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**INWOOD HILLS HOMEOWNERS
ASSOCIATION, INC.**

NOTICE OF FILING OF DEDICATORY INSTRUMENTS

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

KNOW ALL MEN BY THESE PRESENTS:

This NOTICE OF FILING OF DEDICATORY INSTRUMENTS (this "Notice") is filed by Inwood Hills Homeowners Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, the Association is a "property owners' association" as defined in Section 202.002(2) of the Texas Property Code; and

WHEREAS, the Association is governed by a dedicatory instrument, which covers the property described therein entitled Declaration of Covenants, Conditions and Restrictions for Inwood Hills, filed for record on September 15, 2008, at Instrument No. 20080915001109270, of the Official Public Records of Collin County, Texas (the "Declaration") as such may be amended and/or supplemented from time to time; and

WHEREAS, Section 202.006 of the Texas Property Code, which became effective September 1, 1999, requires a "property owners' association" to file "the dedicatory instrument" in the real property records of each county in which the property to which the dedicatory instrument relates is located; and

WHEREAS, the Association, with the sole intention of filing the following instruments which might be interpreted as being within the scope of Section 202.006, acting by and through the undersigned duly authorized agent, files true and correct copies of the instruments more specifically set forth hereinafter.

NOW, THEREFORE, the Association, files true and correct copies of the following instruments of the Association which are attached hereto:

1. **INWOOD HILLS HOMEOWNERS ASSOCIATION, INC. - GUIDELINES FOR DISPLAY OF FLAGS;**
2. **INWOOD HILLS HOMEOWNERS ASSOCIATION, INC. - PAYMENT PLAN POLICY;**
3. **INWOOD HILLS HOMEOWNERS ASSOCIATION, INC. - GUIDELINES FOR RAINWATER RECOVERY DEVICES;**
4. **INWOOD HILLS HOMEOWNERS ASSOCIATION, INC. - GUIDELINES FOR RELIGIOUS ITEM DISPLAY;**
5. **INWOOD HILLS HOMEOWNERS ASSOCIATION, INC. - GUIDELINES FOR ROOFING MATERIALS;**

INWOOD HILLS HOMEOWNERS ASSOCIATION, INC.

GUIDELINES FOR DISPLAY OF FLAGS

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

WHEREAS the Inwood Hills Homeowners Association, Inc. (the "Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declaration of Covenants, Conditions & Restrictions for Inwood Hills, filed for record on September 15, 2008, at Document Number 200809150011092050 of the Official Public Records of Collin County, Texas (referred to as the "Declaration"); and

WHEREAS Chapter 202 of the Texas Property Code was amended to add Section 202.011 thereto regarding the display of flags; and

WHEREAS, the Board of Directors ("Board") of the Association has determined that in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding the display of flags therein, it is appropriate for the Association to adopt guidelines regarding flag display within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for the Display of Flags* within the community.

- A. An owner or resident may display:
 - 1. the flag of the United States of America; and/or
 - 2. the flag of the State of Texas; or
 - 3. an official or replica flag of any branch of the United States armed forces.
- B. An owner may only display a flag described in A. above if such display meets the following criteria:
 - 1. a flag of the United States must be displayed in accordance with 4 U.S.C. Sections 5-10;
 - 2. a flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code;
 - 3. a flagpole attached to a dwelling or a freestanding flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling;
 - 4. the display of a flag or the location and construction of the supporting flagpole must comply with applicable zoning ordinances, easements and setbacks of record;

"ATTACHMENT 1"

Inwood Hills Homeowners Association, Inc.

