.** Notwithstanding any provision of this Declaration to the contrary, at all times, Declarant will have the right and privilege: (i) to erect and maintain advertising signs (illuminated or non-illuminated), sales flags, other sales devices and banners for the purpose of aiding the sale of Lots in the Property; (ii) to maintain Improvements upon Lots as sales, model, management, business and construction offices; and (iii) to maintain and

locate construction trailers and construction tools and equipment within the Property. The construction, placement or maintenance of Improvements by Declarant will not be considered a nuisance, and Declarant hereby reserves the right and privilege for itself to conduct the activities enumerated in this *Section 16.02* until two (2) years after expiration or termination of the Development and Sale Period.

**16.03 Notice of Annexation.** Declarant may, at any time and from time to time, add additional lands to the Property. Upon the filing of a Notice of Annexation in the Official Public Records of Collin County, Texas, such land will be considered part of the Property for purposes of this Declaration. The Notice of Annexation must contain the following provisions:

- (i) A reference to this Declaration, which reference will include the document number or volume and initial page number of the Official Public Records of Collin County wherein this Declaration is recorded;
- (ii) A statement that such land will be considered part of the Property for purposes of this Declaration, and that all of the terms, covenants, conditions, restrictions and obligations of this Declaration will apply to the added land; and
- (iii) A legal description of the added land.

**16.04 Withdrawal of Land.** Declarant may, at any time and from time to time, reduce or withdraw from the Property, and remove and exclude from the burden of this Declaration and the jurisdiction of the Association: (a) any portions of the Property which have not been included in a Plat; and (b) any portion of the Property included in a Plat if Declarant owns the land to be withdrawn. Upon any such withdrawal and renewal this Declaration and the covenants conditions, restrictions and obligations set forth herein will no longer apply to the portion of the Property withdrawn. To withdraw lands from the Property hereunder, Declarant will be required only to record in the Official Public Records of Collin County, Texas, a notice of withdrawal of land containing the following provisions:

- (i) A reference to this Declaration, which reference will include the document number or volume and initial page number of the Official Public Records of Collin County wherein this Declaration is recorded;
- (ii) A statement that the provisions of this Declaration will no longer apply to the withdrawn land; and
- (iii) A legal description of the withdrawn land.

**16.05 Assignment of Declarant's Rights.** Notwithstanding any provision in this Declaration to the contrary, Declarant may, by written instrument, assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any person or

entity and may permit the participation, in whole, in part, exclusively, or non-exclusively, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

**ARTICLE 17  
DISPUTE RESOLUTION**

**17.01 Agreement to Encourage Resolution of Disputes Without Litigation.**

(a) Claim(s). As used in this Article, the term "Claim" or "Claims" will refer to any claim, grievance or dispute arising out of or relating to:

(i) The interpretation, application, or enforcement of the Restrictions,  
or

(ii) The rights, obligations, and duties of any Bound Party under the Restrictions; or

(iii) The design or construction of Improvements within the Property, other than matters of aesthetic judgment under *Article 12*, which will not be subject to review.

(b) Not Considered Claims. The following will not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in *Section 17.02*:

(i) Any legal proceeding by the Association to collect assessments or other amounts due from any Owner;

(ii) Any legal proceeding by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of this Restrictions;

(iii) Any legal proceeding which does not include Declarant or the Association as a party, if such action asserts a Claim which would constitute a cause of action independent of the Restrictions;

(iv) Any legal proceeding in which any indispensable party is not a Bound Party;

(v) Any action by the Association to enforce the Restrictions; and

(vi) Any legal proceeding as to which any applicable statute of limitations would expire within one hundred and eighty (180) days of giving the

Notice required by *Section 17.02(a)*, unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article.

**17.02 Dispute Resolution Procedures.**

(a) Notice. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") will give written notice to each Respondent and to the Board stating plainly and concisely:

- (i) The nature of the Claim, including the Persons involved and the Respondent's role in the Claim; and
- (ii) The legal basis of the Claim (i.e., the specific authority out of which the Claim arises); and
- (iii) The Claimant's proposed resolution or remedy; and
- (iv) The Claimant's desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.

(b) Negotiation. The Claimant and Respondent will 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 negotiating a resolution of the Claim.

(c) Mediation. If the parties have not resolved the Claim through negotiation within thirty (30) days of the date of the notice described in *Section 17.02(a)* (or within such other period as the parties may agree upon), the Claimant will have thirty (30) additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in Collin County, Texas.

If the Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation when scheduled, the Claimant will be deemed to have waived the Claim, and the Respondent will be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

If the Parties do not settle the Claim within thirty (30) days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. The

Claimant will thereafter be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

Each Party will bear its own costs of the mediation, including attorney's fees, and each Party will share equally all fees charged by the mediator.

(d) Settlement. Any settlement of the Claim through negotiation or mediation will be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative 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 or award will, upon prevailing, be entitled to recover from the non-complying party (or if more than one noncomplying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys' fees and court costs.

