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After Recording Return To:
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DECLARATION OF COVENANTS CONDITIONS AND RESTRICTIONS FOR EMERALD HEIGHTS HOMEOWNERS ASSOCIATION

DECLARANT: POINTE EMERALD HEIGHTS, LLC

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EMERALD HEIGHTS HOMEOWNERS ASSOCIATION

WHEREAS, Pointe Emerald Heights, LLC, a Texas Limited Liability Corporation ("Declarant) is the owner of the real property more particularly described on Exhibit "A" attached hereto ("Property") which is annexed into a certain master planned development located in Collin County, Texas ("Stonebridge Ranch"). This Declaration of Covenants, Conditions and Restrictions for Emerald Heights Homeowners Association ("Declaration") is intended to establish a Subordinate Association and Subordinate Declaration within Stonebridge Ranch to administer certain responsibilities with respect to the real property in Property.

THEREFORE, Declarant hereby declares that all the Property described in Exhibit "A" is hereby made subject to this Declaration and shall be held, sold, transferred, used and conveyed subject to this Declaration and the Master Declaration for Stonebridge Ranch (as defined in Article I hereof), which shall run with title to Property. This Declaration and the Master Declaration shall be binding on all parties having any right, title, or interest in the Property or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each Owner thereof.

This Declaration does not and is not intended to create a condominium within the meaning of Texas Property Code or under applicable Texas law.

ARTICLE I

DEFINITIONS

The terms and phrases used in this Declaration shall be given their commonly accepted definitions except as otherwise stated herein. Capitalized terms shall be defined as set forth below.

1.1 "Association": Emerald Heights Homeowners Association, Inc., a Texas non-profit corporation established for the purposes set forth in this Declaration, which is concurrent with and subordinate to the Master Association.

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1.2 "Board of Directors": shall mean the Board of Directors of the Association, as set forth in Article VII herein.

1.3 "Builder": shall have the same definition as set forth in Section 1.9 of the Master Declaration.

1.4 "Bylaws": the Bylaws of the Emerald Heights Homeowners Association, Inc., attached hereto as **Exhibit "B"** as may be amended or supplemented from time to time.

1.5 "Common Area": all real and personal property, including easements, which the Association owns, leases or otherwise holds a possessory or right of use in for the common use and enjoyment of the Owners.

1.6 "Community-Wide Standard": the standard of conduct, maintenance, or other activity generally prevailing throughout the Property. Such standard is expected to evolve over time as development of the Property progresses and may be more specifically determined by the Declarant, the Board of Directors of the Association, and the Master Architectural Review Committee; but, at a minimum shall be consistent with the standards of quality and class established by the Master Association.

1.7 "Declarant": means Pointe Emerald Heights, LLC, a Texas limited liability company, its successors or assigns, provided any assignment(s) of the rights of Point Emerald Heights, LLC, as Declarant, must be expressly set forth in writing in accordance with Section 3.3 of this Declaration.

1.8 "Declaration": this Declaration of Covenants, Conditions, and Restrictions for the Emerald Heights Homeowners Association, as may be amended and supplemented from time to time, and which runs concurrent with and subordinate to the Master Declaration.

1.9 "Design Guidelines": means the standards for design, construction. Landscaping, and exterior items adopted pursuant to Section 8.5 of the Master Declaration, including the Master Design Guidelines,

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Modification Design Guidelines and Subdivision Design Guidelines promulgated and published by the MARC.

1.10 "Development Period": The Development Period is the period in which Declarant reserves the right to facilitate the development, construction, and marketing of the Property, and the right to direct the size, shape and composition of the Property and otherwise includes the period of time beginning on the date when this Declaration has been recorded in the Official Records of Collin County, Texas, and ending at such time as Declarant no longer owns any portion of the Property, or for a period of 10 years from date of recording in the Official Records, whichever is earlier. The Declarant may otherwise terminate the Development Period earlier by written instrument recorded in the Official Records.

1.11 "Governing Documents": means this Declaration, the Bylaws, the Articles of Formation, and the policies, rules and regulations promulgated by the Association.

1.12 "Improvements": shall mean every structure every and all appurtenances of every type and kind, whether temporary or permanent in nature, including, but not limited to, buildings, outbuildings, sheds, patios, recreational facilities, swimming pools, golf courses, garages, driveways, parking areas and/or facilities, storage buildings, sidewalks, fences, gates, screening walls, retaining walls, stairs, patios, decks, walkway landscaping signs, antennae, exterior mechanical equipment or fixtures, exterior lighting fixtures, pumps, wells, tanks, reservoirs, pipes, lines, meters, and all other facilities used in connection with water, sewer, gas, electric, telephone, regular cable television, or other utilities.

1.13 "Lot": a portion of the Property which may be independently owned and conveyed and which is intended for development, use and occupancy for single-family residential purposes consistent with this Declaration, any other applicable covenants, and applicable zoning. The term shall include and refer to the real property depicted on a Plat of the Property and listed or designated as a separate lot number on

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the Plat. The term shall refer to any improvements on a Lot. The term shall not include Common Area, or property dedicated to the public.

1.14 "Majority": in the Governing Documents means more than half.

1.15 "Master Architectural Review Committee": refers to the committee created by Section 8.2 of the Master Declaration (the "MARC") which has the power to adopt Design Guidelines as more fully described in the Master Declaration and the right to approve plans and specifications for construction of proposed Improvements on the Lots and Property subject to the jurisdiction of this Declaration, as well as the right to approve plans and specifications for alteration or modification of Improvements on the Property.

1.16 "Master Association": the Stonebridge Ranch Community Association, Inc., a Texas non-profit corporation, its successors and assigns, which has the power, duty and responsibility for administering in enforcing the Master Declaration.

1.17 "Master Declaration" shall mean and refer to the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Stonebridge Ranch, recorded as Document No. 20080327000365660 in the Official Records of Collin County, Texas, and any supplements and amendments thereto.

1.18 "Member": A Person subject to membership in the Association, as provided in Article VII of this Declaration.

1.19 "Modifications Committee": refers to the committee created by Section 8.3 of the Master Declaration (the "MC") which has the full authority to review and approve or disapprove any proposed Improvement to existing structures or Improvements on a Lot, including additions, modifications, or alterations of existing structures or landscaping.

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

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1.21 "Mortgagee(s): means the holder(s) of any Mortgage(s).

1.22 "Owner": one or more Persons who hold the record title to any Lot, (including contract sellers, the Declarant and any builders) but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Lot is sold under a recorded contract of sale, then upon recording of such contract, the purchaser (rather than the fee owner) will be considered the Owner, if the contract specifically so provides.

1.23 "Person": a natural person, a corporation, a partnership, a trustee, or any other legal entity.

1.24 "Plat": the plat(s) recorded from time to time for the Property and any re-plat or amendment made from time to time.

1.25 "Property": the real property described in **Exhibit "A"** together with such additional property as is subjected to this Declaration.

1.26 "Resident": shall mean and refer to a Person who inhabits an Improvement/residence on a Lot, either permanently or temporarily, and may include, without limitation, an Owner or a lessee/tenant and their respective families, guests, invitees, servants or employees.

1.27 Subdivision Design Guidelines": the specific design guidelines and development guidelines and architectural review procedures adopted for and applicable to all Lots within the Property, as they may be established or modified in accordance with Section 9.2(c) of this Declaration and Section 8.5 of the Master Declaration, as currently adopted attached hereto as **Exhibit "C"**.

ARTICLE II
MASTER ASSOCIATION

2.1. Subordination. This Declaration, and all the covenants, easements, restrictions, and provisions herein are intended to supplement and run concurrent

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and subordinate to the Master Declaration and rights of the Master Association as it applies to the Property as part of Stonebridge Ranch. Every Owner, by acceptance of an interest in any Lot or portion of the Property, also acknowledges that he/she or it is subject to the Master Declaration, in addition to this Declaration, and will be an automatic Member of and subject to assessments levied by the Master Association in accordance with the Master Declaration, as well as Assessments levied by the Association.

In addition to all the rights and obligations which are conferred or imposed upon the Association pursuant to this Declaration, the Bylaws or the Articles of Formation, the Association shall be entitled to exercise any of the rights conferred upon it shall be subject to all the obligations imposed upon it pursuant to the Master Declaration and Bylaws of the Master Association. The Association and all committees thereof shall also be subject to all superior rights and powers which have been conferred upon the Master Association or its committees, pursuant to the Master Declaration. The Association shall take no action in derogation of the rights of, or contrary to the interests of the Master Association.

ARTICLE III

DECLARANT DEVELOPMENT RIGHTS

3.1. Declarant Rights. It is contemplated that the Property will be developed pursuant to a 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 Lots and Common Area, and sub-divide same, with respect to any of the Property, pursuant to the terms of this Section, and subject to any limitations imposed on portions of the Property by any applicable Plat(s) or the Master Declaration. These rights may be exercised with respect to any portions of the Property prior to expiration of the Development Period. As each portion of the Property is developed or dedicated, Declarant may designate the use, classification such additional covenants, conditions and restrictions as Declarant may deem appropriate for the Property during the Development Period, subject only to the Master Declaration.

3.2. 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 Units or

any portion of the Property; (ii) to maintain, improvements upon Lots or a portion of the Property 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 the Declarant will not be considered a nuisance and the Declarant hereby reserves the right and privilege for itself to conduct the activities enumerated in this Section, until after the expiration or termination of the Development Period.

3.3 Transfer of Declarant 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, as exemptions, rights and duties under Declaration to any person or entity and may permit the participation, in whole, in part, exclusively, or non-exclusively, by any other Person in any of its privileges, exemptions, rights and duties hereunder. An assignment of the Declarant's rights shall become effective only after recording of the written instrument in the Real Property Records of Collin County, Texas.

3.4. Use of Common Areas. The Declarant in its designee may maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of Declarant, may be required, convenient, or incidental to the construction, promotion of, or sale of Lots, including, but not limited to, maintenance of business offices, signs, model units, and sales offices. The Declarant and its designees, together with the Members, shall have an easement for access to such facilities. The Board of Directors may establish fees for access and use of the Common Area. The Declarant and its employees, agents and designee shall also have a right and easement over and upon all of the Common Area for the purpose of making, constructing and installing such improvements to the Common Area as it deems appropriate in its sole discretion; provided such improvements are consistent with this Declaration.

3.5. Approval of Additional Covenants. No Person shall record any Governing Documents, including a declaration of covenants, conditions and restrictions, or similar instrument affecting any portion of the Property without Declarant's review and written consent. Any attempted record such an instrument without such consent shall result in that instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant.

3.6. Amendment. This Article may not be amended without the written consent of Declarant during the Development Period.

ARTICLE IV

PROPERTY RIGHTS

4.1 Common Area. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Common Area, subject to:

(a) The Master Declaration, including the provisions contained in Article IV of the Master Declaration, this Declaration, the Bylaws and any other applicable covenants;

(b) Any restrictions or limitations contained in any deed conveying such property to the Association;

(c) The right of the Board of Directors or Declarant to adopt, amend and repeal rules regulating the use and enjoyment of the Common Area;

(d) The right of the Association, acting through the Board of Directors, to dedicate or transfer all or any part of the Common Area, subject to such approval requirements as may be set forth in this Declaration;

(e) The right of the Declarant and/or Association to dedicate or transfer all or any part of the Common Area to any municipal corporation, public agency, governmental authority, or utility for such purposes and upon such conditions as may be agreed to by the Declarant or the Association's Board of Directors.

(f) The right of the Association, acting through the Board of Directors, to mortgage or pledge any or all real or personal property it owns as security for money borrowed or debts incurred.

4.2. Private Streets. A special portion of the Common Area includes the private streets which are identified by name on the Plat, which private streets will

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be dedicated to the Association at such time as the Declaration determines it is appropriate to do so. The Declarant and the Association will also have the right to, but absolutely no obligation to, prescribe regulations, rules and policies governing the use of the private streets which rules, regulations and policies may include speed limits governing the speed of motorized vehicles using the private streets, may prohibit parking and standing of vehicles or limit parking and standing of vehicles on private streets and may provide for the means for enforcing parking regulations, speed limits and use of the private streets by motorized vehicles and by Persons. Rules and policies may also be adopted by the Association governing traffic flow, which rules, regulations, and policies may provide for stop signs, require that certain traffic yield to other traffic and may dictate that certain areas are restricted to through traffic or are restricted regarding U-turns, left turns, or right turns to provide for the proper flow of vehicular traffic within the private streets within the Property. In addition, pedestrian or bike paths may be established and pedestrian or bike cross-areas may be established within the private streets. The proceeding is not intended to be an exclusive list regarding regulations, policies and rules which may be adopted by the Association governing the use of private streets and it is intended hereby that the Association be given broad authority to govern the use and operation of the private streets by persons or vehicles. The Association has absolutely no obligation to adopt an of the proceeding regulations or to enforce same if rules, regulations, or policies are adopted.

ALL PERSONS, INCLUDING ALL OWNERS, ARE HEREBY ADVISED THAT NO REPRESENTATIONS OR WARRANTIES, EITHER WRITTEN OR ORAL, HAVE BEEN OR ARE MADE BY THE DECLARANT, THE ASSOCIATION, OR BY ANY OTHER PERSON ACTING ON BEHALF OF ANY OF THE FOREGOING, ABOUT THE NATURE OR SIZE OF ANY PRIVATE STREETS, THE CONTINUING OWNERSHIP OR OPERATION OF THE PRIVATE STREETS, OR CONCERNING THE SAFE USE OR OCCUPATION OF AN PERSON OR VEHICLE OF THE PRIVATE STREETS.

4.4. Real and Personal Property for Common Use. The Association, through its Board of Directors, may acquire, hold, and dispose of tangible and intangible personal property and real property, subject to such restrictions as are set forth herein, in the Bylaws and in the Articles of Formation. The Declarant may convey to the Association improved or unimproved land located within the

Property, personal property, and leasehold or other property interests. Upon conveyance or dedication by the Declarant to the Association, such Common Area shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of its Members, subject to any restrictions set forth in the deed of conveyance.

4.5. No Partition. Except as permitted in this Declaration, there shall be no judicial partition of the Common Area. No Person shall seek any judicial partition unless the property at issue has been removed from this Declaration. This Section shall not prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring or disposing of real property which may or may not be subject to this Declaration.

4.6. Additional Property. The real property described in **"Exhibit D"** may be made subject to this Declaration and become part of the Association and the Master Association at a future date, at the sole discretion of the Board for the Master Association, pursuant to the requirements of Article II, Section 2.2 of the Master Declaration, and subject to the consent of the owner of that real property.

ARTICLE V
USE RESTRICTIONS

5.1. General. All the Property shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the Master Declaration, the Governing Documents, and the following additional limitations and restrictions:

(a) Authority to Promulgate Use Restrictions and Rules. Subject to the terms of this Article, such initial use restrictions may be adopted or modified in whole or in part, repealed or expanded as follows:

(1) Subject to its duty to exercise business judgment on behalf of the Association and its Members, the Board of Directors may adopt rules which create, modify, cancel, limit, create exceptions to, or expand the use restrictions.

Any rule adopted by the Board of Directors shall become effective unless disapproved at a meeting of Member representing at least 67% of the votes in the Association and by the Declarant during the Development Period. The Board of Directors shall have no obligation to call a meeting of the Members to consider

disapproval except upon petition of the Members as required for special meetings in the Bylaws.

(2) The Members, at a meeting duly called for such purposes as provided in the Bylaws, may adopt rules to modify, cancel, limit, create exceptions to, or expand use restrictions and rules previously adopted by a vote of at least 67% of the Members in the Association and approval of the Declarant during the Development Period.

(3) notwithstanding the above, no amendment to or modification of any use restrictions and rules shall be effective without prior notice to a written approval of the Declarant so long as the Declarant owns any Lot or portion of the Property.

(4) Nothing in this Article shall authorize the Board of Directors or the Members to modify, repeal or expand the Master Design Guidelines or Subdivision Design Guidelines and may not conflict with the Master Declaration or reduce the authority of the Master Association. Article X of this Declaration shall govern all matters of architectural control and aesthetics.

(5) Abridging Existing Rights. If any rule would otherwise require Owners or occupants of a Lot to dispose of personal property which they maintained in or prior to the effective date of such rule, and in compliance with all rules in force at that time, such rule shall not apply to any such Owners without their written consent unless the rule was in effect at the time such Owners or occupants acquired their interest in a Lot.

(b) Antenna and Satellite Dishes. No television, radio, or other electronic towers, aerials, antenna, satellite dishes or devices of any type for the reception or transmission of radio or television broadcasts or other means of communication shall be erected, constructed, placed or permitted to remain on any Lot or upon any improvements thereon, without the express written consent of the Master Architectural Review Committee, except that this prohibition shall not apply to those antenna specifically covered by the regulations promulgated under the Telecommunications Act of 1996, as amended from time to time. The Master Architectural Review Committee is empowered to adopt rules governing the types of antenna that are permissible into establish reasonable, non-discriminatory restrictions relating to safety, location, and maintenance of such antenna. To the extent that receipt of an acceptable signal would not be impaired, in antenna permissible pursuant to the rules of the Architectural Review Committee may only be installed in a location, not within public view, and integrated with the

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Improvements or structure, as well as surrounding landscape. Antenna shall be installed in compliance with all state and local laws and regulations.

(c) Vehicles and Parking. The term "vehicles", as used herein, shall refer to all motorized vehicles including, without limitation, automobiles, trucks, motor homes, boats, trailers, motorcycles, minibikes, scooters, go-carts, campers, buses, vans, golf carts, or other powered vehicles as that term is commonly understood. No vehicle may be parked or left upon or adjacent to any Unit or Commercial Tract, except in a garage or other area designated by the Board of Directors, and in driveways or parking lots designated on Plats or otherwise approved for such Lots. The Board of Directors shall have the authority to promulgate rules for parking on the Property. Any vehicles parked or left not in accordance with this Section shall be considered a nuisance. No motorized vehicles shall be permitted on pathways or unpaved Common Area except for public safety vehicles and vehicles authorized by the Board of Directors. Additional requirements for vehicle parking will also apply as referenced in the Subordinate Declarations for the Property covered thereby.