Guidelines for Flag Display

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5. a displayed flag and the flagpole on which it is flown must be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must be repaired, replaced or removed;

C. The Association hereby adopts the following additional restrictions on the display of flags on an owner's lot:

1. an owner may not install a flagpole which is greater than twenty feet (20') in height;
2. an owner may not install more than one flagpole on the owner's property;
3. any flag displayed must not be greater than 3' x 5' in size;
4. Lights used to illuminate a displayed flag must comply with the following:
 - (a) Be ground mounted in the vicinity of the flag; and
 - (b) Utilize a fixture that screens the bulb and directs light in the intended direction with minimal spillover; and
 - (c) Points towards the flag and faces the main structure on the property or to the center of the property if there is no structure; and
 - (d) Provides illumination not to exceed the equivalent of a 300 watt incandescent bulb or per the lighting stipulations of the City.
 - (e) Lights used to illuminate a displayed flag that do not comply with the above requirements constitute a nuisance and are not permitted on an owners' property.
5. an owner may not locate a displayed flag or flagpole on property that is:
 - (a) owned or maintained by the Association; or
 - (b) owned in common by the members of the Association.
6. Flagpoles must not generate unreasonable noise levels which would disturb the quiet enjoyment of other residents. Each flagpole owner should take steps to reduce noise levels by using vinyl or plastic snap hooks, installing snap hook covers or securing a loose halyard (rope) around the flagpole with a flagpole clasp.

FURTHERMORE, these guidelines are effective upon recordation in the Public Records of Collin County, and will remain in effect until revoked, modified or amended.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held 12/27/11, and has not been modified, rescinded or revoked.



Jed Dolson
Director
Inwood Hills Homeowners Association, Inc.

INWOOD HILLS HOMEOWNERS ASSOCIATION, INC.

PAYMENT PLAN POLICY

STATE OF TEXAS §
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COUNTY OF COLLIN §

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS the Inwood Hills Homeowners Association, Inc. (the "Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declaration of Covenants, Conditions & Restrictions for Inwood Hills, filed for record on September 15, 2008, at Document Number 200809150011092050 of the Official Public Records of Collin County, Texas (referred to as the "Declaration"); and

WHEREAS, pursuant to Section 209.0062 of the Texas Property Code, the Board of Directors of the Inwood Hills is required to adopt reasonable guidelines regarding a payment schedule in which an owner may make partial payments to the Association for delinquent regular or special assessments or any other amounts owed to the Association.

NOW, THEREFORE, in order to comply with the procedures set forth by Chapter 209 of the Texas Residential Property Owners Protection Act, the following procedures and practices are established for the payment plan policy for the Association.

1. Purpose. The purpose of this Policy is to assist Owners in remedying delinquencies and remaining current on the payment of amounts owed to the Association by establishing orderly procedures by which Owners may make partial payments to the Association for amounts owed without accruing additional penalties.
2. Eligibility. To be eligible for a payment plan pursuant to the Association's alternate payment plan schedule, an Owner must meet the following criteria:
 - a) The owner must currently be delinquent in the payment of regular assessments, special assessments, or any other amounts owed to the Association;
 - b) The Owner must not have defaulted on a prior payment plan within the prior two year period; and
 - c) The Owner must submit a signed payment plan as defined below, along with the Owner's initial payment to the address designated by the Association for correspondence.
3. Payment Plan Schedule/Guidelines. The Association hereby adopts the following alternate payment guidelines and makes the following payment plan schedule available to owners in order to make partial payments for delinquent amounts owed:

"ATTACHMENT 2"