[SIGNATURE PAGE FOLLOWS]

EXECUTED to be effective on the date this instrument is recorded in the Official Public Records of Collin County, Texas.

**DECLARANT:**

**CB JENI - CHASE OAKS VILLAGE, LLC**, a Texas limited liability company,

By: \_\_\_\_\_

Printed Name: BRUNO PASQUINELLI

Title: PRESIDENT

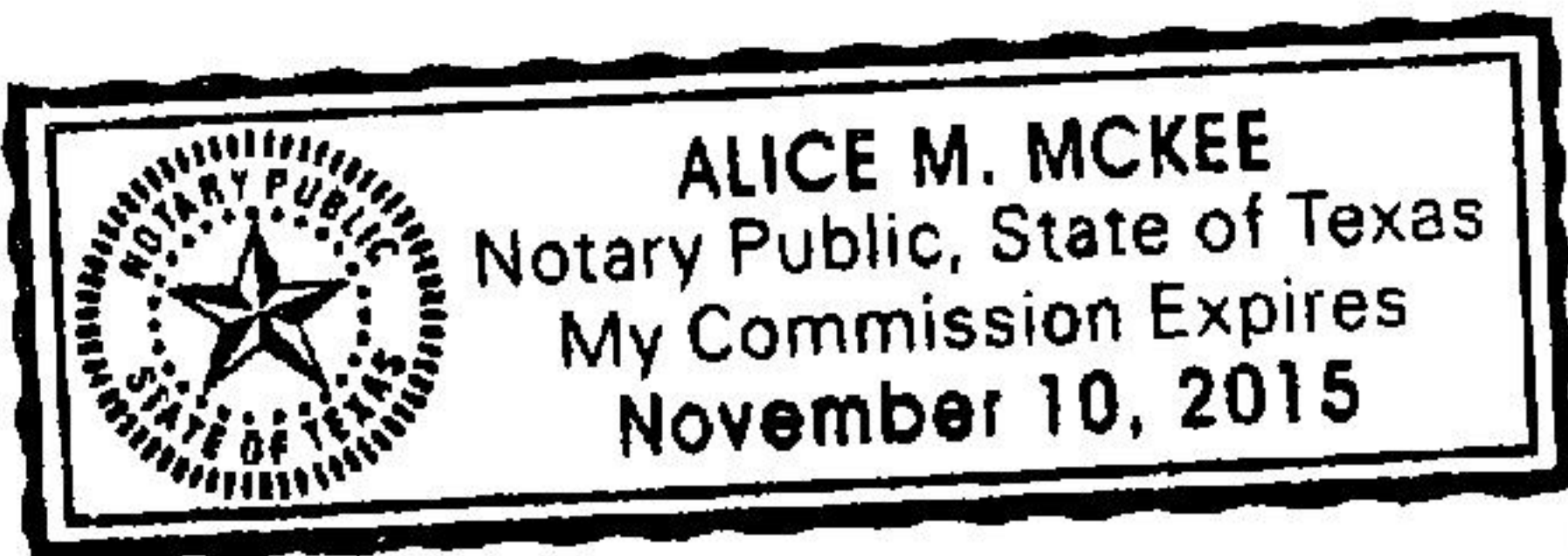
THE STATE OF TEXAS §

COUNTY OF Collin §

This instrument was acknowledged before me this 17 day of July, 2013, by BRUNO PASQUINELLI, PRESIDENT of CB Jeni - Chase Oaks Village, LLC, a Texas limited liability company, on behalf of said limited liability company.

(SEAL)

Alice M. McKee  
Notary Public Signature



BRUNO PASQUINELLI

EXHIBIT "A"

All of the lots contained in CHASE OAKS VILLAGE, a subdivision in Collin County, Texas, according to the map or plat thereof recorded as Document No. 2005-0043971, Official Public Records of Collin County, Texas, as revised pursuant to Replat recorded as Document No. 20120514010001110 in the Official Public Records of Collin County, Texas, SAVE AND EXCEPT Lot 1, Block M; Lot 1, Block N; Lot 1, Block O; Lot 1, Block P; Lot 1, Block Q; Lot 1, Block R; Lot 1, Block S; and Lot 1, Block T.

Unofficial

**EXHIBIT "B"**

**DESIGNATION OF AREA OF  
COMMON RESPONSIBILITY AND  
MAINTENANCE CHART**

(See Notes at End)

<b>COMPONENT OF PROPERTY</b>	<b>ASSOCIATION'S AREA OF COMMON RESPONSIBILITY</b>	<b>OWNER RESPONSIBILITY (SUBJECT TO APPROVAL BY ARCHITECTURAL REVIEWER)</b>
Roofs.	Deckings, felt, shingles, and metal flashing, only	All other aspects, including roof trusses.
Roof mounted attachments.	None.	All aspects.
Exterior vertical walls of buildings, other exterior features of buildings not specifically listed in chart.	Outermost materials only, such as siding, stucco, and brick, and any coatings or surface treatments on the material, such as paint or sealant.	All other aspects, including wall cavities and insulation.
Building foundations, patio slabs, and A/C slabs.	None.	Building foundation and patio slabs, including tolerance for minor crack that are inevitable results of the natural movement of soil (expansion and contraction), shrinkage during the curing of the concrete, and settling of the building.
Concrete driveways and sidewalks.	All structural aspects.	Routine cleaning & tolerance for minor cracks that are inevitable results of the natural expansion & contraction of soil, shrinkage during the curing of the concrete and settling of the building.
Retaining walls.	All aspects.	None.
Displays of street numbers on exterior doors or building surfaces.	All aspects.	None.
Gutters and downspouts.	All aspects.	None.