(d) Disposal of Trash. No trash, rubbish, garbage, manure, debris, or offensive material of any kind shall be kept or allowed to remain on any Lot, nor shall any Lot be used and maintained as a dumping ground for such materials. All such matter or materials shall be placed in sanitary refuse containers constructed of metal, plastic or masonry materials with tightfitting sanitary covers or lids and placed in an area adequately screened from public view by planting or fencing. All rubbish, trash, and garbage shall be regularly removed and not allowed to accumulate. Equipment used for the temporary storage and/or disposal of such material prior to the removal shall be kept in a clean and sanitary condition and shall comply with all current laws and regulations and those which may be promulgated in the future by any federal, state, county, municipal or other governmental body regarding environmental quality and waste disposal. In a manner consistent with good housekeeping, the Owner of each Lot shall remove such prohibited matter or materials from a Lot at regular intervals and at the Owner's expense.

(e) Weapons and Fireworks. The use of fireworks, firearms and other weapons within the Property is prohibited. Nothing contained in this Declaration shall be construed to require that the Association or Declarant to enforce this Section.

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(f) Temporary Buildings. Temporary buildings or structure shall not be permitted on any Lot; provided, however, Declarant may permit temporary toilet facilities, sales and construction offices, and storage areas to be used by builders or contractors in connection with the construction and development of the Property.

(g) Landscaping. The Owner of each Lot shall install or cause to be installed grass, shrubbery, and other landscaping in accordance Article X and the procedures for review and approval by the Master Architectural Review Committee and applicable Design Guidelines.

(h) Traffic Site Areas. Lots located at street intersections shall be landscaped in a manner which will permit safe site across the street corners. No fence, wall, hedge, shrub planning or other similar obstruction, shall be placed or permitted to remain where this would create a traffic or site problem.

(i) Private Utility Lines. All electrical, telephone, telecommunication, natural gas and other utility lines and facilities which are located on a Lot that are not owned by a government entity or a public utility company shall be installed underground unless otherwise approved in writing by the Master Architectural Review Committee.

(j) Signs. Except as set forth below, no signs, billboards, posters, or advertising devices of any kind shall be permitted on any Lot or Common Area without the prior written consent of the Master Architectural Review Committee, other than signage prescribed by the Master Declaration, the Design Guidelines, or other Governing Documents, if any, which do not require prior approval. The Declarant reserves the right and may construct and maintain, or allow Builders to construct and maintain, signs on Lots they own and on Common Area as is customary in connection with the sale of developed Lots. In addition, the Declarant and the Association shall have the right to erect and maintain identifying signs and monuments at entrances to portions of the Property in addition to any other remedies provided for herein, the Board of Directors or its duly authorized agent shall have the power to enter upon a Lot to remove any sign which violates of this Section, provided the violating Owner has been given forty-eight (48) hours' written notice by the Association, or such period of time otherwise required by law, of its intent to exercise self-help. All costs of self-help shall be collected as provided for herein for the collection of Assessments and shall be considered part of said Assessments.

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(k) Single Family Use. Lots shall be used solely for single-family residential purposes and may not be used for any other purpose. No professional, business, or commercial activity to which the general public are invited shall be conducted on any portion of a Lot, except an Owner may conduct business activities within a residence so long as: (1) such activity complies will all applicable zoning ordinances (if any); (ii) participation in the business activity is limited to the Owner(s) of the residence on the Lot; (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 within the Property, sound, or smell outside the residence; (iv) the business activity does not involved door-to-door solicitation of residents within the Property; (v) the business does not, in the Board of Director's judgement, generate a level of vehicular or pedestrian traffic or a number of vehicles parked within the Property which is noticeably greater than which is typical of residences in which no business activity is being conducted; (vi) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or hazardous or offensive use, or threaten the security or safety of other Owners and residents within the Property as may be determined by the sole discretion of the Board of Directors; and (vii) the business does not require the installation of any machinery other than that customary to normal household operations. Furthermore, the purpose of obtaining any business or commercial license, neither the residence nor the Lot will be considered open to the public. Leasing shall not be considered a business within the meaning of this subsection, however, any leasing activity must otherwise comply with the requirements set forth in the Master Declaration or elsewhere in this Declaration or the Governing Documents.

Declarant and builders may construct and maintain upon their Lots, such facilities and conduct such activities which in the Declarant's sole opinion, may be reasonably required, convenient, or incidental to the construction or sale of single family residences constructed upon the Lots, including, but not limited to, business offices, signs, model homes, and sales offices.

(l) Prohibited Activities. No noxious or offensive activity of any kind which may constitute or become an annoyance or nuisance shall be permitted.

(m) Conflicts. The Common Areas and Lots will be governed by this Declaration, except to the extent that there is a conflict between the Declaration and Master Declaration, in which case the Master Declaration shall control and supersede this Declaration.

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(n) Owners' Acknowledgment. **ALL OWNERS AND OCCUPANTS OF A LOT ARE GIVEN NOTICE THAT USE OF THEIR LOTS ARE LIMITED BY THE USE RESTRICTIONS AND RULES AS THEY MAY BE CREATED, AMENDED, AND EXPANDED AND OTHERWISE MODIFIED HEREUNDER AND BY THE MASTER ARCHITECTURAL REVIEW COMMITTEE. EACH OWNER, BY ACCEPTANCE OF A DEED OR ENTERING A RECORDED CONTRACT OF SALE, ACKNOWLEDGES, AND AGREES THAT THE USE AND ENJOYMENT IN THE MARKETABILITY OF ITS LOT MAY BE AFFECTED BY THIS PROVISION AND THAT THE USE RESTRICTIONS AND RULES MAY CHANGE FROM TIME TO TIME.**

ARTICLE VI

MAINTENANCE

6.1. Maintenance of Improvements. Subject to the provisions of this Article, each Owner shall maintain the exterior of all buildings, fences, walls, and other improvements on their Lot in good condition and repair, to replace worn and rotten parts, shall regularly repaint all painted surfaces shall not permit the roofs, rain gutters, downspouts, exterior walls, windows, doors, walks, driveways, parking areas or other exterior portions of the improvements on their Unit to deteriorate. Upon failure of the Owner of any Lot to maintain the exterior of all buildings, fences, walls and other improvements on their Lot, the Association may, at its option, perform such maintenance as often as necessary in their judgment, any Owner of such Lot shall be obligated, when presented with an itemized statement, to reimburse the Association for the costs of such maintenance work. To the extent the Association performs such maintenance, this provision shall be construed to create a lien in favor of the Association against such Lot and shall be considered part of the Assessment obligation thereof for the cost of such work or the reimbursement sought for such work performed on such Lot.

6.2. Party Wall/Fences. A fence or wall located on or near the dividing property line between two (2) Lots and intended to benefit both Lots constitutes a "Party Wall" and, to the extent not inconsistent with the provisions of this Section 6.2, is subject to the general rules of law regarding party walls and liability for property damage due to negligence, willful acts, or omissions.

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(a) Encroachments & Easements. If the Party Wall is on one Lot due to an error in construction or placement, the party Wall is nevertheless deemed to be on the dividing line for purposes of this Section 6.2. Each Lot sharing Party Wall is subject to an easement for the existence and continuance of any encroachment by the Party Wall because 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 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. Each Owner has a right of contribution for costs of repair, reconstruction or replacement against the other Owner sharing the Party Wall and this right of contribution shall be appurtenant to the Lots sharing the Party Wall and shall pass to such Owner's successors-in-title.

(d) Arbitration. In the event of any dispute, disagreement or controversy between Owners pertaining to a Party Wall, resolution of such shall be governed by and resolved in accordance with the Arbitration provisions contained in Section 10.9(F) of the Master Declaration.

6.3. Destruction. In the event of any fire or other casualty, the Owner will promptly repair, restore, and replace any damaged or destroyed structures or Improvements to their same exterior condition existing prior to the damage or destruction thereof. Such repair, restoration or replacement will be commenced and completed in a good and workmanlike manner using exterior materials identical to those originally used in the structures damaged or destroyed. To the extent the Owner fails to commence such repair, restoration or replacement of substantial or total damage or destruction within thirty (30) days after the occurrence of such damage or destruction, and there after follow same through to completion, or if the Owner does not clean up any debris resulting from any damage within thirty (30)

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days after the occurrence of such damage, the Association may, but is not required to, commence, complete or affect such repair, restoration, or replacement or clean-up, and such Owner will be personally liable to the Association for the cost of such work. If the Owner fails to pay such cost upon demand by the Association, the cost thereof (plus interest from the date of demand until paid at the rate of one and one-half percent (1 ½%) per month will be assessed against and chargeable to the Owner's Lot, or at the maximum lawful interest rate allowed by law. Any such amounts assessed and chargeable against a portion of the Property will be secured by the lien reserved in this Declaration for Assessments and may be collected by any means provided in this Declaration for the collection of Assessments, including, but not limited to foreclosure of such lien against such Lot.

6.4. Standard of Performance. Maintenance, as such term is used in this Article, shall include, without limitation, repair and replacement as needed, as well as such other duties which may include irrigation, as the Board of Directors may determine necessary or appropriate to satisfy the Community-Wide Standard. All maintenance and irrigation shall be performed in a manner consistent with the Community-Wide Standard and all applicable covenants and restrictions.

6.5. Common Area Maintenance. Except as may be otherwise provided by this Declaration, the Association shall manage, maintain, and keep in good repair the Common Area.

ARTICLE VII

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

7.1. Function of the Association. The Association will be a non-profit corporation. The Association shall be the primary entity responsible for enforcement of this Declaration and such rules regulating use of the Property as the Board of Directors or the membership may adopt pursuant to Declaration. The Association shall perform its functions in accordance with this Declaration, the Bylaws, the Articles of Formation, other Governing Documents, and Texas law.

7.2. Membership: Every Owner shall be a Member of the Association. There shall be only one (1) membership per Lot. If a Lot is owned by more than one Person, all co-Owners shall share the privileges of such membership, subject to the Board of Directors regulation and the restrictions on voting set forth in Section 7.5 and in the Bylaws, and all co-Owners shall be jointly and severally

obligated to perform the responsibilities of Owners. The membership rights and privileges may be exercised by the Owner, if a natural person, or, in the case of an Owner which is a corporation, partnership, or other legal entity, by any officer, director, partner, or trustee, or by any other individual designated by the Owner from time to time in a written instrument provided to the Secretary of the Association.

7.3. Board of Directors.

(a) The Owners of the Lots shall elect the Board of Directors subject to provisions of Section 7.3(b) hereof, and the Board of Directors shall, by Majority rule, conduct all the business of the Association.

(b) Notwithstanding anything contained in Section 7.4(a) or elsewhere in this Declaration to the contrary, until one hundred and twenty (120) days after the 10th anniversary of the date this Declaration is recorded in the Real Property Records of Collin County, Texas, the Declarant will have the sole right to appoint and remove all members of the Board of Directors. Within one hundred and twenty (120) days after the 10th anniversary of the date this Declaration is recorded in the Real Property Records of Collin County, Texas, or sooner as determined by the Declarant, the Board of Directors will call a meeting of the Members of the Association for the purposes 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 of Directors after the Initial Member Election Meeting until expiration or termination of the Development Period.

7.4. Bylaws. The Association may make whatever rules and Bylaws it deems desirable to govern the Association and Members; provided, however, any conflict between the Bylaws or rules and the provisions of this Declaration shall be controlled by the provisions of this Declaration, as amended or supplemented.

7.5. Voting. The right to cast votes and the number of votes which may be cast for election of members to the Board of Directors (except as provided for in by Section 7.3) and on all other matters to be voted on by the Members will be calculated as set forth below.

(a) The Owner of each Lot will have one (1) vote for each Lot so owned.

(b) In addition to the votes to which Declarant is entitled by reason of Section 7.05(a), 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 Period.

(c) When more than one Person owns a portion of the fee simple interest in any Lot, all such Person will be Members. The vote or votes (or fraction thereof) for each 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 7.5.

(d) Written notice of the purpose, time, and place of any meeting of the Members of the Association shall be given to all Members entitled to vote at such meeting, not less than ten (10) days nor more than sixty (60) days in advance of such meeting. At any meeting of the Members of the Association, the presence of Members and/or their proxies entitled cast at least ten percent (10%) of all the votes entitled to be cast at such meeting shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the previously mentioned notice requirement, but the required quorum for such subsequent meeting shall be one-half (1/2) of the quorum required at the proceeding meeting; provided, however such subsequent meeting must be held within sixty (60) days following the proceeding meeting.

7.6. Association Powers. The Association will have the powers of a Texas non-profit corporation. It will further have the power to do and perform 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 Declaration, its Certificate of Formation and Texas law, specifically including but not limited to powers and duties vested in non-profit corporations pursuant to the Texas Business Corporations Act. Without limiting the general powers described in the proceeding sentences, the Board of Directors, acting on behalf of the Association, will have the following powers at all time:

(a) Rules and Bylaws. To make, establish and promulgate, and in its discretion to amend from time to time, or repeal and re-enact, such rules, regulations, Bylaws, and policies not in conflict with this Declaration, the Governing Documents, and the Master Declaration, and as the Board of

Directors deems proper, covering all aspects of the Property (including the operation, maintenance, and preservation thereof) or the Association. Any rules, regulations or policies, or amendment to any existing rules, regulations, policies, or the Bylaws proposed by the Board of Directors must be approved in writing by the Declarant until expiration of the Development Period.

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

(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 Declaration and Governing Documents, 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 VIII herein.

(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 an Owner or resident, upon any Lot and into any Improvement thereon for the purpose of enforcing the Declaration, Governing Documents, or for the purpose of maintaining or repairing any area, Improvement, or other facility to conform to the Declaration or Governing Documents. The expense incurred by the Association in connection with the entry upon any Lot or into an Improvement thereon, as well as the maintenance and repair work conducted thereon or therein, will be a personal obligation of the Owner of the Lot so entered, and will be deemed to be an Individual Special Assessment against such Lot, and will be secured by the lien upon such Lot and will be enforced in the same manner and to the same extent as provided in Section 8.7 of this Declaration. The Association will have the power and authority, to commence and maintain actions and suites to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Declaration or Governing Documents, provided however, that the Board of Directors will never be authorized to expend Association funds for the purpose of brining suit against the Declarant or its successors or

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assigns. **EACH OWNER AND RESIDENT IN THE PROPERTY 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 7.6(e) (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH) BUT 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 NEGLIGENCES SHORT OF ACTUAL GROSS NEGLGIENCE.**

(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 constructing, erecting, operating or maintain the following:

(i) Parks, parkways or other recreational facilities, Improvements 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 paths;

(iv) Sewers, water systems, storm water drainage systems, sprinkler systems 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 other affiliate of the Declarant, to

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manage and operate the Association, including its property, day-to-day administrative duties, to the extent deemed advisable by the Board of Directors. To the extent permitted by Texas law, the Board of Directors may delegate any other duties, powers, and functions to the Manager. In addition, the Board of Directors may adopt transfer fees, resale certificate fees or any other fees associated with the provision of the management services to the Association or its Members. THE MEMBERS HEREBY RELEASE THE ASSOCIATION AND THE MEMBERS OF THE BOARD OF DIRECTORS AND COMMITTEE MEMBERS FROM LIABLITY FOR ANY OMISSIONS OR IMPROPER EXERCISE BY THE MANAGER OF ANY SUCH DUTY, POWER OR FUNCATION SO DELEGATED.

(I) Property Services. To pay for water, sewer, garbage removal, street lights, street repair, landscaping, and other utilities, services, repair, and maintenance for any portion of the Property, Common Area, including the private streets, recreational facilities, easements, right-of-way, signs, parks, parkways, median strips, sidewalks, paths, trails, ponds, and lakes.

(j) Contracts and Other Services. To enter into contracts or licenses with the Declarant or a third party on such terms as the Board of Directors will determine, to operate and maintain any Common Area or other part of the Property, or to provided and pay for any other services and property, and to pay any other taxes or assessments that the Association, or the Board of Directors is required or permitted to secure or to pay for pursuant to Texas law or under the terms of this Declaration or as determined by the Board of Directors.

(k) Construction on Common Area. To construct new Improvements or additions to any property owned, leased, or licensed to the Association, subject to the approval of the Board of Directors and the Declarant until expiration of the Development Period.

(l) Property Ownership. To acquire, own and dispose of all manner of real and personal property, whether by grant, lease, easement, gift, or otherwise. During the Development Period, all acquisitions and dispositions of the Association hereunder must be approved in advance and in writing by the Declarant.

(m) Borrowing. To borrow funds secured by such assets of the Association as deemed appropriate by the lender and the Board of Directors.

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(o) Enforcement and Fines. To enforce the provisions of this Declaration and Governing Documents and to enjoin and seek damages from any Owner or Resident for violation of any such provisions. The Board of Directors is specifically authorized and empowered to establish (and to revise and amend from time to time) a monetary fining system or policy which may include incremental steps such as notice of violation letters or warnings, due process hearings, appeals and a flat rate or discretionary range of fines or escalating fines for repeat offenders, which when pronounced, shall be considered to be a Special Individual Assessment as set forth in Section 8.7 of this Declaration, secured by a lien against the Lot and a personal obligation of the Owner of the Lot.

7.7. Board Authority. The Board of Directors shall have the right and obligation to perform the function of the Board of Directors on behalf of the Association without a vote of the membership unless otherwise provided for in the Governing Documents.