- a) Requirements of Payment Plan Request. Within 30 days of the date of the initial letter which informs the owner of the availability of a payment plan, an owner must submit a signed acceptance of the payment plan schedule described below to the Association's management company.
- b) Term. The term of the payment plan or schedule is six (6) months.
- c) Date of Partial Payments under Plan. The Owner must submit the first monthly installment payment under the plan a within the same timeframe as the submission of the Owner's payment plan agreement which must be signed by the Owner. The initial payment must be in an amount equal to twenty-five percent (25%) of the delinquent amount owed. The Owner must make all additional monthly installments under the payment plan in equal amounts so that the payments are received by the Association no later than the first (1st) day of each month. The Owner may pay off, in full, the balance under the payment plan at any time. All payments must be received by the Association at the Association's designated mailing address or lock box for all payments. Payments may be made through auto draft bill payment, in check or certified funds, or by credit card (to the extent the Association is set up to receive payment by credit card).
- d) Correspondence. Any correspondence to the Association regarding the amount owed, the payment plan, or such similar correspondence must be sent to the address designated by the Association for correspondence. Such correspondence shall not be included with an Owner's payment.
- e) Amounts Coming Due During Plan. Owners are responsible for remaining current on all assessments and other charges coming due during the duration of the Owner's payment plan and must, therefore, timely submit payment to the Association for any amounts coming due during the duration of the Owner's payment plan.
- f) Additional Charges. An Owner's balance owed to the Association shall not accrue late fees or other monetary penalties (except interest) while such Owner is in compliance with a payment plan under the Association's alternate payment plan schedule. Owners in a payment plan are responsible for reasonable costs associated with administering the plan, and for interest on the unpaid balance, calculated at the highest rate allowed by the governing documents or by law. The costs of administering the plan and interest shall be included in calculating the total amount owed under the payment plan and will be included in the payment obligation. The costs of administering the payment plan may include a reasonable charge for preparation and creation of the plan, as well as a monthly monitoring fee of no less than \$5.00 per month.

g) Other Payment Arrangements. At the discretion of the Board of Directors, and only for good cause demonstrated by an Owner, the Association may accept payment arrangements offered by Owners which are different from the above-cited guidelines, provided that the term of payments is no less than three (3) months nor larger than eighteen (18) months. The Association's acceptance of payment arrangements that are different from the approved payment plan schedule/guidelines hereunder shall not be construed as a waiver of these guidelines nor authorize an owner to be granted a payment plan which differs from the one herein provided.

4. Default. If an Owner fails to timely submit payment in full of any installment payment (which installment payment must include the principal owed, the administration fees assessed to the plan and interest charges), or fails to timely pay any amount coming due during the duration of the plan, the Owner will be in default. If an Owner defaults under a payment plan, the Association may proceed with collection activity without further notice. If the Association elects to provide a notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. In addition, the Owner is hereby on notice that he/she will be responsible for any and all costs, including attorney's fees, of any additional collection action which the Association pursues.

5. Board Discretion. Any Owner who is not eligible for a payment plan under the Association's alternate payment plan schedule may submit a written request to the Board for the Association to grant the Owner an alternate payment plan. Any such request must be directed to the person or entity currently handling the collection of the Owner's debt (i.e. the Association's management company or the Association's attorney). The decision to grant or deny an alternate payment plan, and the terms and conditions for any such plan, will be at the sole discretion of the Association's Board of Directors.

7. Severability and Legal Interpretation. In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Policy shall be enforced as if such provision did not exist. Furthermore, the purpose of this policy is to satisfy the legal requirements of Section 209.0062 of the Texas Property Code. In the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law.

FURTHERMORE, this Payment Plan Policy is effective upon recordation in the Public Records of Collin County, and will remain in effect until revoked, modified or amended.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held 11/27/11, and has not been modified, rescinded or revoked.



Jed Doison
Director
Inwood Hills Homeowners Association, Inc.

Unofficial

INWOOD HILLS HOMEOWNERS ASSOCIATION, INC.

GUIDELINES FOR RAINWATER RECOVERY DEVICES

STATE OF TEXAS
COUNTY OF COLLIN

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KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS the Inwood Hills Homeowners Association, Inc. (the "Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declaration of Covenants, Conditions & Restrictions for Inwood Hills, filed for record on September 15, 2008, at Document Number 200809150011092050 of the Official Public Records of Collin County, Texas (referred to as the "Declaration"); and

WHEREAS the Texas Legislature passed House Bill 3391 which amends Chapter 202 of the Texas Property Code to add Section 202.007 (d) thereto dealing with the regulation of rainwater recovery devices; and

WHEREAS, the Board of Directors ("Board") of the Association has determined that in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding rainwater recovery devices therein, it is appropriate for the Association to adopt guidelines regarding rainwater recovery devices within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for Rainwater Recovery Devices* within the community, hereby repealing any and all prior restrictions on rainwater recovery devices contained in any governing documents of the Association which are not in accordance with the new law.