COMPONENT OF PROPERTY	ASSOCIATION'S AREA OF COMMON RESPONSIBILITY	OWNER RESPONSIBILITY (SUBJECT TO APPROVAL BY ARCHITECTURAL REVIEWER)
Grounds - outside the fenced yards.	All aspects.	None.
Yard irrigation system (sprinkler)	All aspects.	None.
Exterior light fixtures on buildings.	None.	All aspects.
Exterior doors of townhomes.	Determining styles and materials of front doors and garage doors. Periodic paint or stain on garage doors, only.	All other aspects of the garage door, and all aspects of other doors, including paint, door frame, door, glass panes, hardware, locks, peepholes, thresholds, weatherstripping, and doorbells.
Garages.	Roofs and exterior vertical walls, as described above.	All aspects, except those noted for Association. Includes, routine interior cleaning, interior wall and ceiling materials, pedestrian door, automatic garage door opener, remote controls, interior light fixture, interior electrical outlets.
Skylights.	None.	All aspects.
Attics.	None.	All aspects.
Insulation & weatherstripping.	None.	All aspects.
Chimneys & Fireplaces.	Chimney Caps and siding only.	All other aspects, including flues, firebox, damper, and periodic flue cleaning.
Fences and gates around private townhome yards.	All aspects of original Fence as installed by builder.	All aspects of Fence extensions after original placement by builder.
Townhome interiors, incl. improvements, fixtures, partition walls & floors within townhome.	None.	All aspects.
Sheetrock in townhomes (walls and ceilings) & treatments on walls.	None.	All aspects.

COMPONENT OF PROPERTY	ASSOCIATION'S AREA OF COMMON RESPONSIBILITY	OWNER RESPONSIBILITY (SUBJECT TO APPROVAL BY ARCHITECTURAL REVIEWER)
Improvements and grounds in private/yards.	None.	All aspects.
Surface water drainage systems.	All aspects, including collection drains and drain systems.	None. Prohibited from changing the drainage system.
Windows.	Periodic exterior caulking in connection with exterior painting.	All other aspects, including window frames, window sill flashings, window seals and sealants, screens, window locks, glass panes, glazing, interior caulking.
Water, sewer, electrical lines & systems.	None for lines and systems serving the lots.	All aspects of lines and systems serving the lot.
Heating and cooling systems & water heaters.	None.	All aspects.
Intrusion alarms on doors/windows, smoke/heat detectors, monitoring equipment.	None.	All aspects.
Cable for television or internet.	Standards for location and appearance of cable and/or conduit.	All other aspects.
Television antennas & satellite dishes.	Standards for location and appearance of exterior mounted devices.	All other aspects.

NOTES TO DESIGNATION OF AREA OF COMMON RESPONSIBILITY AND MAINTENANCE CHART

NOTE 1 In the event of a conflict between this Designation of Area of Common Responsibility and Maintenance Chart ("Maintenance Chart") and a provision of the main body of the Declaration, the main body of the Declaration controls. This Maintenance Chart may not be interpreted or amended to create a conflict with a provision of the Declaration.

NOTE 2 As used in this Maintenance Chart, "all aspects" includes maintenance, repair, and replacement, as needed.

- NOTE 3 Each component listed in the first column of the Maintenance Chart is applicable only if the component exists, and may not be construed to create a requirement to have such a component. A skylight is an example of a component that may or may not be on a building.
- NOTE 4 If an owner fails or refuses to perform necessary maintenance, repair, or replacement, the Association may perform the work after giving required notices to the owner.
- NOTE 5 This Maintenance Chart may be revised by the Association to enlarge the Association's Area of Common Responsibility, with the approval of the Declarant during the Development and Sale Period. In no event may the Association revise the Maintenance Chart to reduce the Association's Area of Common Responsibility, unless otherwise approved by the Declarant during the Development and Sale Period. During the Development and Sale Period, the Maintenance Chart may be modified or amended by the Declarant, acting alone. After expiration or termination of the Development and Sale Period, any modification must be approved by the Majority of the Board of Directors of the Association. Any revised Maintenance Chart must be recorded in the Official Public Records of Collin County, Texas

*(End of Exhibit B)*

UNOFFICIAL



Filed and Recorded  
Official Public Records  
Stacey Kemp, County Clerk  
Collin County, TEXAS  
08/01/2013 03:07:59 PM  
\$304.00 DFOSTER  
20130801001084620

*Stacey Kemp*