7.8. Protection of Declarant's Interests. Despite any assumptions of control of the Board of Directors by Owners other than Declarant, until expiration of the Development Period, the Board of Directors 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 of Directors will be required to continue the same level and quality of maintenance, operations, and services as provided immediately prior to assumption of control of the Board of Directors other than Declarant, until the expiration or termination of the Development Period.

ARTICLE VIII

ASSESSMENTS

8.1. Creation of Assessments. In addition to assessments levied by the Master Association, the following shall provisions shall apply and govern levy and collection of Assessments (as defined in this Article VIII):

(a) Authorized by Board of Directors. The Association Board of Directors shall establish Regular Assessments, Special Assessments and Individual Special Assessments as defined in and pursuant to this Article (hereinafter singularly or collectively "Assessments"). Said Assessments shall be levied against each Lot in

amounts determined pursuant to this Article. The total amount of Assessments will be determined by the Board of Directors pursuant to Section 8.2, 8.6 and 8.7.

(b) Owner's Personal Obligation and Lien. Assessments, together with interest, costs of collection, fines, late fees, and reasonable attorneys' fees shall be a personal obligation of the Owner of the Lot against which the Assessment is levied and, if unpaid, shall constitute a continuing lien upon the Lot against which such unpaid Assessment and the listed other charges are made. The personal obligation for delinquent Assessment and listed charges shall not pass to such Owner's successor in title unless expressly assumed by them, however, the lien for such Assessments and listed charges shall continue as a lien against the Lot and may be enforced against the Lot.

(c) Optional Subsidies by Declarant. The Declarant may, but is not required to, reduce Assessments which would otherwise be levied against the Lots for any fiscal year by payment of a subsidy to the Association. Any subsidy paid to the Association by the Declarant may be treated as a loan or a contribution, as determined at the sole discretion of the Declarant. Payment of a subsidy by the Declarant in any given year shall not obligate the Declarant to continue payment of a subsidy to the Association in future years.

8.2. Regular Assessments.

(a) Prior to the beginning of each fiscal year, the Board of Directors will estimate the expenses to be incurred by the Association during such year in performing its functions and exercising its powers under the Declaration, including, but not limited to, the cost of all management, repair and maintenance, the cost of providing for street maintenance, street and other lighting, the administrative expenses required for enforcing the Declaration and amount needed for contingencies, replacement reserves. The Board of Directors will give due consideration to the forecast or expected income and any surplus funds remaining from the prior year funding. Assessments sufficient to pay for the estimated expenses will then be levied at a rate or level of Assessments that the Board of Directors, in its sole discretion, shall determine is necessary ("Annual Assessment"). The Board of Director's determination of the Annual Assessment will be final and binding so long as it is made in good faith. If the sums collected for the Annual Assessment prove to be inadequate for any reason, including nonpayment of the Regular Assessment, the Association's Board of Directors may

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at any time, and from time to time, levy a further Regular Assessment in the same manner prescribed herein to make up the shortfalls.

(b) No Owner may exempt itself from liability for assessments by non-use of Common Areas, abandonment of their Lot or any other means. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of Regular Assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board of Directors to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes. The Association is specifically authorized to enter subsidy contracts or contracts for "in-kind" contribution of services, materials, or a combination of services and materials with the Declarant or other entities for payment of Assessments.

8.3. Purpose/Common Expense. The Association shall use the proceeds of the Regular Assessments for the use and benefit of the Association. Such uses and benefits shall be considered the common expenses of the Association (the "Common Expense"), and may include, by way of example and not limitation, any of the following:

(a) Hiring a Manager for the purpose of carrying out duties of the Board of Directors;

(b) maintaining the Common Area, including operating, managing, repairing, replacing, or improving any Common Area, parkways, entryways, irrigation systems and other landscaping, lighting, sprinkler systems, walls, fences, monuments, signs, perimeter access gates, and streets and other features located in the Common Area of the Property;

(c) Paying legal charges and expenses incurred in connection with the enforcement of this Declaration and Governing Documents affecting the Property;

(d) Paying reasonable and necessary expenses in connection with the collection and administration of the Assessments for the Association;

(e) Paying insurance premiums for liability and fidelity coverage for Declarant, the Board of Directors and/or the Association and/or their officers and directors, pulling policeman and watchmen, caring for vacant Lots and doing any other things which are necessary or desirable in the opinion of the Board of Directors, to keep the Lots neat, secure and in good order, or which are considered

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of general benefit to the Owners or occupants of the Property, it being understood that the judgment of the Board of Directors, in the expenditure of said funds shall be final and conclusive so long as such judgment is exercising good faith;

(f) Creating a capital reserve fund for the long-term repair and replacement of, capital items within the Common Area (such as, but not limited to monuments, parkways, private streets, irrigation systems and landscaping); and

(g) Re-payment of money borrowed by and for the Association for the foregoing purposes.

8.4. Reserve Budget and Capital Contribution. The Board of Directors may annually prepare a reserve budget which takes into account the number and nature of replaceable assets within the Common Area, the expected life of each asset, and the expected repair or replacement cost. The Board of Directors may set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the reserve budget, with respect to both the amount and timing by Regular Assessments over the budget Period.

8.5. Annual Budget. The Board of Directors will prepare and approve and estimated annual budget for each fiscal year. The budget will consider the estimated income and Common Expense for the year, contributions to a reserve fund, and a projection for uncollected receivables. The Board of Directors will make the budget or its summary available for an Owner of each Lot, although failed to receive a budget or summary does not affect and at Owner's liability for Assessments. The Board of Directors will provide copies of the detailed budget to Owners who make written request and pay reasonable copy charge.

8.6. Special Assessments

(a) In addition to the Regular Assessment authorized above, the Association's Board of Directors may levy in any calendar year, a Special Assessment, applicable to that year only, for the purpose of defraying in whole or in part, the cost of any indemnification set forth in this Declaration, the Certificate of Formation or Bylaws for the Association, and any construction, reconstruction, repair or replacement of a capital improvement on or to the Common Area of the Association in the same or immediately subsequent calendar year.

(b) Any Special Assessment levied by the Board of Directors in accordance with 9.6(a) must also have the approval of Members voting in person or by proxy

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at a meeting duly called for this purpose not less than ten (10) days nor more than fifty (50) days in advance of such meeting.

8.7. Individual Special Assessments. In addition to Regular and Special Assessments, the Board of Directors may levy an Individual Special Assessment against a Lot and its Owner. Individual Special Assessments may include, but are not limited to: reimbursement for costs and fines incurred in bringing an Owner or his/her Lot into compliance with the Declaration or other Governing Documents; for reimbursement for damage or waste caused by willful or negligent acts of an Owner or his/her guests, invitees or tenants; or for expense incurred by the Association for services requested by fewer to all of the Lots and which may be assessed equitably according to the benefit received on a per-Lot basis.

8.8. Effect of Nonpayment of Assessments. Any Regular Assessment, Special Assessment, or Individual Special Assessments which are not paid in full by the date specified by the Board of Directors shall be delinquent. Any such delinquent Assessment shall commence to bear interest on the due date at the lesser of eighteen percent (18%) per annum or such other interest rate as the Board of Directors may from time to time determine or the maximum lawful rate of interest and shall also be subject to an administrative late fee if levied by the Board of Directors. If the Assessment is not paid when due, the lien herein retained and created against the affected Lot shall secure the Assessment due, interest thereon from the date due and payable, any late fees, all costs of collection, fines, costs of enforcement of this Declaration, or other recorded covenants and/or rules, costs of court, reasonable attorneys' fees actually incurred, and any other amount provided or permitted by law. In the event the Assessment remains unpaid after ninety (90) days, the Association may, as the Board of Directors shall determine, initiate suit for collection against the Owner personally obligated to pay the Assessment or foreclose the lien created and reserved hereby against the Lot covered by and subject to the delinquent Assessment.

The Association's lien is created by recordation of this Declaration in the Official Records, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien shall be or is required. By acquiring a Lot, in Owner grants to the Association a power of a sale in connection with the Association's lien. By written resolution, the Board of Directors may appoint, from time to time, an officer, agent, trustee, or attorney of the Association to exercise the power of sale on behalf of the Association. The Association shall exercise its power of sale pursuant to Section 51.002 of the Texas Property Code, and any

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applicable revision(s), amendment(s), are recodifications thereof in effect at the time of the exercise of such power of sale. The Association has a right to foreclose its lien judicially or by non-judicial foreclosure pursuant to the power of sale created hereby. Cost of foreclosure may be added to the amount owed by the Owner to the Association. The Association may bid for and purchase the Lot at the foreclosure sale utilizing funds of the Association. The Association may own, lease, encumber, exchange, sell, or convey a Lot. The purchaser at any foreclosure sale shall be entitled to sue for recovery of possession of the Lot, by an action of forcible detainer without the necessity of giving any notice to the former Owner or the Owners of the Lot sold at foreclosure. Nothing herein shall prohibit the Association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien. At any time before a non-judicial foreclosure sale, an Owner of a Lot may avoid foreclosure by paying all amounts due to the Association.

No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, by non-use of the Common Areas or abandonment of the Lot owned by such Owner. No diminution or abatement of Assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or the Board of Directors to take some action or perform some function required to be taken or performed by the Association or Board of Directors under this Declaration or the Bylaws, 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 to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of Declarant in each other Owner.

All payments shall be applied first to costs and attorneys' fees, then to interest, then to late fees and then to delinquent Assessments to the fullest extent permitted by applicable law.

8.9. Subordinated Lien to Secure Payment. The lien on any particular Lot created because of the non-payment of any Assessment provided for herein shall only be subordinate to the liens of any valid first lien mortgage and deed of trust secured by such Lot. Sale or transfer of any Lot shall not impair the enforceability or priority of the Assessment lien against such Lot.

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8.10. Duration. Assessment created for herein will remain effective for the full term (and extended term, if applicable) of the Declaration.

8.11. Declarant Not Liable for Association Deficits. Notwithstanding anything contained in this Declaration to the contrary, Declarant shall not be liable for any liabilities, obligations, damages, causes, causes of action, claims, debts, suits, or other matters incurred by or on behalf of the Association or Owners or for any deficits or shortfalls incurred or realized by or on behalf of the Association or Owners in connection with the Property or this Declaration. Declarant's sole liability and obligation hereunder shall be limited to the Assessments assessed against any Lots owned by the Declarant.

8.12. Exempt Property. The following property shall be exempt from payment of Assessments:

(a) All Common Area in such portions of the Property;

(b) Any Lots or portion of the Property owned by the Declarant; and

(c) Property dedicated to and accepted by any governmental authority or public utility.

8.13. Capitalization of the Association. Upon initial acquisition of record title to a Lot by a Person other than the Declarant, and for any subsequent resale of the Lot where record title and ownership changes, the Association shall require a contribution be made by or on behalf of such Owner to the working capital of the Association in an amount to be one-sixth ($1/6^{th}$) of the Annual Assessment for the Lot for that year, as determined by the Board of Directors. This amount shall be in addition to, not in lieu of, the Regular Assessment levied on the Lot and shall not be considered an advanced payment of any portion thereof. This amount shall be to cover Common Expenses incurred by the Association pursuant to the terms of this Declaration and the Bylaws.

8.14. Late Charges. If any Assessment is not paid by the due date applicable thereto, the Owner responsible for payment of the Assessment, may be required by the Board of Directors, at the Board of Directors' election at any time and from time to time, to pay a late charge in such amount as the Board of Directors may designate, and the late charge (and any reasonable handling costs) will be levied as an Individual Special Assessment against the Lot owned by such Owner, collectible in the manner provided for collection of Assessments in this Article, and said fines and late charges shall be part of the lien created herein and

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subject to foreclosure of the lien against such Lot; provided, however, such charge will never exceed the maximum charge permitted under Texas or other applicable law.

ARTICLE IX

ARCHITECTURAL REVIEW

9.1 Construction Improvements. As set forth in Article VIII of the Master Declaration, no Improvements shall be placed, erected, modified or installed upon any Lot or portion of the Property subject to this Declaration, and no Lot may be re-subdivided or consolidated with other Lots, without prior written approval of the Master Architectural Review Committee (the "MARC") and/or in compliance with the Master Declaration.

9.2. Approval Process.

(a) Submission of Plans and Specifications. Construction plans and specifications for a Lot shall be submitted in accordance with the requirements of Article VIII of the Master Declaration and the Design Guidelines, if any, or any additional rules adopted by the MARC together with any review fee which is imposed by the MARC of the Master Declaration. No improvements shall be made, nor any improvements placed or allowed on any Lot, until the plans and specifications such Owner intends to construct and all proposed structures or Improvements thereon have submitted and approved in writing by the MARC or the MC. The MARC and MC may, in reviewing such plans and specifications consider any information that it deems proper; including, without limitation, any permits, environmental impact statements or percolation test that may be required by the MARC or any other entity; and harmony of external design and location in relation to surrounding structures, topography, vegetation, finished grade elevation, and the Community-Wide Standard. The MARC or MC may postpone its review of any plans and specifications submitted for approval pending receipt of any information or material which that Reviewing Body (as that term is defined in the Master Declaration), in its sole discretion, may require.

(b) Design Guidelines. The Design Guidelines include the Master Design Guidelines, Modification Design Guidelines and Subdivision Design Guidelines promulgated and published by the MARC in accordance with Section 8.5 of the Master Declaration (collectively "Design Guidelines"). The Property and Lots therein are subject to these Guidelines. The initial Subdivision Design Guidelines

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governing the Property are attached to this Declaration as Exhibit "C". In the event of any conflict between the terms and provisions of the Design Guidelines and the terms and provisions of this Declaration, the terms and provisions of this Declaration will control. In addition, the MARC will have the power and authority to impose a fee for the review of plans, specifications and other documents and information submitted to it pursuant to the terms of Article VIII of the Master Declaration. Such charges will be held by the MARC and used to defray the administrative expenses incurred by the MARC or MC in performing the duties hereunder. The MARC will have the authority to adopt such additional procedural and substantive rules and guidelines (including, without limitation, the imposition of any requirements for certificates of compliance or completion relating to any improvements and the right to approve in advance any contractor selected for the construction of any improvements on any Lot), not in conflict with the Master Declaration or this Declaration, as it may deem necessary or appropriate in connection with the performance of its duties hereunder.

9.3. No Liability. NEITHER DECLARANT, THE BOARD OF DIRECTORS OF THE MASTER ASSOCIATION OR THIS ASSOCIATION, THE MASTER ARCHITECTURAL REVIEW COMMITTEE, MODIFICATION COMMITTEE, SUB-COMMITTTE, NOR ANY MEMBER WILL BE LIABLE TO ANY OWNER OR TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE DUTIES UNDER ARTICLE VIII OF THE MASTER DECLARATION, THIS ARTICLE IX OF THE DECLARATION, OR OTHERWISE CONTAINED IN THIS DECLARATION.

ARTICLE X

EASEMENTS

10.1. Easement for Utilities. There is hereby reserved to the Declarant during the Development Period, the Association, and the designee of each (which may include, without limitation, any governmental or quasi-governmental entity and any utility company):

(a) a non-exclusive easement upon, across, over, and under all of the Property (but not through a structure), for ingress, egress, installation, monitoring, replacing, repairing, and maintaining cable television systems, master television antenna systems or other devices for sending and receiving data and/or other

electronic signal; security and similar systems; walkways; drainage system; street lights; signage; and all utilities, including, but not limited to, water, sewer, telephone, gas, and electric lines and meters; for the purpose of altering drainage and water flow across the Property; otherwise as may be necessary, in the sole discretion of the Declarant or the Association for the performance of the Association's maintenance responsibilities under this Declaration; and

(b) The non-exclusive right and power to grant such specific easement as may be necessary, in the sole discretion of the Declarant, in connection with the orderly development of any property described on Exhibit "A"

The Owner of any property be burdened by any easement granted pursuant this Section shall be given written notice in advance of the grant. The location of any easement granted pursuant to this shall be subject to the written approval of the Owner of the property burdened by that easement, which approval shall not be unreasonably withheld, delayed or conditioned. Upon the grant of any easement pursuant to this Section, the grantee shall (a) cause all work associated with that easement to be performed with the least possible interference to the use and enjoyment of the property burdened by that easement; and (b) upon completion of all work associated with that easement, cause the property burdened by that easement to be restored, to the extent reasonably possible, to its condition prior to the commencement of the work.

Notwithstanding anything to the contrary contained in this Section, no aboveground sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Property except (a) as may be approved by the Declarant during the Development Period, or by the Board of Directors at the expiration of such rights, and then only as to such additional properties; or (b) as may be constructed as part of the original development and/or sale by the Declarant; or (c) as may be permitted by the terms of any easement affecting the Property and recorded prior to the recording of this Declaration.

The easements provided for in this shall in no way adversely affect any other recorded easement on the Property, nor shall they be exercised in any manner which materially restricts or interferes with the use and development of the Unit or burdened Land.

10.2. Easements for Storm Water Drainage and Retention. Each portion of the Property is hereby subjected to a non-exclusive easement appurtenant to and for the benefit of each other portion of the Property for the purpose of storm water

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drainage and runoff in accordance with any master drainage plan established by the Declarant and approved by the applicable government entity, for the Property, which easement shall include, but shall not be limited to, the right to tie into existing storm water drainage facilities and to divert storm water runoff from each Unit into the storm water drainage facilities at such points and in such manner as approved by the applicable governmental entity, and for the flow of storm water runoff over the Property to such points and from such points through the storm water drainage facilities into wetlands, ponds, or other retention facilities within or outside the Property. The foregoing easement shall be subject to all restrictions regarding quantity, rate, and quality of the discharge which the Declarant may hear after imposed or which may be imposed on the Property, the Declarant or any Owner by any governmental entity having jurisdiction.