A. An owner may not install a rain barrel or rainwater harvesting system if:

1. such device is to be installed in or on property:

- (a) owned by the Association;
- (b) owned in common by the members of the Association; or
- (c) located between the front of the owner's home and an adjoining or adjacent street; or

2. the barrel or system:

- (a) is of a color other than a color consistent with the color scheme of the owner's home; or
- (b) displays any language or other content that is not typically displayed by such a barrel or system as it is manufactured.

B. The Association may regulate the size, type, and shielding of, and the materials used in the construction of, a rain barrel, rainwater harvesting device, or other appurtenance that is located on the side of a house or at any other location that is visible from a street, another lot, or a common area if:

1. the restriction does not prohibit the economic installation of the device or appurtenance on the owner's property; and
 2. there is a reasonably sufficient area on the owner's property in which to install the device or appurtenance.
- C. In order to enforce these regulations, an owner must receive written approval from the Board or the architectural control or review committee (if one exists) prior to installing any rain barrel or rainwater harvesting system. Accordingly, prior to installation, an owner must submit plans and specifications to receive the written approval of the Board or architectural control/review committee. The plans and specifications must show the proposed location, color, material, shielding devices, size and type of such system or device (and all parts thereof). The plans should also identify whether the device or any part thereof will be visible from any street, other lot or common area.

FURTHERMORE, these guidelines are effective upon recordation in the Public Records of Collin County, and will remain in effect until revoked, modified or amended.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held 12/77/11, and has not been modified, rescinded or revoked.



Jed Dolson
Director
Inwood Hills Homeowners Association, Inc.

UNOFFICIAL

INWOOD HILLS HOMEOWNERS ASSOCIATION, INC.

GUIDELINES FOR RELIGIOUS ITEM DISPLAY

STATE OF TEXAS
COUNTY OF COLLIN

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KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS the Inwood Hills Homeowners Association, Inc. (the "Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declaration of Covenants, Conditions & Restrictions for Inwood Hills, filed for record on September 15, 2008, at Document Number 200809150011092050 of the Official Public Records of Collin County, Texas (referred to as the "Declaration"); and

WHEREAS the Texas Legislature passed House Bill 1278 which amends Chapter 202 of the Texas Property Code to add Section 202.018 thereto dealing with the regulation of religious item display; and

WHEREAS, the Board of Directors ("Board") of the Association has determined that in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding religious item display therein, it is appropriate for the Association to adopt guidelines regarding religious item display within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for the Display of Religious Items* within the community, hereby repealing any and all prior restrictions on religious item display contained in any governing documents of the Association which are not in accordance with the new law.

1. A property owner or resident may display or attach one or more religious items to the entry to their dwelling. Such items include anything related to any faith that is motivated by the resident's sincere religious belief or tradition.
2. Individually or in combination with each other, the items at any entry may not exceed 25 square inches total in size.
3. The items may only be displayed on or attached to the entry door or frame and may not extend beyond the outside edge of the door frame of the owner's or resident's dwelling.
4. To the extent allowed by the Texas state constitution and the United States constitution, any such displayed or affixed religious items may not:
 - a. threaten public health or safety; or
 - b. violate any law; or
 - c. contain language, graphics or any display that is patently offensive to a passerby.
5. Approval from the Association is not required for displaying religious items in compliance with these guidelines.

Inwood Hills Homeowners Association, Inc.
Guidelines for Religious Item Display
Page 2 of 2

6. As provided by Section 202.018, the Association may remove any items displayed in violation of these guidelines.
7. This policy does not apply to seasonal religious displays in the yard and/or on the home.
- 8.

FURTHERMORE, these guidelines are effective upon recordation in the Public Records of Collin County, and will remain in effect until revoked, modified or amended.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held 12/27/11, and has not been modified, rescinded or revoked.



Jed Dolson
Director
Inwood Hills Homeowners Association, Inc.

Unofficial

INWOOD HILLS HOMEOWNERS ASSOCIATION, INC.

GUIDELINES FOR ROOFING MATERIALS

STATE OF TEXAS
COUNTY OF COLLIN

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KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS the Inwood Hills Homeowners Association, Inc. (the "Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declaration of Covenants, Conditions & Restrictions for Inwood Hills, filed for record on September 15, 2008, at Document Number 200809150011092050 of the Official Public Records of Collin County, Texas (referred to as the "Declaration"); and

WHEREAS the Texas Legislature passed House Bill 362 which amends Chapter 202 of the Texas Property Code to add Section 202.011 thereto dealing with the regulation of roofing materials and other things; and

WHEREAS, the Board of Directors ("Board") of the Association has determined that in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding roofing materials therein, it is appropriate for the Association to adopt guidelines regarding roofing materials within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for Roofing Materials* within the community, hereby repealing any and all prior restrictions on roofing materials contained in any governing documents of the Association which are not in accordance with the new law.

A. The Association shall not prohibit an owner who is otherwise authorized to install shingles on the roof of the owner's property from installing shingles that:

1. are designed to:

- (a) be wind and hail resistant;
- (b) provide heating and cooling efficiencies greater than those provided by customary composite shingles;
- (c) provide solar generation capabilities; and

2. when installed:

- (a) resemble the shingles used or otherwise authorized for use on property in the subdivision;
- (b) are more durable than and are of equal or superior quality to the shingles described by subsection (a) above; and
- (c) match the aesthetics of the property surrounding the owner's property.

B. The definitions contained in the Association's dedicatory instruments are hereby incorporated herein by reference.

"ATTACHMENT 5"

C. In the event of any conflict between these provisions and any roofing material restrictions contained in any governing document of the Association, including design guidelines, policies and the Declaration, this Roofing Materials Policy controls.

FURTHERMORE, these guidelines are effective upon recordation in the Public Records of Collin County, and will remain in effect until revoked, modified or amended.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held 12/27/11, and has not been modified, rescinded or revoked.



Jed Dolson
Director
Inwood Hills Homeowners Association, Inc.

UNOFFICIAL

INWOOD HILLS HOMEOWNERS ASSOCIATION, INC.

GUIDELINES FOR SOLAR ENERGY DEVICES

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

WHEREAS the Inwood Hills Homeowners Association, Inc. (the "Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declaration of Covenants, Conditions & Restrictions for Inwood Hills, filed for record on September 15, 2008, at Document Number 200809150011092050 of the Official Public Records of Collin County, Texas (referred to as the "Declaration"); and

WHEREAS the Texas Legislature passed House Bill 362 which amends Chapter 202 of the Texas Property Code to add Section 202.010 thereto dealing with the regulation of solar energy devices; and

WHEREAS, the Board of Directors ("Board") of the Association has determined that in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding solar energy devices therein, it is appropriate for the Association to adopt guidelines regarding solar energy devices within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for Solar Energy Devices* within the community,.