10.3. Easement for Lake and Pond Maintenance and Flood Water. Declarant reserves for itself, the Association and their successors, signs and designees, the non-exclusive right and easement, but not the obligation, to enter upon the lakes, ponds and streams located within the Common Areas (a) to install, keep, maintain and replace pumps thereon in order to provide water for the irrigation of any of the Common Areas; (b) to construct, maintain and repair any wall, dam, or other structure retaining water therein; and (c) to remove trash and other debris and fulfill their maintenance responsibility is as provided in this Declaration. The Declarant, the Association and their successors, signs and designee shall have a nonexclusive easement over and across any of the Property abutting or containing any portion of any of the lakes, ponds, or streams to the extent reasonably necessary to exercise their rights under this Section.

There is further reserved herein in hereby, for the benefit of the Declarant, the Association and their successors, signs and designees, a perpetual, non-exclusive right and easement of access and encroachment over Common Areas and Units (but not the structures thereon) adjacent to within 25 feet of lakes, ponds, streams and wetlands within the Property, in order: (a) to temporarily flood and backwater upon and maintain water over such portions of the Property; (b) to fill, drain, dredge, deepen, clean, fertilize, die and generally maintain the lakes, ponds and streams within the Common Areas; (c) to maintain and landscape the slopes and banks pertaining to such lakes, ponds, streams and wetlands; and (d) to enter upon and across such portions of the Property for the purpose of exercising its or their rights under this Section. Nothing herein shall be construed to make

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Declarant, the Association, or any other Person liable for damage resulting letting due to heavy rainfall or other natural occurrences.

10.4. Easements to Serve Additional Property. Declarant hereby reserves for itself and its duly authorized agents, representatives, successors, successors-in-title, assigns, licensees and mortgagee's, a perpetual, non-exclusive easement over the Common Area for the purposes of enjoyment, use, access, and development of the property described in Exhibit "B" whether or not such property is made subject to this Declaration. This easement includes but is not limited to a right of ingress and egress over the Common Area for the construction of roads and for tying in installation of utilities on such property, and for access to the unrestricted use and enjoyment of the Private Amenities. Declarant agree that it, it successors or assigns, shall be responsible for any damage caused to the Common Area because of vehicle or traffic connected with the development of such property. Declarant further agrees that if the easement is exercised for permanent access to such property in such property or any portion benefiting from such easement is not made subject to this Declaration, the Declaration, it successors, or assigns shall enter into a reasonable agreement with the Association to share the cost of maintenance of any private roadway owned by the Association which serve such property.

10.5. Easements over Common Areas. In addition to the easement specifically described herein, Declarant does hereby reserve to itself, its successors and assigns, a perpetual non-exclusive easement over all the Common Area for ingress, egress, access, use and enjoyment and for such other purposes as Declarant, in its sole discretion determines appropriate, together with the right to grant additional easements to such Persons and for such purposes as Declarant deems appropriate.

ARTICLE XI

INSURANCE

11.1. Association Insurance.

(a) Required Coverages. The Association, acting through its Board of Directors, or duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:

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(i) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable overage by whatever name denominated) for all insurable improvements on the Common Area, if any, and on other portions of the Area of Common Responsibility to the extent that it has assumed responsibility for maintenance, repair and/or replacement in the event of a casualty. The Association shall have the authority to and interest in insuring any property for which it has maintenance or repair responsibility, regardless of ownership. Such property shall include by way of example only, any insurable improvements on or related to ponds, rights-of-way, medians, easements, and walkways which the Association is obligated to maintain. If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement cost of the insured improvements:

(ii) Commercial general liability insurance on the Area of Common Responsibility, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, the commercial general liability coverage (including primary and any umbrella coverage) shall have a limits customary in the Dallas area for similarly situated associations, and with additional incremental coverage as the Board of Directors may deem necessary; provided, that should additional and higher limits be available at reasonable cost which a reasonable prudent person would obtain, the Association shall obtain such additional coverage or limits;

(iii) Workers compensation insurance and employers liability insurance;

(iv) Directors and officers liability coverage;

(v) Fidelity insurance covering all Persons responsible for handling Association funds in an amount determined by the Board of Directors, in the exercise of its business judgment. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation; and

(vi) Such additional insurance as the Board of Directors, in its best business judgement, determines advisable, which may include without limitation, flood insurance, boiler and machinery insurance, and building ordinance (rebuilding in accordance with updated codes or ordinances) coverage.

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(b) Policy Requirements.

All insurance coverage obtained by the Board of Directors shall:

(i) be written with a company whose primary business is providing insurance coverage and which is authorized to conduct such business in the State of Texas, and which satisfies such minimum financial strength and size requirements as the Board of Directors, in the exercise of tis business judgement, deems appropriate;

(ii) be written in the name of the Association as trustee for the benefitted parties. Policies on the Common Area shall be for the benefit of the Association and its Members. Policies secured on behalf of ta Sub-Association shall be for the benefit of the Owners of Units within the Sub-Association and their mortgagees, as their interests may appear;

(iii) not be brought into contribution with insurance purchased by individual Owners, occupants, or their mortgagee; and

(iv) include an agreed amount endorsement, if the policy contains co-insurance clause.

In addition, the Board shall use reasonable efforts to secure insurance policies which list the Owners as additional insureds and provide:

(i) A waiver of subrogation as to any claims against the Association's Board of Directors, officers, employees, and its manager, the Owners and their tenants, employees, agents, and invitees:

(ii) a waiver of the insurer's rights to repair and reconstruct instead of paying cash;

(iii) an endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer because any one or more Owners, or because any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure;

(iv) an endorsement excluding Owner's individual policies from consideration under any "other insurance" clause;

(v) an endorsement requiring at least 30 days' prior written notice to the Association of any cancellation, substantial modification, or non-renewal;

(vi) a cross liability provision, and

(vii) a provision vesting in the Board of Directors exclusive authority to adjust losses; provided, however, no mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss.

(c) Damage and Destruction. Immediately after damage or destruction to all or any part of the Property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

Any damage to or destruction of the Common Area shall be repaired or reconstructed unless the Owners representing at least 75% of the total votes in the Association, and with written consent of the Declarant during the Development Period, decide within 60 days after the loss not to repair or reconstruct.

If either the insurance proceeds or reliable and detailed estimates of the cost of repair or reconstruction or both are not available to the Association within such 60-day period, then the period shall be extended until such funds or information are available. However, such extension shall not exceed 60 additional days. No mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed.

If determined in the manner described above the damage or destruction of the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, then affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive, landscaped condition consistent with the Community-Wide Standard.

Any insurance proceeds remaining after paying the cost of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by and for the benefit of the Association or Sub-Association, as appropriate, and placed in a capital improvements account. This is a covenant for the benefit of mortgagees and may be enforced by the mortgagee of any affected Unit.

Official

ARTICLE XII

MORTGAGE PROVISIONS

The following provisions are for the benefit of holders, insurer, and guarantors of a first mortgage on Lots within the Property. The provisions of this Article apply to this Declaration and the Bylaws of the Association.

12.1. 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) (an "Eligible Mortgage Holder") will be entitled to timely notice of:

(a) 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

(b) 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 Declaration relating to such Lot or the Owner which is not cured within sixty (60) days; or

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

ARTICLE XIII

GENERAL PROVISIONS

13.1. Term. The terms, covenants, 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 the Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Declaration is recorded in the Real Property Records of Collin County, Texas, and continuing through and including January 1, 2077, after which time this Declaration will be

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automatically extended for successive periods of ten (10) years unless a change (the word "change" meaning a termination, or change of the term or renewal term) is approved in a resolution adopted by Members entitled to cast at least sixty-seven (67%) of the 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 10 days, but no more than 50 days, in advance of this meeting, and which will set forth the purpose of such meeting; provided, however, that such change will be affective only upon the recording of the change in the Real Property Records of Collin County, Texas. Notwithstanding any provision in this Section 14.1 to the contrary, if any provision of this Declaration is declared unlawful, void, or voidable because of any applicable law, the restricting the period of time that the Declaration may be enforced against the Property, 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.

13.2. Amendment. Subject to the rights of the Declarant set forth in Article III or as otherwise provided for in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners representing 67% of the votes in the Association and the consent of the Declarant during the Development Period. However, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(b) Special Amendment. Notwithstanding anything herein to the contrary, and subject to the requirement of approval by a first mortgagee where applicable, Declarant reserves the right and power to record a special amendment (the "Special Amendment") to this Declaration, at any time and from time to time to (i) comply with the requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Alone Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities; (ii) induce any such governmental agency to make, purchase, sell, insure, guarantee or otherwise deal with first mortgages covering Lots; (iii) correct clerical or typographical errors in this Declaration; (iv) bring this Declaration into compliance with applicable laws, ordinances or governmental regulations; or (v) minimize any federal or state income tax liability of the

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Association. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to make and consent to a Special Amendment on behalf of each Owner in the Association. Each deed, mortgage, trust deed, or other evidence of obligation, or other instrument affecting a Lot and acceptance thereof shall be deemed to be a grant and acknowledgment of, and consent to the reservation of, the power of the Declarant to make, execute and record Special Amendments. The right and power of the Declarant to make Special Amendment hereunder shall terminate when the Declarant's Development Period expires.

(c) Validity and Effective Date of Amendments. Amendments to this Declaration shall become effective upon recordation in the Real Property Records of Collin County, Texas, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of this recordation or such amendment shall be presumed to been validly adopted. In no event shall a change of condition or circumstances operate to amend any provision of this Declaration.

If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority so to consent, and no contrary provision in any mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may directly or indirectly remove, revoke, or modify the status of, or any right or privilege of the Declarant without the written consent of the Declarant (or the assignee of such right or privilege).

13.3. Mortgagee Rights. Notwithstanding any other provision contained in this Declaration:

if any Owner or mortgagee furnishes a written request to the Association specifying the name and address of the mortgagee in the Lot in which it holds an interest, the Association shall give written notice to the mortgagee of any default of the Owner of such Lot in performing or observing any of the terms, conditions, or agreements contained in this Declaration prior to taking any enforcement action. The mortgagee shall have the right (but not the obligation) to remedy the default neither the Declarant nor the Association shall take any action with respect to the default, including, without limitation, any action to impose or enforce a lien against the property of the defaulting Owner, unless the default remains un-remedied for a period of thirty (30) days after the mortgagee's receipt of the written notice. If,

however, the default is not reasonably susceptible of being remedied within thirty (30) days after the mortgagee's receipt of the notice, the mortgagee shall have such additional time to remedy or cause a remedy of the default as may be reasonable, provided that the mortgagee has given written notice to the Association of its intent to remedy the default and has commenced efforts to remedy the default within the initial thirty (30) day period and thereafter diligently prosecutes such cure to completion.

13. 4. Litigation. Except as provided below, after termination of the Development Period, no judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of Members holding 75% of the votes in the Association. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration, (b) the imposition and collection of Assessments, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association and proceedings instituted against it. This Section shall not be amended unless the Declarant makes such amendment, or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

13.5. Enforcement. The Association may impose sanctions for violations of this Declaration, and any of the Governing Documents promulgated in accordance with procedures set forth in this Declaration or the Bylaws. In addition, the Association may exercise self-help to cure violations, and may suspend any service it provides to the Lot of any Owner who is more than 30 days delinquent in paying any assessment or other charge due to the Association. All remedies set forth in this Declaration and the Governing Documents shall be cumulative of any remedies available at law or in equity. In any action to enforce the provisions of this Declaration and the Governing Documents of the Association, the prevailing party shall be entitled to recover all costs including, without limitation, attorneys' fees and court costs, reasonably incurred in such action.

The Association shall not be obligated to take action to enforce any covenant, restriction, or rule which the Board of Directors reasonably determines is, or is likely to be construed as in consistent with applicable law, or in any case in which the Board of Directors reasonably determines that the Association's position is not strong enough to justify taking enforcement action. Any such determination shall not be construed as a waiver of the right to enforce such provision under other

circumstances or estop the Association from enforcing any other covenant, restriction or rule.

13.6. Implied Rights and Board of Directors Authority. The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Formation, and any right or privilege which could be implied from or which is necessary to effectuate any express right or privileged. Except as otherwise specifically provided in this Declaration, the Bylaws or the Articles of Formation, all rights and powers of the Association may be exercised by the Board of Directors without a vote of the membership.

13.7. INDEMNIFICATION. The Association shall indemnify every officer, director, and committee member, including members of the Architectural Review Committee established under Article X, against all damages and expenses, including attorneys' fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that such obligation to indemnify shall be limited to those actions as to which liability is limited under this Section and Texas law.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligence or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action take, in good faith, on behalf of the Association. The Association shall indemnify and forever hold each such officer, director, and committee member harmless from any and all liability to others on account of any such contract, commitment, or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation if such insurance is reasonably available.

13.8. Security. NEITHER THE ASSOCIATION, THE MASTER ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT OR THEIR ASSIGNS OR AGENTS SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY OR SAFETY WITHIN THE PROPERTY, NOR SHALL ANY OF THEM BE HELD LIABLE FOR ANY

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LOSS OR DAMAGE DUE TO FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFETIVENESS OF SECURITY OR SAFETY MEASURES UNDERTAKEN. ANY GATE HOUSES OR OTHER RESTRICTIONS FOR ACCESS INTO THE PROPERTY CANNOT BE RELIED ON FOR SECURITY AND SAFETY PURPOSES. NO REPRESENTATION OR WARRANTY IS MADE THAT THESE IMPROVEMENT, ANY SAFETY MEASURES, OR SECURITY SYSTEM CAN NOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH IT IS MAY BE DESIGNED OR INTENDED. EACH OWNER ACKNOWLEDGES, UNDERSTANDS AND CONVENANTS TO INFORM ITS TENANTS, GUESTS, AND INVITEES, THAT THE ASSOCIATION, MASTER ASSOCIATION, THE BOARD OF DIRECTORS, COMMITTEES, MANAGERS, DECLARANT, AND ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH PERSON USING THE PROPERTY ASSUMES ALL RISK FOR LOSS OR DAMAGE TO PERSON OR PROPERTY, TO LOTS AND TO THE CONTENTS OF LOTS RESULTING FROM THE ACTS OF THIRD PARTIES.

13.9 Exhibits. "Exhibits "A," "B," "C," and "D" attached to this Declaration are incorporated by this reference.

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

DECLARANT/OWNER:

POINTE EMERALD HEIGHTS, LLC., a Texas limited liability company

By: _____

Printed Name: Neal Heckel

Title: President

ACKNOWLEDGMENT

STATE OF TEXAS §

§

COUNTY OF COLLIN §

BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, personally appeared Neal Heckel, President of Pointe Emerald heights, a Texas Limited Liability Company, and acknowledged that he executed the foregoing document for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said limited liability company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 10 day of April, 2018.

_____

Notary Public in and for

the State of Texas

ASHLEY MAINES GONZALEZ
Notary Public, State of Texas
My Commission Expires
April 28, 2019

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LENDER:

FIRST CONTENENTAL INVESTMENT COMPANY, a Texas limited partnership

By: _____

Printed Name: Todd Aiken

Title: Executive Vice President

ACKNOWLEDGMENT

STATE OF TEXAS §

§

COUNTY OF ~~COLLIN~~ Harris §

BEFORE ME, a Notary Public in and for the State of Texas, duly authorized to take acknowledgments, personally appeared Todd Aiken, Executive Vice President of First Continental Investment Co. Ltd, a Texas limited Partnership, and acknowledged that he executed the foregoing document for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 10th day of April, 2018.