1. These guidelines apply to solar energy devices ("Devices") as defined in Section 171.107(a) of the Texas Tax Code. A solar energy device means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.
2. Such Devices may be installed with advance approval of the Association, subject to these guidelines.
3. Any such Devices must be installed on land or structures owned by the property owner. No portion of the Devices may encroach on adjacent properties or common areas.
4. Such Devices may only be installed in the following locations:
 - a. on the roof of the main residential dwelling on an owner's property; or
 - b. on the roof of any other approved structure; or
 - c. within a fenced yard or patio.
5. For Devices mounted on a roof, the Devices must:
 - a. have no portion of the Devices higher than the roof section to which it is attached; and

Inwood Hills Homeowners Association, Inc.
Guidelines for Solar Energy Devices
Page 2 of 2

- b. have no portion of the Devices extend beyond the perimeter boundary of the roof section to which it is attached; and
 - c. conform to the slope of the roof; and
 - d. be aligned so that the top edge of the Devices is parallel to the roof ridge line for the roof section to which it is attached; and
 - e. have a frame, brackets, and visible piping or wiring that is a color that matches the roof shingles or a silver, bronze or black tone commonly available in the marketplace; and
 - f. be located in a position on the roof which is least visible from any street or common area which does not reduce estimated annual energy production more than ten percent (10%), as determined by a publically available modeling tool provided by the National Renewable Energy Laboratory (www.nrel.gov) or equivalent entity over alternative roof locations.
6. For Devices located in a fenced yard or patio, no portion of the Devices may extend above the fence. If the fence is not a solid fence which blocks view of the Devices, the Association may require the Devices be placed in a location behind a structure or otherwise require visual screening. The Association may consider installation of Devices on properties without a fenced yard if there is adequate screening from public view from any street or common area.
7. All Devices must be installed in compliance with manufacturer's instruction and in a manner which does not void material warranties. Licensed craftsmen must be used where required by law. Permits must be obtained where required by law.
8. Installed Devices may not:
- a. threaten public health or safety; or
 - b. violate any law; or
 - c. substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to any adjoining property owner or resident of ordinary sensibilities.
9. All Devices must be maintained in good repair. Unused or inoperable Devices must be removed if they can be seen from any street or common area.

FURTHERMORE, these guidelines are effective upon recordation in the Public Records of Collin County, and will remain in effect until revoked, modified or amended.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held 12/27/11, and has not been modified, rescinded or revoked.



Jed Dolson
Director
Inwood Hills Homeowners Association, Inc.

INWOOD HILLS HOMEOWNERS ASSOCIATION, INC.

DOCUMENT RETENTION POLICY

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

WHEREAS the Inwood Hills Homeowners Association, Inc. (the "Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declaration of Covenants, Conditions & Restrictions for Inwood Hills, filed for record on September 15, 2008, at Document Number 200809150011092050 of the Official Public Records of Collin County, Texas (referred to as the "Declaration"); and

WHEREAS Chapter 209 of the Texas Property Code was amended to add Section 209.005(m) ("Section 209.005") thereto regarding retention of Association documents and records ("Documents"); and

WHEREAS, the Board of Directors ("Board") of the Association desires to establish a policy for document retention consistent with Section 209.005 and to provide clear and definitive guidance to property owners.

NOW, THEREFORE, the Board has duly adopted the following *Document Retention Policy*.

1. Association documents may be maintained in paper format or in an electronic format which can be readily transferred to paper.
2. Association documents shall be retained for the durations listed below;
 - 2.1. certificate of formation or articles of incorporation, bylaws, restrictive covenants, other dedicatory instruments and any amendments to same shall be retained permanently; and
 - 2.2. financial books and records, including annual budgets, reserve studies, monthly financial statements and bank statements, shall be retained for seven (7) years (for example the July 2011 financial statements shall be retained until July 31, 2018); and
 - 2.3. account records of current owners shall be retained for five (5) years (for example, invoice, payment and adjustment records on an owner's account with a transaction date of 08/15/2011 will be retained until 08/15/2016 subject to section (d) below); and
 - 2.4. account records of former owners shall be retained as a courtesy to that former owner for one (1) year after they no longer have an ownership interest in the property; and
 - 2.5. contracts with a term of one year or more shall be retained for four (4) years after the expiration of the contract term (for example, a contract