Linda DeCarlo
Notary Public
STATE OF TEXAS
Notary ID#7796904
My Comm. Exp. Jan. 18, 2021

_____

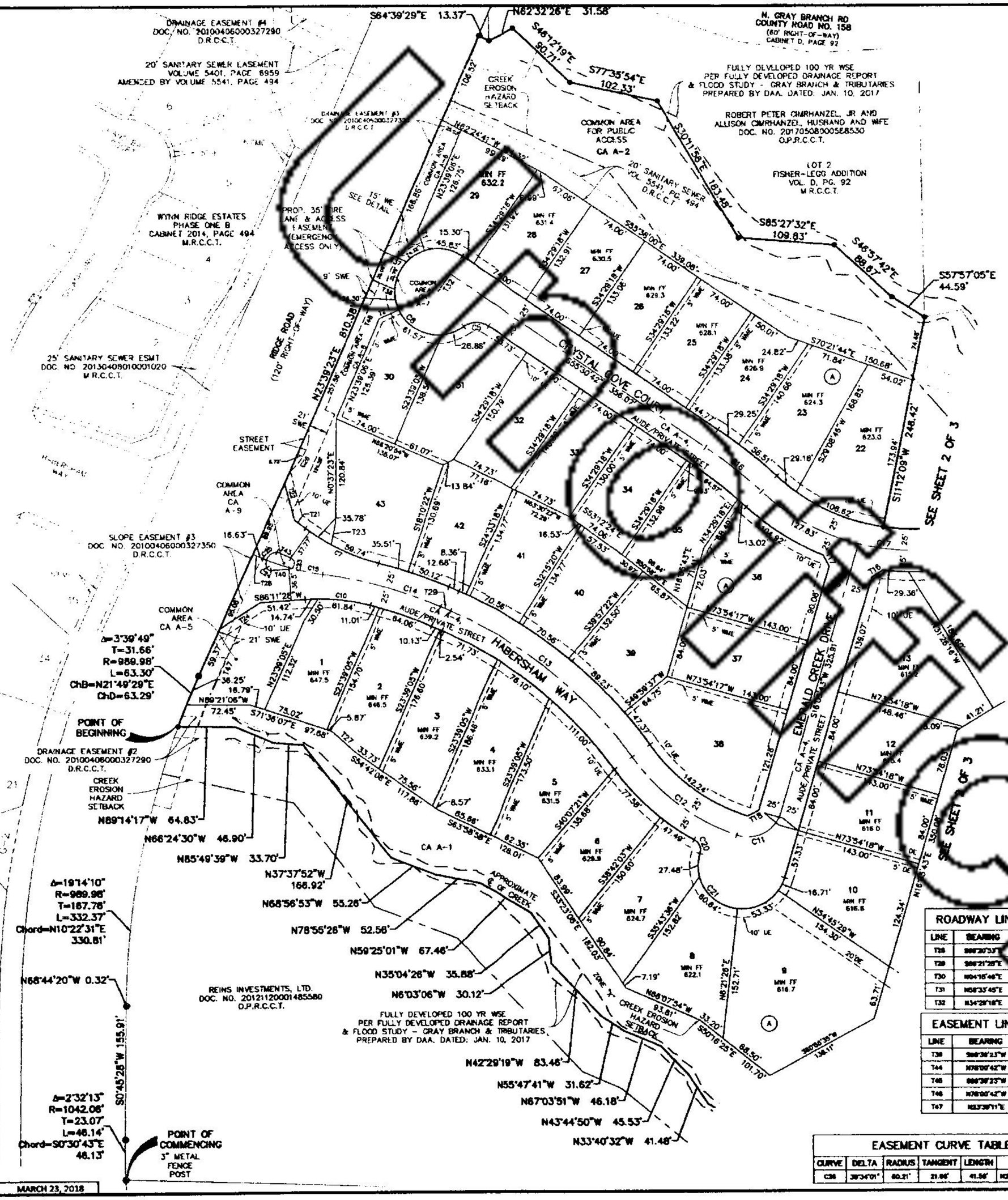
Notary Public in and for

the State of Texas

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EXHIBIT "A" – PROPERTY

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S64°39'29"E 13.37'
N62°32'26"E 31.58'
S46°12'19"E 80.71'
S77°35'54"E 102.33'
S30°11'58"E 183.45'
S85°27'32"E 109.83'
S46°37'42"E 88.87'
S57°57'05"E 44.59'
N. GRAY BRANCH RD
COUNTY ROAD NO. 158
(60' RIGHT-OF-WAY)
CABINET D, PAGE 92
FULLY DEVELOPED 100 YR WSE
PER FULLY DEVELOPED DRAINAGE REPORT
& FLOOD STUDY - GRAY BRANCH & TRIBUTARIES
PREPARED BY DAA, DATED: JAN. 10, 2017
ROBERT PETER GMRHANZEL, JR AND
ALLISON GMRHANZEL, HUSBAND AND WIFE
DOC. NO. 20170508000SE8530
O.P.R.C.C.T.
LOT 2
FISHER-LEGG ADDITION
VOL. D, PG. 92
M.R.C.C.T.
DRAINAGE EASEMENT #4
DOC. NO. 20100406000327290
D.R.C.C.T.
20' SANITARY SEWER EASEMENT
VOLUME 5401, PAGE 6959
AMENDED BY VOLUME 5541, PAGE 494
WYNN RIDGE ESTATES
PHASE ONE B
CABINET 2014, PAGE 494
M.R.C.C.T.
PROP. 35' FIRE LANE & ACCESS EASEMENT (EMERGENCY ACCESS ONLY)
25' SANITARY SEWER ESMT
DOC. NO. 20130409010001020
M.R.C.C.T.
RIDGE ROAD
(120' RIGHT-OF-WAY)
CRYSTAL COVE COURT
STREET EASEMENT
COMMON AREA CA A-9
SLOPE EASEMENT #3
DOC. NO. 20100406000327350
D.R.C.C.T.
COMMON AREA CA A-5
HABERSHAM WAY
CA A-4
AUDE/PRIVATE STREET
EMERALD CREEK DRIVE
CA A-1
COMMON AREA CA A-2
CREEK EROSION HAZARD SETBACK
20' SANITARY SEWER VOL. 5541, PG. 494 D.R.C.C.T.
REINS INVESTMENTS, LTD.
DOC. NO. 20121120001485580
O.P.R.C.C.T.
FULLY DEVELOPED 100 YR WSE
PER FULLY DEVELOPED DRAINAGE REPORT
& FLOOD STUDY - GRAY BRANCH & TRIBUTARIES
PREPARED BY DAA, DATED: JAN. 10, 2017
ZONE X
CREEK EROSION HAZARD SETBACK
APPROXIMATE ℄ OF CREEK
SEE SHEET 2 OF 3
SEE SHEET 3 OF 3
POINT OF BEGINNING
DRAINAGE EASEMENT #2
DOC. NO. 20100406000327290
D.R.C.C.T.
POINT OF COMMENCING
3" METAL FENCE POST
Δ=3°39'49"
T=31.66'
R=989.98'
L=63.30'
ChB=N21°49'29"E
ChD=63.29'
Δ=19°14'10"
R=989.98'
T=167.76'
L=332.37'
Chord=N10°22'31"E
330.81'
Δ=2°32'13"
R=1042.08'
T=23.07'
L=46.14'
Chord=S0°30'43"E
46.13'
N23°39'23"E 810.38'
S0°45'26"W 155.91'
N68°44'20"W 0.32'
N89°14'17"W 64.83'
N66°24'30"W 46.90'
N85°49'39"W 33.70'
N37°37'52"W 166.92'
N68°56'53"W 55.26'
N78°55'28"W 52.58'
N59°25'01"W 67.46'
N35°04'26"W 35.88'
N6°03'06"W 30.12'
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N55°47'41"W 31.62'
N67°03'51"W 46.18'
N43°44'50"W 45.53'
N33°40'32"W 41.48'
S11°12'08"W 248.42'
S70°21'44"E 150.68'
S20°08'46"W 168.83'
S34°29'18"W 140.66'
S34°29'18"W 132.88'
S34°29'18"W 130.00'
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S34°29'18"W 133.06'
S34°29'18"W 133.06'
S35°36'00"E 339.09'
S40°07'21"W 135.68'
S35°42'03"W 150.60'
S35°13'36"W 152.82'
S39°37'22"W 132.50'
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S24°42'08"E 111.88'
S71°36'07"E 97.68'
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N23°39'05"E 168.66'
N23°39'05"E 112.22'
N0°37'23"E 120.64'
N88°20'24"W 138.07'
S13°13'09"E 138.37'
S34°29'18"W 130.78'
S43°31'18"W 134.77'
S32°15'20"W 34.77'
S38°37'22"W 132.50'
S73°54'17"W 143.00'
N73°54'17"W 143.00'
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N73°54'18"W 143.00'
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N11°28'16"W 139.07'
N16°04'43"W 139.07'
N8°21'26"E 152.71'
N54°45'29"W 154.30'
106.52'
106.66'
106.82'
137.83'
124.34'
63.71'
173.04'
54.02'
24.48'
90.84'
182.03'
70.56'
64.06'
64.75'
121.28'
142.24'
111.00'
77.58'
47.46'
47.37'
64.00'
84.00'
84.06'
78.00'
59.23'
70.58'
64.87'
65.87'
72.03'
65.86'
83.99'
53.33'
60.84'
27.48'
16.71'
13.02'
29.36'
41.21'
78.00'
36.51'
29.18'
29.25'
24.82'
50.01'
74.00'
74.77'
71.84'
74.00'
74.00'
74.00

RECORD PLAT

EMERALD HEIGHTS

43 LOTS, 9 COMMON AREAS
26.853 ACRES
AN ADDITION TO THE CITY OF MCKINNEY
S.B. SEARCY SURVEY ~ ABSTRACT NO. 818
LEONARD SEARCY SURVEY ~ ABSTRACT NO. 829
COLLIN COUNTY, TEXAS

JANUARY 2018 SCALE: 1"=60'

OWNER/DEVELOPER
POINTE EMERALD HEIGHTS, LLC
6860 NORTH DALLAS PARKWAY, SUITE 200
PLANO, TEXAS 75024
PH: 972-805-2146
FAX: 972-285-7995
CONTACT: NEAL HECKEL

ENGINEER/SURVEYOR
DOWDEY, ANDERSON & ASSOCIATES, INC.
5215 Belfort Circle, Suite 200 Plano, Texas 75093 972-931-0884
STATE REGISTRATION NUMBER: F-389
SURVEY FIRM REGISTRATION NUMBER: 100178500
CONTACT : COLIN HELFFRICH P.E.

LOT CURVE TABLE

CURVE	DELTA	RADIUS	TANGENT	LENGTH	CHORD
C1	40°11'54"	225.00'	82.32'	157.81'	N78°38'32"E 154.62'
C2	30°42'00"	225.00'	88.56'	171.35'	N76°24'40"E 168.98'
C3	20°31'44"	225.00'	40.81'	80.62'	S67°13'46"E 80.48'
C4	20°31'44"	25.00'	4.52'	8.96'	S67°09'04"E 8.92'
C5	132°32'00"	7.00'	28.64'	16.64'	N57°50'28"E 13.60'
C6	20°31'44"	60.00'	10.85'	21.49'	S67°13'46"E 21.38'
C7	22°56'46"	230.00'	46.61'	92.52'	S67°13'46"E 91.89'
C8	200°31'44"	60.00'	70.71'	210.82'	S67°46'32"E 118.49'
C9	70°31'44"	25.00'	17.68'	30.77'	N89°13'27"E 28.87'
C10	10°23'30"	225.00'	20.62'	40.78'	N84°36'37"W 40.73'
C11	68°46'57"	50.00'	35.95'	60.02'	N56°07'30"E 56.50'
C12	30°42'00"	275.00'	75.39'	147.35'	N76°24'40"E 145.59'
C13	40°11'54"	225.00'	82.32'	157.81'	N78°38'32"E 154.62'
C14	90°00'00"	15.00'	15.00'	23.56'	S45°13'46"E 21.21'
C15	90°00'00"	15.00'	15.00'	23.56'	S44°46'14"W 21.21'
C16	90°00'00"	15.00'	15.00'	23.56'	N45°13'46"W 21.21'
C17	90°00'00"	15.00'	15.00'	23.56'	N44°46'14"E 21.21'
C18	90°00'00"	15.00'	15.00'	23.56'	S45°13'46"E 21.21'
C19	90°00'00"	15.00'	15.00'	23.56'	S44°46'14"W 21.21'
C20	90°00'00"	15.00'	15.00'	23.56'	N45°13'46"W 21.21'
C21	90°00'00"	15.00'	15.00'	23.56'	N44°46'14"E 21.21'
C22	21°37'27"	81.00'	27.73'	54.31'	N67°18'43"W 53.99'
C23	132°32'00"	7.00'	28.64'	16.64'	N57°50'28"E 13.60'
C24	73°18'56"	5.00'	3.72'	6.40'	S07°09'04"E 5.97'
C25	70°36'32"	13.50'	10.46'	25.58'	S33°18'46"W 24.78'

BOUNDARY LINE TABLE

LINE	BEARING	LENGTH
T1	N58°13'46"E	40.52'
T2	S85°44'14"E	106.17'
T3	N4°30'0"E	2.50'
T4	S15°27'28"E	37.79'
T5	S80°30'46"W	40.87'
T6	N80°30'46"W	20.18'
T7	N80°16'40"W	23.42'
T8	N80°30'0"W	62.91'
T9	N80°37'42"W	11.20'

BOUNDARY CURVE TABLE

CURVE	DELTA	RADIUS	TANGENT	LENGTH	CHORD
C1	40°11'54"	225.00'	82.32'	157.81'	N78°38'32"E 154.62'
C2	30°42'00"	275.00'	75.39'	147.35'	N76°24'40"E 145.59'
C3	68°46'57"	50.00'	35.95'	60.02'	N56°07'30"E 56.50'

LEGEND

- ALDE = ACCESS, UTILITY & DRAINAGE EASEMENT
- SSE = SANITARY SEWER EASEMENT
- SWE = SIDEWALK EASEMENT
- WE = WATER EASEMENT
- DE = DRAINAGE EASEMENT
- UE = UTILITY EASEMENT
- IRF = IRON ROD FOUND
- <CM> = CONTROL MONUMENT
- O.P.R.C.C.T. = OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS
- M.R.C.C.T. = MAP RECORDS, COLLIN COUNTY, TEXAS
- D.R.C.C.T. = DEED RECORDS, COLLIN COUNTY, TEXAS
- ● = 1/2" IRON ROD FOUND W/YELLOW PLASTIC CAP STAMPED "DAA"
- ○ = 1/2" IRON ROD SET W/YELLOW PLASTIC CAP STAMPED "DAA" UNLESS OTHERWISE NOTED
- ◊ = STREET NAME CHANGE

PRELIMINARY
Jerry Helffrich
2018-1-25
Texas Registered Professional Land Surveyor
Jerry Helffrich 5811
01/25/18
Collin County, Texas
20-18-00-00-00-01-00-00
20-18-01-10-00-1-190-00
Jerry Helffrich
5811
Registered Professional Land Surveyor
STATE OF TEXAS

GRAPHIC SCALE

(IN FEET)
1 inch = 60 ft.

LOCATION MAP
NOT TO SCALE

TYPICAL ALDE/PRIVATE STREET CLIP

STREET

10'

10'

STREET

*NOTICE:
ALL PROPOSED LOTS SITUATED IN WHOLE OR IN PART WITHIN THE CITY'S CORPORATE LIMITS COMPLY WITH THE MINIMUM SIZE REQUIREMENTS OF THE GOVERNING ZONING DISTRICT AND THE REQUIREMENTS OF THE SUBDIVISION ORDINANCE.

NOTES:
1. BASIS OF BEARINGS DERIVED FROM THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD83, TEXAS NORTH CENTRAL ZONE (4202).
2. "X" CUTS SET IN CONCRETE AT ALL ROADWAY CENTERLINE INTERSECTIONS AND POINTS OF CURVATURE.
3. ALL LOT CORNERS SHALL BE MONUMENTED WITH A 1/2" INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "DAA", UNLESS OTHERWISE NOTED.
4. COMMON AREAS CA A-1, CA A-2, CA A-3, AND CA A-7 SHALL BE FOR PUBLIC ACCESS PURPOSES AND SHALL BE OWNED AND MAINTAINED BY THE EMERALD HEIGHTS HOA.
5. COMMON AREA CA A-4 SHALL BE A ALDE/PRIVATE STREET AND OWNED AND MAINTAINED BY THE EMERALD HEIGHTS HOA.
6. COMMON AREAS CA A-5, CA A-6, CA A-8 AND CA A-9 SHALL BE FOR PUBLIC ACCESS PURPOSES AND SHALL BE OWNED AND MAINTAINED BY THE STONEBRIDGE RANCH HOA.
7. THE MAINTENANCE OF RETAINING WALLS SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNER ON WHICH THE WALL IS LOCATED.
8. LOTS 38 & 39, BLOCK A ARE KEY LOTS. FENCING RESTRICTIONS SHALL APPLY.
9. REFERENCE CITY OF MCKINNEY FENCING REQUIREMENTS.
10. SELLING A PORTION OF THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF CITY ORDINANCE AND STATE PLATTING STATUTES AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING CERTIFICATES.

THE OWNER AND ANY SUBSEQUENT OWNER OF COMMON AREA LOTS A-1, A-2, A-3, AND BLOCK A, OF THIS PLAT SHALL BE SOLELY RESPONSIBLE FOR THE MAINTENANCE OF THE CREEK (INCLUDING ALL EROSION CONTROL) TRAVERSING SAID LOT. THE OWNER SHALL FURTHER HOLD THE CITY OF MCKINNEY HARMLESS FROM ANY DAMAGES TO PERSONS, TO THE OWNER'S LOT OR ANY AFFECTED LOT ARISING FROM SUCH MAINTENANCE RESPONSIBILITY. THE CITY SHALL NOT BE RESPONSIBLE FOR THE MAINTENANCE OF THE RETENTION CREEK. ALTHOUGH IT RESERVES THE RIGHT TO ENTER UPON THE EASEMENT FOR PUBLIC PURPOSES. THE DRAINAGE EASEMENT SHOWN HEREUNDER SHALL NOT CREATE ANY AFFIRMATIVE DUTY TO THE CITY TO REPAIR, MAINTAIN, OR CORRECT ANY CONDITION THAT EXISTS OR OCCURS DUE TO THE NATURAL FLOW OF STORM WATER MINOR. INCLUDING BUT NOT LIMITED TO, STORM WATER OVERFLOW, BANK EROSION AND SLOUGHING, LOSS OF VEGETATION AND TREES, BANK SUBSIDENCE, AND INTERFERENCE OF STRUCTURES. ALTERATION OF NATURAL FLOW OF WATER SHALL BE SUBJECT TO THE REGULATIONS AND ORDINANCE OF THE CITY OF MCKINNEY, THE STATE OF TEXAS, AND THE UNITED STATE OF AMERICA."