Inwood Hills Homeowners Association, Inc.
Document Retention Policy
Page 2 of 2

expiring on 06/30/2011 and not extended must be retained until 06/30/2015); and

- 2.6. minutes of meetings of the owners and the Board shall be retained for seven (7) years after the date of the meeting (for example, minutes from a 07/20/2011 board meeting must be retained until 07/20/2018); and
- 2.7. tax returns and CPA audit records shall be retained for seven (7) years after the last date of the return or audit year (for example, a tax return for the calendar year 2011 shall be retained until 12/31/2018); and
- 2.8. decisions of the Architectural Review Committee ("ARC") or Board regarding applications, variances, waivers or related matters associated with individual properties shall be retained for (7) years from the decision date (for example, an application for a swimming pool approved on 10/31/11, must be retained until 10/31/18.)
3. Any documents not described above may be retained for the duration deemed to be useful to the purpose of the Association.
4. Upon expiration of the retention period listed above, the Documents shall no longer be considered Association records and may be destroyed, discarded, deleted, purged or otherwise eliminated.
5. In the event the Association is served with any subpoena or request for documents or the Association becomes aware of a governmental investigation or audit concerning the Association or the commencement of any litigation against or concerning the Association, all documents relating or pertaining to such investigation, claim or litigation shall be retained indefinitely, and any further disposal of documents shall be suspended and shall not be reinstated until conclusion of the investigation or lawsuit, or until such time as the Board, with the advice of legal counsel, determines otherwise.

FURTHERMORE, this Document Retention Policy is effective upon recordation in the Public Records of Collin County, and will remain in effect until revoked, modified or amended.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held 12/27/11, and has not been modified, rescinded or revoked.



Jed Dolson
Director
Inwood Hills Homeowners Association, Inc.

INWOOD HILLS HOMEOWNERS ASSOCIATION, INC.

DOCUMENT INSPECTION AND COPYING POLICY

STATE OF TEXAS
COUNTY OF COLLIN

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KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS the Inwood Hills Homeowners Association, Inc. (the "Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declaration of Covenants, Conditions & Restrictions for Inwood Hills, filed for record on September 15, 2008, at Document Number 200809150011092050 of the Official Public Records of Collin County, Texas (referred to as the "Declaration"); and

WHEREAS Chapter 209 of the Texas Property Code was amended to amend Section 209.005 ("Section 209.005") thereto regarding owner access to Association documents and records ("Records"); and

WHEREAS, the Board of Directors ("Board") of the Association desires to establish a policy for records production consistent with Section 209.005 and to provide clear and definitive guidance to property owners.

NOW, THEREFORE, the Board has duly adopted the following *Documents Inspection and Copying Policy*.

1. The Association's books and records available for inspection and copying by owners are those records designated by Section 209.005 of the Texas Property Code. Pursuant to Section 209.005(d) of the Texas Property Code, an attorney's files relating to the Association, excluding invoices, are not records of the Association, are not subject to inspection by owners, or production in a legal proceeding. Further, pursuant to Section 209.005(k), the Association is not required to release or allow inspection of any books and records relating to an employee of the Association, or any books and records that identify the violation history, contact information (other than the address and/or financial information of an individual owner) absent the express written approval of the owner whose information is the subject of the request or a court order requiring disclosure of such information.
2. Every owner of a lot in the Association is entitled to inspect and copy the Association's books and records in compliance with the procedures set forth in this Policy. An owner may submit a designation in writing, signed by the owner, specifying such other individuals who are authorized to inspect the Association's books and records as the owner's agent, attorney, or certified public accountant. The owner and/or the owner's designated representative are referred to herein as the "Requesting Party."
3. The Requesting Party seeking to inspect or copy the Association's books and records must submit a written request via certified mail to the Association at the mailing address of the Association or its managing agent as reflected on the Association's current management certificate. The request must contain sufficient detail describing the requested Association's books and records, including pertinent dates, time periods

or subjects sought to be inspected. The request must also specify whether the Requesting Party seeks to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records to the Requesting Party.