REVISED: MARCH 23, 2018

Y:\DOT\TIDOT\MP.dwg FP 2, 3/23/2018 1:37:28 AM, dnaffin, Dowdey, Anderson & Associates, Inc. CAD

OWNER'S CERTIFICATE AND DEDICATION

STATE OF TEXAS §

COUNTY OF COLLIN §

WHEREAS, POINTE EMERALD HEIGHTS, LLC, is the owner of a 26.632 acre tract of land situated in the S.B. SEARCY SURVEY, ABSTRACT NO. 818 and the LEONARD SEARCY SURVEY, ABSTRACT NO. 829, Collin County, Texas, and being all of that tract of land described in Deed to Pointe Emerald Heights, LLC, according to the document recorded in Document Number 20160511000578480, Official Public Records, Collin County, Texas, and being all of that tract of land described in Deed to Pointe Emerald Heights, LLC, according to the document recorded in Document Number 20170428000540920, Official Public Records, Collin County, Texas, and being more particularly described as follows:

COMMENCING at a 3 inch metal fence post found for the southwest corner of a tract of land described in Deed to Reins Investments, LTD., according to the document recorded in Document Number 20121120001489580, Official Public Records, Collin County, Texas, same being in the east line of Ridge Road, a 120' right-of-way, also being the beginning of curve to the right having a central angle of 02° 32' 13", a radius of 1042.06 feet and a chord bearing and distance of N 00° 30' 43" W, 46.14 feet;

THENCE Continuing with the said common line, and along said curve to the right, an arc distance of 46.14 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "G&A" found for corner;

THENCE N 00° 45' 28" E, with said common line, a distance of 155.91 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner, from which a 1/2 inch iron rod with a yellow plastic cap stamped "G&A" found bears N 68° 44' 20" W, 0.32 feet, same being at the beginning of curve to the right having a central angle of 19° 14' 10", a radius of 989.98 feet and a chord bearing and distance of N 10° 22' 31" E, 330.81 feet;

THENCE Continuing with said common line and said curve to the right, an arc distance of 332.37 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for the POINT OF BEGINNING of the tract of land described herein, same being at the beginning of a compound curve to the right having a central angle of 03° 39' 49", a radius of 989.98 feet and a chord bearing and distance of N 21° 48' 28" E, 63.29 feet;

THENCE With said east line of Ridge Road, being common with the west line of the above mentioned Pointe Emerald Heights, LLC tract, as recorded in Document Number 20160511000578480, and with said curve to the right, an arc distance of 63.30 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "G&A" found;

THENCE N 23° 39' 23" E, with said common line, a distance of 810.38 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for the most westerly, northwest corner of said Pointe Emerald Heights, LLC tract, as recorded in Document Number 20160511000578480;

THENCE S 84° 39' 29" E, leaving the above mentioned east line of Ridge Road, a distance of 13.37 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for an interior ell corner of said Pointe Emerald Heights, LLC tract, as recorded in Document Number 20160511000578480, and being common with the most westerly, southwest corner of a tract of land described in Deed to Robert Peter Cimmanzel, JR and Allison Cimmanzel, Husband and Wife, according to the document recorded in Document Number 20170508000588530, Official Public Records, Collin County, Texas, same being Lot 2 of Fisher-Legg Addition, an addition to the City of McKinney, Collin County, Texas, according to the plat recorded in Volume D, Page 82, Map Records, Collin County, Texas;

THENCE with the north line of said Pointe Emerald Heights, LLC tract, as recorded in Document Number 20160511000578480, being common with the south line of said Cimmanzel tract, and generally along the approximate centerline of a creek, the following courses and distances:

N 62° 32' 28" E, a distance of 31.58 feet;

S 46° 12' 19" E, a distance of 90.71 feet;

S 77° 36' 54" E, a distance of 102.33 feet;

S 30° 11' 56" E, a distance of 183.48 feet;

S 88° 27' 32" E, a distance of 109.83 feet;

S 46° 57' 42" E, a distance of 88.67 feet;

S 57° 57' 05" E, a distance of 44.59 feet from which a 3/8 inch iron rod found in the east line of the above mentioned Cimmanzel tract, being common with the west line of a tract of land described in Deed to Jennifer S. Buchanan and Michael J. Buchanan, according to the document recorded in Document Number 20090107000017540, Official Public Records, Collin County, Texas, bears N 01° 00' 45" W, 54.19 feet;

THENCE Leaving the approximate centerline of said creek, and with the common line of the above mentioned Pointe Emerald Heights, LLC tract, as recorded in Document Number 20160511000578480, and that tract of land described in Deed to Jennifer S. Buchanan, and husband Michael J. Buchanan, according to the document recorded in Document Number 20180602000691240, Official Public Records, Collin County, Texas, the following courses and distances:

S 11° 12' 09" W, a distance of 248.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a non-tangent curve to the left having a central angle of 40° 11' 34", a radius of 225.00 feet and a chord bearing and distance of N 78° 39' 32" E, 154.62 feet

With said curve to the left, an arc distance of 157.84 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

N 58° 33' 45" E, a distance of 40.53 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 35° 42' 00", a radius of 275.00 feet and a chord bearing and distance of N 76° 24' 45" E, 168.59 feet;

With said curve to the right, an arc distance of 171.35 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

S 85° 44' 14" E, a distance of 156.17 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a non-tangent curve to the right having a central angle of 86° 45' 57", a radius of 50.00 feet and a chord bearing and distance of N 58° 02' 30" E, 55.02 feet;

With said curve to the right, an arc distance of 56.26 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for a common corner with the above mentioned Pointe Emerald Heights, LLC tracts, as recorded in Document Numbers 20160511000578480 and 20170428000540920;

N 01° 34' 50" E, with said common line, a distance of 2.52 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

N 82° 14' 04" E, with said common line, a distance of 232.22 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

N 78° 02' 49" E, a distance of 270.46 feet to the approximate centerline of a creek, being common with the east line of the above mentioned Pointe Emerald Heights, LLC tract, as recorded in Document Number 20160511000578480, and the common west line of Lot J-1, of Cambridge Phase 2B, an Addition to the City of McKinney, according to the Plat recorded in Document Number 20110920010001870, Official Public Records, Collin County, Texas, from which a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set bears S 78° 02' 49" W, 80.00 feet;

THENCE With the common line of said Pointe Emerald Heights, LLC tract, as recorded in Document Number 20160511000578480, and said Cambridge Phase 2B Addition, and generally along the approximate centerline of a creek, the following courses and distances:

S 15° 17' 26" E, a distance of 57.20 feet;

S 11° 27' 59" E, a distance of 50.03 feet;

S 13° 37' 29" E, a distance of 37.79 feet;

S 09° 27' 36" E, a distance of 40.67 feet;

S 04° 39' 19" E, a distance of 32.95 feet;

S 24° 45' 18" W, a distance of 20.81 feet;

S 42° 26' 24" W, a distance of 86.52 feet;

S 50° 10' 19" W, a distance of 60.17 feet;

S 40° 16' 58" W, a distance of 39.74 feet;

S 05° 13' 35" E, a distance of 75.36 feet;

S 34° 26' 20" E, a distance of 61.64 feet;

S 14° 34' 36" E, a distance of 37.68 feet;

S 08° 52' 46" E, a distance of 54.20 feet;

S 16° 54' 57" W, a distance of 39.98 feet;

S 41° 44' 08" W, a distance of 44.34 feet;

S 66° 27' 16" W, a distance of 37.69 feet;

N 80° 40' 1[illegible] W, a distance of 34.97 feet;

N 54° 19' 29" W, a distance of 15.26 feet to the northeast corner of lot 13, of Stonebridge Estates Phase III, an addition to the City of McKinney, according to the plat recorded in Volume M, Page 301, Plat Records, Collin County, Texas;

THENCE With the common line of said Pointe Emerald Heights, LLC tract, as recorded in Document Number 20160511000578480, and said Stonebridge Estates Phase III Addition, and generally along the approximate centerline of a creek, the following courses and distances:

N 51° 09' 33" W, a distance of 148.13 feet;

N 56° 48' 46" W, a distance of 69.33 feet;

N 78° 50' 51" W, a distance of 55.77 feet;

S 82° 11' 11" W, a distance of 59.95 feet;

N 60° 20' 49" W, a distance of 20.18 feet;

N 89° 10' 40" W, a distance of 23.42 feet;

N 80° 35' 01" W, a distance of 52.91 feet;

N 89° 32' 42" W, a distance of 11.20 feet;

S 68° 03' 47" W, a distance of 55.04 feet;

S 48° 52' 48" W, a distance of 139.52 feet;

S 27° 51' 18" W, a distance of 102.18 feet;

S 15° 48' 01" W, a distance of 84.89 feet;

S 67° 57' 46" W, a distance of 42.26 feet;

S 37° 32' 06" W, a distance of 55.32 feet;

S 19° 16' 19" W, a distance of 30.74 feet;

S 00° 06' 13" E, a distance of 65.34 feet;

S 12° 53' 04" E, a distance of 24.80 feet, being in the west line of Lot 9, of said Stonebridge Estates Phase III Addition, for the most southerly corner of the above mentioned Pointe Emerald Heights, LLC tract, as recorded in Document Number 20160511000578480, and being common with the most northern northeast corner of the above mentioned Reins Investments, LTD. tract, from which a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set bears N 80° 29' 57" W, 50.00 feet;

THENCE With the south line of said Pointe Emerald Heights, LLC tract, as recorded in Document Number 20160511000578480, and being common with the north line of said Reins Investments LTD tract, and generally along the approximate center line of a creek, the follow courses and distances:

N 80° 29' 57" W, a distance of 142.08 feet;

S 64° 33' 35" W, a distance of 33.52 feet;

N 60° 13' 57" W, a distance of 113.40 feet;

N 33° 40' 32" W, a distance of 41.48 feet;

N 43° 44' 50" W, a distance of 45.53 feet;

N 67° 03' 51" W, a distance of 48.18 feet;

N 55° 47' 41" W, a distance of 31.82 feet;

N 42° 29' 19" W, a distance of 83.46 feet;

N 06° 03' 06" W, a distance of 30.12 feet;

N 35° 04' 26" W, a distance of 35.88 feet;

N 59° 25' 01" W, a distance of 87.46 feet;

N 78° 55' 26" W, a distance of 52.56 feet;

N 88° 56' 53" W, a distance of 55.28 feet;

N 37° 57' 52" W, a distance of 166.92 feet;

N 85° 49' 39" W, a distance of 33.70 feet;

N 66° 24' 30" W, a distance of 46.90 feet;

N 88° 14' 17" W a distance of 64.83 feet to the POINT OF BEGINNING and containing 26.653 acres of land, more or less.

STATE OF TEXAS §
COUNTY OF COLLIN §

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENT:

THAT POINTE EMERALD HEIGHTS, LLC, does hereby adopt this Record Plat designating the herein above described property as EMERALD HEIGHTS, an addition to the City of McKinney, Collin County, Texas and do hereby dedicate to the public use forever, the streets and public use areas shown hereon, the easements, as shown, for mutual use and accommodation of the City of McKinney and all public utilities desiring to use or using same. All and any public utility and the City of McKinney shall have the right to remove and keep removed all or parts of any building, fences, shrubs, trees or other improvements or growths, which in any way, endanger or interfere with the construction, maintenance or efficiency of its respective systems on said easements, and the City of McKinney and all public utilities constructing, reconstructing, inspecting, patrolling, maintaining and adding to or removing all or parts of its respective systems, without the necessity, at any time, of procuring the permission of anyone.

This plat approved subject to all platting ordinances, rules, regulations, and resolutions of the City of McKinney, Texas.

WITNESS MY HAND at Plano Texas, this 27th day of March 2018.

POINTE EMERALD HEIGHTS, LLC

By: _____
Mr. Neal Heckel
President

STATE OF TEXAS §
COUNTY OF COLLIN §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas on this day personally appeared Neal Heckel, President of Pointe Emerald Heights, LLC, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office this 27th day of March 2018.

_____
Notary Public in and for the State of Texas

JENNIFER MARTINSON
Notary Public, State of Texas
Comm. Expires 06-12-2021
Notary ID 131086136

SURVEYORS CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

That I, John L. Melton, do hereby certify that I prepared this plat and the field notes made a part thereof from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision, in accordance with the Subdivision Regulations of the City of McKinney, Texas.

_____
JOHN L. MELTON
Registered Professional Land Surveyor No. 4268

STATE OF TEXAS OF REGISTERED JOHN L. MELTON 4268 PROFESSIONAL LAND SURVEYOR

STATE OF TEXAS §
COUNTY OF COLLIN §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas on this day personally appeared John L. Melton, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed and in the capacity therein stated.

GIVEN under my hand and seal of office this 23rd day of March 2018.

_____
Notary Public in and for the State of Texas

JENNIFER MARTINSON
Notary Public, State of Texas
Comm. Expires 06-12-2021
Notary ID 131086136

"Approved and Accepted"

_____
City Manager
City of McKinney

_____
Date

Filed and recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
04/11/2018 09:01:38 PM
$61.00 SPENCER
20180411010001530

2018-299

RECORD PLAT

EMERALD HEIGHTS

43 LOTS, 9 COMMON AREAS
26.653 ACRES
AN ADDITION TO THE CITY OF McKINNEY
S.B. SEARCY SURVEY ~ ABSTRACT NO. 818
LEONARD SEARCY SURVEY ~ ABSTRACT NO. 829
COLLIN COUNTY, TEXAS

JANUARY, 2018 SCALE: 1"=60'

OWNER/DEVELOPER
POINTE EMERALD HEIGHTS, LLC
6860 NORTH DALLAS PARKWAY, SUITE 200
PLANO, TEXAS 75024
PH: 972-905-2148
FAX: 972-265-7895
CONTACT: NEAL HECKEL

ENGINEER/SURVEYOR
DOWDEY, ANDERSON & ASSOCIATES, INC.
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-999
SURVEY FIRM REGISTRATION NUMBER: 100176500
CONTACT : COLIN HELFFRICH P.E.

*NOTICE:
ALL PROPOSED LOTS SITUATED IN WHOLE OR IN PART WITHIN THE CITY'S CORPORATE LIMITS COMPLY WITH THE MINIMUM SIZE REQUIREMENTS OF THE GOVERNING ZONING DISTRICT AND THE REQUIREMENTS OF THE SUBDIVISION ORDINANCE.

REVISED: MARCH 23, 2018

15047

Y:\15047\1504718.RP.dwg, FP-3, 3/22/2018 7:37:00 AM, chelffrich, Dowdey, Anderson & Associates, Inc. CWH

EXHIBIT "B" – BYLAWS

Unofficial

BYLAWS OF THE EMERALD HEIGHTS HOMEOWNERS ASSOCIATION, INC.

Article I

Name, Principal Office, and Definitions

1. 1. Name. The name of the Corporation shall be Emerald Heights Homeowners Association, Inc. (The "Association").

1.2. Principal Office. The principal office of the Association will be located in Collin County, Texas. The Association may have such other offices, either within or outside the State of Texas, as the Board of Directors may determine or as the affairs of the Association may require.

1. 3. Definitions. The words used in these Bylaws shall be given their normal, and commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions for Emerald Heights Homeowners Association filed in the Official Records, as it may be amended (the "Declaration"), unless the context indicates otherwise.

Article II

Association: Membership, Meetings, Quorum, Voting, Proxies

2.1. Membership. Each Owner of a Lot is a mandatory Member of the Association, as more fully described in the Declaration.

2. 2. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors, either within the properties or as convenient as possible and practical.

2. 3. Annual Meetings. There shall be an annual meeting of the Members of the Association for the purposes of Association-wide elections or votes and for such other Association business as at such reasonable place, date, and time as set by the Board of Directors to occur during the first quarter of the Association's fiscal year.

Unofficial

2. 4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board of Directors or upon a petition signed by Members representing at least 10% of the votes in the Association.

2. 5. Notice of Meetings. Written or printed notice stating the place, day, in our of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than 10 nor the more than 50 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of the meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at its address as it appears on the records of the Association, with postage prepaid.

2. 6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, wave notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member or the Member's proxy shall be deemed waived by such Member of notice of the time, date, and place thereof, unless such Member or proxy specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed a waiver of notice of all business transaction at such meeting unless objection on the basis of lack of proper notice is raised before the business is put to a vote.

2. 7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, Members or their proxies holding a Majority of the votes represented at such meeting may adjourn the meeting to a time not less than 5 days and no more than 30 days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for the reconvening of

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such meeting shall be given to the Members in a manner prescribed for regular meetings.

The Members represented at a duly called her held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal enough Members to leave less than a quorum, provided that any action taken is approved by at least a majority of the votes required to constitute a quorum.

2. 8. Voting. The voting rights of the Member shall be set forth in the Declaration and in these Bylaws, and such voting rights provisions are specifically incorporated by reference herein.

2. 9. Proxies. At all meetings of the Members, Members may vote in person (if a corporation, partnership or trust, through any officer, director, partner or trustee duly authorized to act on behalf of the Member) or by proxy, subject to the limitations of Texas law. Every proxy shall be in writing, dated, and signed by the Member or its duly authorized attorney-in-fact and filed with the Secretary of the Association prior to any meeting for which it is to be effective. Except as otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of a Lot, or upon receipt of notice by these Secretary of the death or judicially declared incompetence of a Member who is a natural person, or of written revocation, or upon expiration of 11 months from the date of the proxy, unless otherwise provided in the proxy or by law.

2. 10. Majority. As used in these Bylaws, the term "majority" shall mean those votes, Owners, Members, or other group, as the context may indicate, totaling more than 50% of the total eligible number.

2. 11. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence, in person or proxy, of Members representing 10% of the votes in the Association and the presence of a duly appointed representative of the Declarant during the Development Period, shall constitute a quorum at all meetings of the Association.

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2. 12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and wreck award in a minute book all resolutions adopted at such meetings, as well as a record of all transactions occurring at such meetings.

2. 13. Action without a Meeting. Any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without prior notice and without a vote, if written consent specifically authorizing the proposed action is signed by Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote thereon were present. Such consent shall be signed within 60 days after receipt of the earliest dated consent, dated and delivered to the Association at its Principle Office in the State of Texas. Such consent shall be filed with the minutes of the Association, and shall have the same force and effect as a vote of the Members at a meeting. Within 10 days after receiving authorization for any action by written consent, the Secretary shall give written notice to all Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

Article III

Board of Directors: Number, Powers, Meetings

3. 1. Authority and Number of Directors.

(a) The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one equal vote. Directors need not be Members.

(b) The number of directors shall not be less than three nor more than five. The initial Board of Directors shall consist of three directors, as identified in the Articles of Formation.

(c) In accordance with Section 7.03(b) of the Declaration, i.e., within one hundred and twenty (120) days after the 10th anniversary of the date the Declaration is recorded in the Real Property Records of Collin County, Texas, the President of the Association's Board of Directors shall call a meeting of the Members of the Association (the "Initial Member Election Meeting") where the Members, other than the Declarant, will elect one (1) Director, for a one (1) year term ("Initial Member Elected Director"). The Declarant will continue to appoint and remove two-thirds of the Board of Directors after the Initial

Member Election Meeting until expiration or termination of the Development Period. Notwithstanding the foregoing, the Initial Member Elected Director's term will expire as of the date of the Member Election Meeting.

(c) At the expiration or termination fo the Development Period, the Declarant will thereupon call a meeting of the Members of the Association where the Declarant appointed directors will resign and the Members will elect three (3) new directors (to replace the directors appointed by the Declarant and the First Member Elected Director) (the "Member Election Meeting"), one (1) director (the individual receiving the highest number of votes) for a three (3) year term, one (1) director (receiving the second highest number of votes) for a two (2) year term, and one (1) director (receiving the third highest number of votes) for a one (1) year term. Upon expiration of the term of a director elected by the Members pursuant to this Section 3.1(c), his or her successor will be elected for a term of two (2) years.

(d) A director takes office upon the adjournment of the meeting or balloting at which he/she is elected or appointed and, absent death, resignation, or removal, will hold office until his/her successor is elected or appointed.

(e) Each director, other than directors appointed by the Declarant, shall be a Member and resident, or in the case of a corporation or partnership Owner of a Lot, a duly authorized agent or representative of the corporation or partnership Owner. The corporate or partnership Owner shall be designated as a director in all correspondence or other documentation setting forth the names of the directors.

3.2. Compensation. The directors shall serve without compensation for such services. As determined by the Board of Directors, directors may be reimbursed for any reasonable and necessary out-of-pocket expenses.

3. 3. Nomination of Directors. Except with respect to directors selected by Declarant, nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and three or more Members or representatives of Members. The Nominating Committee shall be appointed by the Board of Directors not less than 30 days prior to each annual meeting of the Members to serve a term of one year or until their successors are appointed, and such appointment shall be announced at each such annual meeting.

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The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event less than the number of positions to be filled from each slate, as provided in Section 3.5. Nominations will also be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

3. 4. Removal of Directors and Vacancies. Any director elected by the Members may be removed, with or without cause, by the vote of such Members holding a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor director shall be elected by the Members entitled to elect a director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by Members who has three or more consecutive unexcused absences from the Board of Directors meetings or who is more than 30 days delinquent (or is the representative of a Member who is delinquent) in the payment of any Assessment or other charge due to the Association, may be removed by a majority vote of the directors present at a regular or special meeting at which a quorum is present, and the Board of Directors may appoint a successor to fill the vacancy until the next annual meeting, at which time the Members entitled to fill such directorship may elect a successor for the remainder of the term. In the event of death, disability, or resignation of a director, the Board of Directors may declare a vacancy in appoint a successor to serve until the next annual meeting, at which time a successor shall be elected to serve the remaining portion, if any, of the term of the director who created the vacancy.

This Section shall not apply to directors appointed by the Declarant during the Development Period. The Declarant shall be entitled to appoint the successor to fill any vacancy on the Board of Directors resulting from the death, disability or resignation of a director appointed by the Declarant or elected as a representative to the Declarant, respectively.

3.5. Organizational Meetings. The first meeting of the Board of Directors following the annual meeting of the membership shall be held within 10 days thereafter at such time and place as the Board of Directors shall fix.

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3.6. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as a majority of the Director shall determine, but at least for such meeting shall be held during each fiscal year with at least one per quarter.

3.7. Special Meetings. Special meeting as the Board of Directors shall be held when called by written notice signed by the President or Vice President or by any two directors.

3.8. Notice; Waiver of Notice.

(a) Notice of meetings of the Board of Directors shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. The notice shall be given to each director by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) email. All such notices shall be given at the director's telephone number or sent to the director's address or email address as shown on the records of the Association. Notices sent by first-class mail shall be deposited into a United States mailbox at least for business days before the time set for the meeting. Notices given by personal delivery, telephone, or email, shall be delivered or communicated at least 72 hours before the time set for the meeting.

(b) the transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be valid as though taken at a meeting duly held after regular call in notice if: (i) a quorum is present, and (ii) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.09. Quorum of Board of Directors; Telephonic Participation. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors, unless otherwise specifically provided in these Bylaws or the Declaration. In meeting at which a quorum is initially present may continue to

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transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board of Directors cannot be held because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not less than 5 nor more than 30 days of the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of the Board of Directors, or committee meetings, by means of conference telephone or similar communication equipment, provided all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute the presence in person at such meeting.

3.10. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of the Board of Directors meetings, recording all Board of Directors resolutions and all transactions and proceedings occurring at such meeting.

3. 11. Notice to Owner; Open Meetings. Subject to the provisions of Section 3.12, all meetings of the Board of Directors shall be open to all Members and their representatives, but Members other than directors may not participate in any discussion or deliberation unless permission to speak as requested on his or her behalf by a director. In such case, the President may limit the time any Member or Member representative may speak. Notwithstanding the above, the President may adjourn any meeting of the Board of Directors and reconvene in executive session, excluding Members and their representatives, to discuss matters of sensitive nature, such as pending or threatened litigation, personnel matters, etc.

3.12. Action without a Formal Meeting. Any action to be taken at a meeting of the Board of Directors or any action that may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the directors, and such consent shall have the same force and effect as a unanimous vote.

3.13. Powers. The Board of Directors shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association set forth in the

Declaration, these Bylaws, the Articles of Formation, and as provided by Texas law. The Board of Directors may do or cause to be done all acts and things that are not directed, by the Declaration, Articles of Formation, these Bylaws or Texas law, to be done and exercised exclusively by Members.

3.14. Duties. The duties of the Board of Directors shall include, without limitation:

(a) preparation and adoption of annual budgets in which there shall be established each Owner's share of the Common Expenses;

(b) assessing and collecting Assessments from the Owners;

(c) providing for the operation, care, upkeep, and maintenance of the Common Area;

(d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) depositing all funds received on behalf of the Association in a bank depository which it shall approve, and using such funds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than a bank;

(f) making and amending rules in accordance with the Declaration;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvements to or alterations of the property of the Association in accordance with the Declaration in these By-Laws;

(i) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules adopted by it in bringing any proceeding which may be instituted on behalf or against the Owners concerning the Association;

(j) obtaining and caring property and liability insurance and fidelity bonds, as provided in the Declaration, if any, paying the cost thereof, and filing and adjusting claims, as appropriate;

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(k) paying the cost of all services rendered to the Association;

(l) keeping books with detailed accounts of the receipts and expenditures of the Association;

(m) making available to any prospective purchaser of a Lot, Commercial Tract or portion of the Property, and the holders, insurers, and guarantors of any mortgage on a Lot, current copies of the Declaration, the Articles of Formation, the By-Laws, rules, and all other books, records, and financial statements of the Association as provided in Section 6. 4;

(n) permitting utility suppliers to use portions of the Association's property, as the Board of Directors may determine necessary, in its sole discretion, to the ongoing development and operation of the Property;

(o) indemnifying a director, officer or committee member, or former director, officer, or committee member of the Association, to the extent such indemnity is required by Texas Law, the Articles of Formation, or the Declaration; and

(p) assisting in the resolution of disputes between Owners and others without litigation, as set forth in the Declaration.

3.15. Accounts and Reports. The following management standards of performance shall be followed unless the Board of Directors by resolution specifically determines otherwise:

(a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounting and control should conform to generally accepted accounting principles;

(c) cash accounts of the Association shall not be commingled with any other account;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder' s fees, service fees, prizes, gifts, or otherwise; anything of value receive shall benefit the Association;

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(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;

(f) commencing at the end of the quarter in which the first Lot or Commercial Tract is sold and closed, financial reports shall be prepared for the Association at least quarterly containing:

(i) an income statement reflecting all income and expense activity for the proceeding period on an accrual basis;

(ii) a statement reflecting all cash receipts and disbursements for the proceeding.;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the proceeding period;

(v) a delinquency report listing all Owners who are delinquent in paying any Assessments at the time of the report and describing the status of any action to collect such Assessments which remain delinquent (any assessment or installment thereof shall be considered to be delinquent on the 15th day following the due date unless otherwise specified by Board of Directors resolution);

(g) an annual report consisting of at least the following shall be distributed to all Members within 20 days after the closing of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year. Such annual report shall be prepared on an audited, reviewed or compiled basis, as the Board of Directors determines, by an independent public accountant.

3.16. Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, the Board of Directors shall obtain the approval of the Members holding a Majority of the votes represented in person or by proxy at a duly constituted meeting if the proposed borrowing, together with all other debts incurred within the previous 12-month period, exceeds or would exceed 10% of the budgeted gross expenses of the Association for the fiscal year.

3.17. Right to Contract. The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall

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include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or other property owners or similar associations, within and outside the Property; provided, however, any common management agreement shall require the consent of a majority of the Board of Directors of the Association.

3.18. Enforcement. In addition to such other rights as are specifically granted under the Declaration, the Board of Directors shall have the power to impose monetary fines, which shall constitute a lien on the Lot or Commercial Tract of the violator, and to suspend the Owner's right to vote for violation of any duty imposed under the Declaration, these Bylaws, or any Association rules. In addition, the Board of Directors may suspend any services provided by the Association to an Owner or the Owner's Lot, if the Owner is more than 30 days delinquent in payment of any Assessment or other charges owed to the Association. In the event that any lessee, occupant, guest or invitee of a Lot violates the Declaration, Bylaws, or a rule and a fine is imposed, the fine shall first be assessed against the occupants; provided, whatever, if the fine is not paid by the occupant within the time period set forth by the Board of Directors, the fine shall be assessed against the Lot and the Owner thereof upon notice from the Association. Failure of the Board of Directors to enforce any provision of the Declaration, Bylaws, or any rule should not be deemed a waiver of the right of the Board of Directors to do so thereafter.

(a) Notice. Prior to imposition of any fine or sanction hereunder, or under the Declaration, the Board of Directors or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction or fine to be imposed, (iii) a period of not less than 10 days within which the alleged violator or its representative may present a written request for hearing to the Board of Directors or its designee, if any, appointed pursuant to Article V; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within 10 days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed; provided, the Board of Directors may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 10-day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

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(b) Hearing. If a hearing is requested within the allotted 10-day period, the hearing shall be held before the Covenants Committee, if any, or if none, then before the Board of Directors in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of a proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date in the manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanctions, if any, imposed.

(c) Appeal. Following a hearing before the Covenants Committee, if any, the violator shall have the right to appeal the decision to the Board of Directors. To perfect that right, a written notice of appeal must be received by the manager, President, or the Secretary of the Association within 10 days after the hearing date.

(d) Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article, the Board of Directors may elect to enforce any provision of the Declaration, these Bylaws, or the rules of the Association by self-help (specifically including, but not limited to, towing of vehicles that are in violation of parking rules) and, if applicable, by suit or law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred. Any entry on onto a Lot for the purpose of exercising this power of self-help shall not be deemed a trespass.

Article IV

Officers

4. 1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The President and Secretary shall be elected from among the members of the Board of Directors; other officers may, but need not be members of the Board of Directors. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasures, as it shall deem desirable, such officers to have such authority and perform such duties as the Board of Directors prescribes. Any two or more

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offices may be held by the same person, except the offices of President and Secretary.

4. 2. Election and Term of Office. The Board of Directors shall elect the officers of the Association at the first meeting of the Board of Directors following each annual meeting of the Members, to serve until their successors are elected.

4. 3. Removal and Vacancies. The Board of Directors may remove any officer whenever, in its judgment, the best interests of the Association will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

4. 4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertaining to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have the primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

4. 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4. 6. Agreements, Contracts, Deeds, Leases, Checks and Instruments. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two officers or by such other person or persons as may be designated by a Board of Directors resolution.

4. 7. Compensation. Compensation of officer shall be subject to the same limitations as compensation of directors under Section 3.2.

Article V

Committees

5. 1. General. The Board of Directors may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board

of Directors may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

5. 2. Covenants Committee. In addition to any other committees which the Board of Directors may establish pursuant to Section 5. 1, the Board of Directors may appoint a Covenants Committee consisting of at least three (3) and no more than five (4) Members. Acting in accordance with the Declaration, these Bylaws, and any resolutions the Board of Directors may adopt, the Covenants Committee shall be the hearing tribunal and shall conduct all hearings held pursuant to Section 3.19 of these Bylaws.

Article VI

Indemnification of Directors and Officers

6.1. INDEMNIFICATION. The Association shall indemnify every director and officers and committee member of the Association against, and reimburse and advance to every director and officer, for liabilities, costs and expenses incurred in connection with such directorship or office and any actions taken omitted in such capacity to the greatest extent permitted under the Texas Business Organization Code and all other applicable laws at the time of such indemnification, reimbursement or advance payment; provided, however, no director or officer shall be indemnified for: (a) breach of duty of loyalty to the Association or its Members; (b) an act or omission not in good faith or that involves intentional misconduct or knowing violation of the law; (c) a transaction from which such director or officer receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of directorship or office; or (d) an act or omission for which the liability of such director or officer is expressly provided for by statute.

Article VII

Miscellaneous

7. 1. Fiscal Year. The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

7. 2. Parliamentary Rules. In the event of a need for or a dispute regarding parliamentary procedure, Robert's Rules of Order (current edition) shall govern the

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conduct of the Association proceedings when not in conflict with Texas law, the Articles of Formation, the Declaration or these By-Laws.

7. 3. Conflicts. If there are conflicts between the provisions of Texas law, the Master Association Governing Documents, the Article of Formation, the Declaration and these Bylaws, the provisions of Texas law, the Master Declaration and Master Governing Documents, the Declaration, the Articles of Formation, and these Bylaws (in that order) shall prevail.

7. 4. Books and Records.

(a) Inspection of Records by Members and Mortgagees. Board of Directors shall make available for inspection and copying by the holder, insurer, or guarantor of a first mortgage on a Lot, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Lot: the Declaration; the Bylaws; the Articles of Formation, including any amendments; the rules of the Association; the membership register, books of account; and the minutes of meetings of the Members, the Board of Directors, and committees. The Board of Directors shall provide for such inspection to take place at the office of the Association or at such other place within the Property as the Board of Directors shall designate.

(b) Rules for Inspection. The Board of Directors shall establish reasonable rules with respect to:

(i) notice to be given to the custodian of records of the Association;

(ii) hours and days of the week when such inspection may be made; and

(iii) payment of the cost of reproducing copies of documents requested and charges for compiling and researching the requested records.

(c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the Association.

7. 5. Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first-class postage prepaid:

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(i) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or

(ii) if to the Association, the Board of Directors, or the managing agent, at the Principal Office of the Association or the managing agent, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6. 6. Amendment. These Bylaws may be amended by: (i) the declarant until expiration or termination of the Development Period; or (ii) a Majority vote of the Board of Directors with the advance written consent of the Declarant until expiration of the Development Period.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Emerald Heights Homeowners Association, Inc., A Texas non-profit corporation;

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof held on 9th day of April, 2018.

Secretary

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EXHIBIT C – SUBDIVISION DESIGN GUIDELINES

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DESIGN GUIDELINES

SUBDIVISION DESIGN GUIDELINES FOR EMERALD HEIGHTS

These Subdivision Design Guidelines are designed specifically for the Emerald Heights subdivision and are promulgated in accordance with Section 8.5 of Article VIII of the "Second Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for STONEBRIDGE RANCH" (the "Master Declaration") which instrument was recorded on March 28, 2008 as Instrument No. 2008-0327000365660 in the Public Real Estate Records of Collin County, Texas and which is incorporated herein by reference for all purposes.

The primary purpose of these Subdivision Design Guidelines is to supplement the current version of the MASTER DESIGN GUIDELINES FOR STONEBRIDGE RANCH. Adherence to these guidelines is intended to assure owners of properties within the Emerald Heights subdivision that all individual improvements will conform to the same high standards of design excellence. The guidelines seek to establish a design framework which the individual homebuilder or homeowner will use as a guide for site improvement, with latitude and flexibility (on the one hand) balanced against preserving the integrity of Stonebridge Ranch (on the other hand). These Subdivision Design Guidelines will serve to guide, inform, aid and inspire to the same extent as they serve to prohibit, restrict and require. While some features are mandated, it should be understood that the Master Architectural Review Committee ("MARC") may make discretionary judgments to reduce or waive any requirement when it can be demonstrated (to the reasonable satisfaction of the MARC) that appropriate mitigating measures have been taken. However, such discretionary approval(s) shall not represent or constitute a binding precedent since no two or more tracts or circumstances are likely to be alike.

1. <u>All Submissions:</u>

Submit to:
Stonebridge Ranch Community Association
Master Architectural Review Committee
620 l Virginia Parkway
McKinney, Texas 75071

Each and all sets of plans must show or contain thereon, the respective names, addresses and telephone numbers of the Owner, builder and architect or designer, as applicable. The MARC is authorized and empowered to and shall consider, review and comment on preliminary plans submitted on an informal basis to assist the applicant in complying with the Declaration and these Subdivision Guidelines and to assist in the completion of feasibility studies undertaken by such persons or entities. At a minimum, the plans shall include:

(1) Site Plan (drawn to a scale of not less than I"= 20'-0" with north arrow);
(2) Floor Plan (drawn to a scale of not less than 1/8" = 1'0");

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(3) Front Elevation, including finish materials and roof pitch (drawn to a scale of not less than 1/8" = l' 0").
(4) Grading Plan (preliminary) (drawn to a scale of not less than l" = 20'-0").
(5) Roof Plan (drawn to a scale of not less than 1/8" = 1'0").

The MARC shall have the right to prescribe reasonable limitations concerning the time, effort and expense likely to be involved in handling such matters on an informal basis. If the preliminary plans and specifications are approved by MARC, the applicant will be so advised in writing. If found not to be in compliance with the Master Declaration, Declaration, Master Design Guidelines or these Subdivision Design Guidelines, the applicant will be so advised in writing with a reasonable statement and explanation of items found in noncompliance. If the MARC does not approve, disapprove or otherwise comment on such plans and specifications within thirty (30) days after the actual date of the received submission, the applicant may give the MARC written notice of such failure to respond, and if the MARC fails to respond within thirty (30) days after receipt of such notice, approval of the matters submitted shall be presumed.

The MARC is authorized to request a mockup of proposed construction materials. At such time as the plans, specifications and surveys meet the approval of the MARC, one complete set of plans, specifications and surveys will be retained by the MARC, and the other complete set will be marked "Approved" and made available for pick up by the applicant at a designated location. If found not to be in compliance with the applicable requirements, one set of such plans, specifications and surveys shall be marked "Disapproved," accompanied by a reasonable statement of items found not to comply with the applicable requirements. Any modification or change to the approved set of plans, specifications and surveys must again be submitted to the MARC for review and approval prior to construction. The MARC's approval or disapproval, as required herein, shall be in writing. The MARC may from time to time publish and promulgate architectural standards which shall be fair and reasonable and shall carry forward the spirit and intention of these Guidelines. Such publications shall be incorporated as part of the Guidelines as if written herein

2. Minimum Floor Space. Each dwelling constructed on any Lot shall contain a minimum of three thousand (3,000) square feet of air-conditioned floor area, exclusive of all porches, garages or breezeways.

3. Height Limitation.

Forty feet (40') measured from (first floor) finished floor elevation.

4. Minimum Dwelling Setback Requirements.

Front Yard: Twenty feet (25') to main structure.

Rear Yard: Twenty feet (20') from rear lot line to main structure (excluding accessory buildings, cabanas, decks, fences, pools, etc.)

Interior Side Yard: Seven feet (7').

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Corner Side Yard : Fifteen feet (15') to main structure.

Driveway: Driveway pavement shall be set back a minimum of one foot six inches (1'-6") from the property line. In retaining wall situations on side lot lines, the driveway may abut the retaining wall on the high side as long as the retaining wall creates a raised curb effect along the driveway. Exposed concrete is not permitted.

5. Sitework. Finished grades shall not direct concentrated water (i.e. downspouts, pool overflows, sub-grade drainage systems) flow onto adjacent properties and should follow the City of McKinney approved grading plans. Anytime a site is altered, it is the builder's responsibility to provide the retainage. Retaining walls are to be consistent with retaining walls on site. If side yard retaining walls are not desired, a maximum slope of 4:1 must be achieved between the foundation slab and the side yard property line. The MARC reserves the right, upon reasonable advance notice, to require a topographical survey done by a registered surveyor before, during, or after construction. All retaining walls must be Milsap. Max exposed concrete foundation grade beam 12".

6. Masonry. Unless otherwise specifically approved by the MARC, each single family detached residential dwelling shall have at least eighty-five percent (85%) of the exterior vertical surfaces (excluding windows, doors and roof) composed of approved masonry (i.e brick, stone, stucco). Chimneys must be 100% masonry. Also, that portion of the elevation which faces a park, green belt, common space, must be 100% masonry. Brick blends may be repeated with a minimum separation of four (4) intervening houses in any direction along the fronting or side/corner streets.

7. Fences for Interior Property Lines. Unless otherwise approved by the MARC, no fence shall exceed six feet (6') in height measured from finished grade. Fence construction style will be board on board as indicated in the Master Design Guidelines. Lots 1-29A must maintain the 10' wide zone on greenbelt/common area lots, per Master Design Guidelines. Except for those fences required to be constructed of metal, all other fences shall be constructed of Western Red Cedar (#1 or "Standard and Better") with pickets placed on the exterior face or as specified by the MARC. Posts may be steel pipe columns or cedar. No pine or spruce fencing materials shall be permitted. Interior lots shall have a six foot (6'-0") height solid wood privacy fence.

8. Fences Along Greenbelts/Common Areas. With respect to Block A, Lots 1-29, which has a side or rear property line coincident with or adjacent to a greenbelt/common area so as to constitute "greenbelt/common area frontage", fences shall comply with the following requirements:

   A. Constructed as indicated in the MASTER DESIGN GUIDELINES for metal fencing.

9. Roof Drainage. In order to assist in the orderly drainage and removal of roof water and the overall quality of drainage, gutters and downspouts may be required at the discretion and direction of the MARC.

10. Roof.

    a. A minimum roof pitch of 8:12, unless otherwise approved by the MARC.

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b. Any proposed composition roof materials shall be laminated dimensional/architectural shingles with 30 year minimum manufacturer's warranty in Weathered Wood or Driftwood blend color. The type, quality and color must otherwise be specifically approved by the MARC. Roofs which cover bay windows are required to use copper, anodized aluminum (bronze or black), or a MARC approved materials and factory finish.

11. Required Landscaping. All landscape is to be installed BY THE BUILDER WITHIN THIRTY (30) DAYS of substantial completion or change of ownership (closing). The Lot areas listed below shall be landscaped with the following size and/or number of shade trees, which shall be from the "highly recommended" or "acceptable" category described within the STONEBRIDGE RANCH Plant Palette (set forth in the MASTER DESIGN GUIDELINES).

Lot Area	Minimum Requirement
Front Yard	Two rows of five (5) gallon (min.) non-deciduous (evergreen) shrubs planted at a maximum spacing of 3'-0" on center and located along the foundation excluding porches and patios. A total of one 4" caliper (min.) large canopy (i.e. red oak, live oak, cedar elm) shade tree is required for each front yard. In addition to the one tree previously mentioned, two 6' to 8' height minimum ornamental trees are required for each front yard. Refer to City tree requirement for entire lot.
Adjacent to Greenbelt/Common Area/Open Space	Two rows of five gallon (min) evergreen shrubs planted at a maximum spacing of 3'-0" o.c. and located along the foundation excluding porches and patios. A total of one 4" caliper (min,) large canopy(i.e. red oak, live oak, cedar elm) shade tree per yard, to be located within ten (10') of common area/open space.
Corner Yard	One row of five-gallon (min.) evergreen shrubs planted at a maximum spacing of 3'-0" on center is required where the foundation is exposed to the street. A total of one 4" caliper (min.) shade tree is required to face the "side" street and be located in the side yard outside the fenced portion of the yard. Where six foot (6') solid wood fences run along the street frontage, one row of five (5) gallon (min.) evergreen shrubs planted on street side of fence at a maximum spacing of 3'-0" on center is required.
AC Units Mechanical Equipment Meters	One row of five (5) gallon (min.) evergreen shrubs planted at a maximum spacing of 3'-0" on center is required to screen these elements from public view.

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12. Irrigation. The MARC requires that each Lot have an automatic irrigation system with rain/freeze sensor

13. Sidewalks & Driveways. Unless otherwise approved by the MARC the builder of each single-family home shall construct, install and provide a four foot (4') public sidewalk which shall: (a) be approved (as to size, location and materials) by the MARC; and (b) comply with applicable subdivision improvement plan and other City of McKinney, Texas standards (c) incorporate a "lay down" curb on corner lots or other similar lots designated by the MARC and (d) to the extent applicable, conform to and continue the hike and bike trail within STONEBRIDGE RANCH. Concrete flatwork which is within the public right-of-way must be broom finished.

14. Elevations. As a general rule or objective, each floor plan should have three (3) elevations. Elevations shall not repeat along the fronting or siding streetscape without at least three (3) intervening homes of sufficient dissimilarity (both sides of the street). The intent of this guideline is to avoid the negative "look alike" effect of frequent repetition, while allowing sufficient latitude for the builder in satisfying market demand.

15. Paint Colors. The trim colors of the house will be limited to the earth tone color family complementary of the masonry selection. All exposed exterior flashing is to be painted a color to match the adjacent surface color. Roof vents are to be painted a color to match the roof color or black.

16. Mailboxes. All mailboxes are to be USPS approved cluster type mailboxes as required by the USPS. Construction traffic should never block access to mailboxes.

17. Address Plaques. The address plaques are to be made of cast stone and mounted on a conspicuous vertical surface close to the front door.

18. Garage Door. Garage doors should be painted the same color as the trim. Cedar garage doors are allowed and must be stained with natural colors that complement the other colors of the home. Cedar garage doors are subject to Stonebridge Ranch Master association MARC approval.

19. Homebuilder Construction. Please refer to the most recent publication of the Stonebridge Ranch Construction Site Policy

20. Builder Signage. See Exhibit A for specifications

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SUBDIVISION DESIGN GUIDELINES
REVISION LOG

EMERALD HEIGHTS

DATE	DESCRIPTION
	Original Document

EXHIBIT A

STONEBRIDGE RANCH
LOT SIGN POLICY

The lot sign policy for all builders in Stonebridge Ranch is divided into two segments: the custom villages and the production villages. The actual design characteristics are described on page two.

CUSTOM VILLAGES

Emerald Heights

The "SB" is to be done in Blue (PMS 282C). The village name is to be in gold (with correct logo).

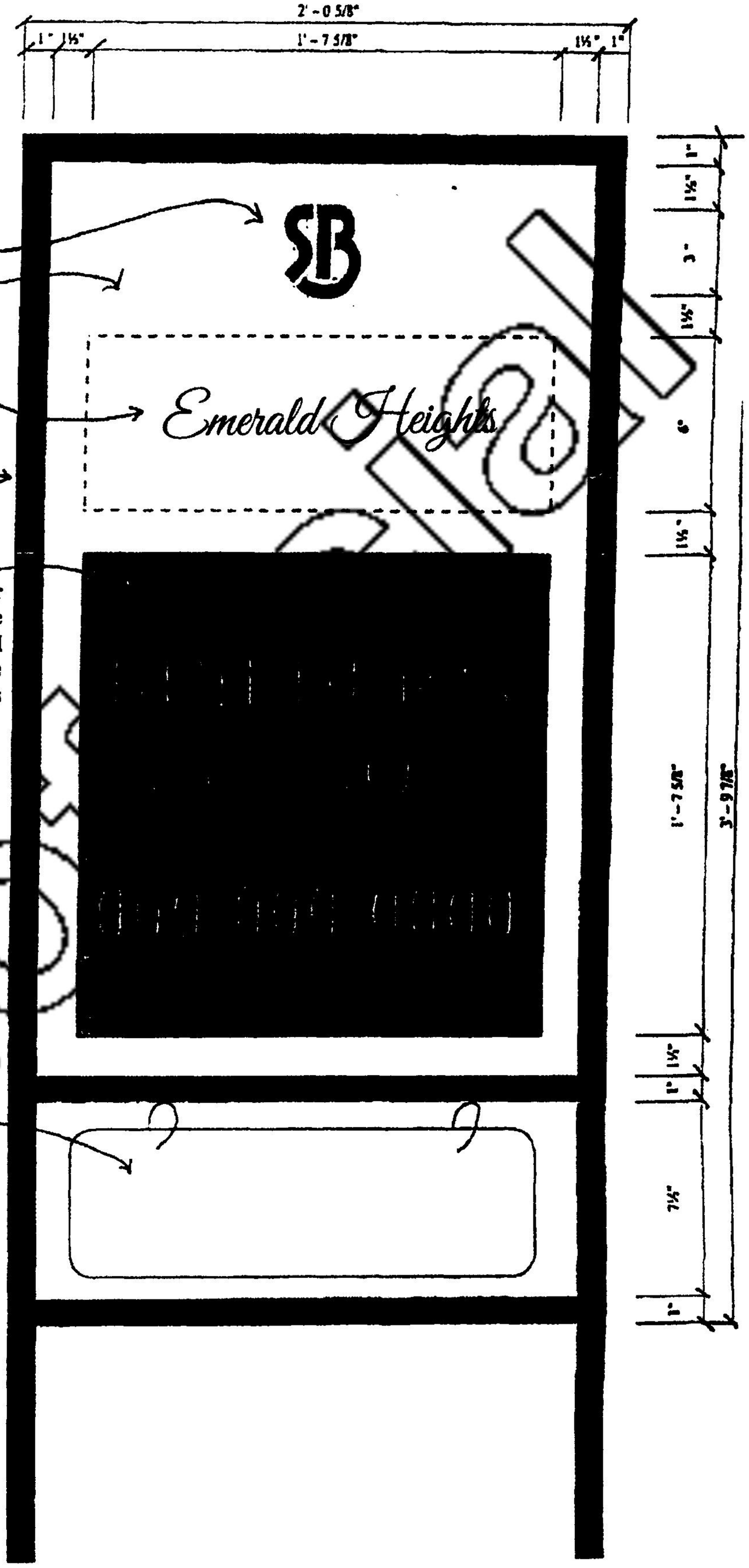
The number of signs is dictated by the following:

1. Signs are allowed on contract and build-to-suit lots.
2. One sign is allowed in a village where the builder has no activity.

Each builder is allowed to place the builder's logo and colors in the space provided. Logos of all villages are available by contacting the Development Office.

Please be guided accordingly.

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Logo – Navy Blue (PMS 282C)

Background – White

Custom Villages – Metallic Gold

All Other Villages – Black

Frame – Black (Glossy)

Note: The shaded area is designated for the builder's identification. The quantity of colors, logo, and script is to be determined by the builder. All costs for the sign/s are to be incurred by the builder.

"Hanger Sign"

FOR SALE
SOLD
OPEN
CLOSED
SALE PENDING

Background – White

Letters – Navy Blue (PMS 282C)

Unofficial

EXHIBIT D – ADDIONAL PROPERTY

Unofficial

LEGAL DESCRIPTION
2.224 ACRES

BEING a tract of land situated in the S.B SEARCY SURVEY, ABSTRACT NO. 818 and the LEONARD SEARCY SURVEY, ABSTRACT NO. 829, Collin County, Texas and being part of that tract of land conveyed to Jennifer S. Buchanan and husband Michael J. Buchanan, according to the document filed of record in Document Number 20160602000691240, Official Public Records, Collin County, Texas, and being more particularly described as follows:

BEGINNING at the northwest corner of said Buchanan tract, and being in the approximate centerline of a creek, also being the southwest corner of tract of land conveyed to Jennifer S. Buchanan and husband Michael J. Buchanan, according to the document filed of record in Document Number 20090107000017540, Official Public Records, Collin County, Texas, same being the southeast corner of that tract of land conveyed to Robert Peter Cimrhanzel, JR and Allison Cimrhanzel, according to the document filed of record in Document Number 20170508000588530, Official Public Records, Collin County, Texas and of Lot 2 Fisher-Legg Addition, an addition to the City of McKinney, Collin County, Texas, according to the Plat filed of record in Volume D, Page 92, Map Records, Collin County, Texas, also being an inner ell corner of tract of land conveyed to Pointe Emerald Heights, LLC., according to the document filed of record in Document Number 20160511000578480, Official Public Records, Collin County, Texas, from which a 3/8 inch iron rod found bears North 01° 00' 45" West, 54.19 feet;

THENCE with the common north and south lines of said Buchanan tracts, and generally along the approximate centerline of a creek, the following courses and distances:

North 79° 12' 34" East, a distance of 43.51 feet;

South 32° 24' 26" East, a distance of 63.87 feet;

North 72° 31' 34" East, a distance of 243.41 feet;

South 73° 08' 26" East, a distance of 122.00 feet to a point for corner from which a 5/8 inch iron rod found in the east line of the above mentioned Buchanan tract, recorded in Document Number 20090107000017540, being common with the west line of that tract of land conveyed to William W. Elliott or Mae Jean Elliott, as Trustee of the Elliott Living Trust, according to the document filed of record in Document Number 20170110000043900, Official Public Records, Collin County, Texas, bears North 00° 21' 26" West, 14.83 feet;

THENCE with the north line of the above mentioned Buchanan tract, recorded in Document Number 20160602000691240, being common with the south line of said Elliott Living Trust tract, and generally along the approximate centerline of a creek, the following courses and distances:

South 83° 28' 42" East, a distance of 84.85 feet;

South 36° 10' 47" East, a distance of 61.66 feet;

THENCE South 07° 45' 56" East, departing the approximate centerline of said creek and said common line, over and across said Buchanan tract recorded in Document Number 20160602000691240, a distance of 58.71 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner in the south line of said Buchanan tract, same being the north line of that tract of land conveyed to Pointe Emerald Heights, LLC., according to the document filed of record in Document Number 20170428000540920, Official Public Records, Collin County, Texas;

THENCE with the common south line of said Buchanan tract, and the north line of said Pointe Emerald Heights, LLC. tract recorded in Document Number 20170428000540920 the following courses and distances:

South 82° 14' 04" West, a distance of 50.72 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 01° 34' 50" West, a distance of 2.52 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for the common corner of said Buchanan tract, and the above mentioned Pointe Emerald Heights, LLC tracts, as recorded in Document Numbers 20160511000578480 and 20170428000540920, and being the beginning of a non-tangent curve to the left having a central angle of 66° 45' 57", a radius of 50.00 feet and a chord bearing and distance of South 58° 02' 30" West, 55.02 feet;

THENCE with the common south line of said Buchanan tract, and the north line of said Pointe Emerald Heights, LLC. tract recorded in Document Number 20160511000578480 the following courses and distances:

With said curve to the left, an arc distance of 58.26 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 85° 44' 14" West, a distance of 156.17 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a tangent curve to the left having a central angle of 35° 42' 00", a radius of 275.00 feet and a chord bearing and distance of South 76° 24' 45" West, 168.59 feet;

With said curve to the left, an arc distance of 171.35 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 58° 33' 45" West, a distance of 40.53 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set corner at the beginning of a tangent curve to the right having a central angle of 40° 11' 34", a radius of 225.00 feet and a chord bearing and distance of South 78° 39' 32" West, 154.62 feet;

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