4. If the Requesting Party elects to inspect the Association's books and records, the Association shall notify the Requesting Party within ten (10) business days after receiving the Requesting Party's request of the dates during normal business hours that the Requesting Party may inspect the requested books and records (the "Inspection Notice").

If the Requesting Party requests copies of the Association's books and records, the Association shall produce the requested books and records by the 10th business day after the date the Association receives the request.

If the Association is unable to produce the requested books and records by the 10th business day after the date the Association receives the request, the Association must provide written notice to the Requesting Party (the "Inspection Delay Letter") that (1) the Association is unable to produce the information by the 10th business day after the date the Association received the request, and (2) state a date by which the information will be either sent or made available for inspection that is not later than fifteen (15) days after the date of the Inspection Delay Letter.

5. Any inspection shall take place at a mutually-agreed upon time during normal business hours. All inspections shall take place at the office of the Association's management company or such other location as the Association designates. No Requesting Party or other individual shall remove original records from the location where the inspection is taking place, nor alter the records in any way. All individuals inspecting or requesting copies of records shall conduct themselves in a businesslike manner and shall not interfere with the operation of the Association's or management company's office or the operation of any other office where the inspection or copying is taking place.

At such inspection, the Requesting Party may identify such books and records for the Association to copy and forward to the Requesting Party. The Association may produce all requested books and records in hard copy, electronic, or other format reasonably available to the Association.

6. Costs Associated with Compilation, Production and Reproduction. The costs associated with compiling, producing and reproducing the Association's books and records in response to a request to inspect or copy documents shall be as follows:
 - a. Copy charges.
 - i. Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$0.10 per page or part of a page. Each side that contains recorded information is considered a page.

ii. Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:

1. Diskette--\$ 1.00;
2. Magnetic tape--actual cost
3. Data cartridge--actual cost;
4. Tape cartridge--actual cost;
5. Rewritable CD (CD-RW)--\$ 1.00;
6. Non-rewritable CD (CD-R)--\$ 1.00;
7. Digital video disc (DVD)--\$ 3.00;
8. JAZ drive--actual cost;
9. Other electronic media--actual cost;
10. VHS video cassette--\$ 2.50;
11. Audio cassette--\$ 1.00;
12. Oversize paper copy (e.g.: 11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper)--\$0.50;
13. Specialty paper (e.g.: Mylar, blueprint, blue-line, map, photographic)--actual cost.

b. Labor charge for locating, compiling, manipulating data, and reproducing information

i. The charge for labor costs incurred in processing a request for information is \$15.00 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

ii. When confidential information is mixed with non-confidential information in the same page, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information in order to release the information. A labor charge shall not be made for redacting confidential information for requests of fifty (50) or fewer pages.

iii. If the charge for providing a copy of information includes costs of labor, the Requesting Party may require that the Association provide a written statement as to the amount of time that was required to produce and provide the copy, signed by an officer of the Association. A charge may not be imposed for providing the written statement to the requestor.

c. Overhead charge.

- i. Whenever any labor charge is applicable to a request, the Association may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges.
 - ii. An overhead charge shall not be made for requests for copies of fifty (50) or fewer pages of standard paper records.
 - iii. The overhead charge shall be computed at twenty percent (20%) of the charge made to cover any labor costs associated with a particular request (example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, \$15.00 x .20 = \$ 3.00).
- d. Postal and shipping charges. The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the Requesting Party.

7. Payment. Upon receipt of a request to inspect and/or copy documents, the Association may require the Requesting Party to pay the estimated costs associated with production and copying in advance. If the estimated cost of compilation, production and reproduction is different from the actual cost, the Association shall submit a final invoice to the owner on or before the 30th business day after the Association has produced and/or delivered the requested information. If the actual cost is greater than the estimated amount, the owner must pay the difference to the Association within thirty (30) business days after the date the invoice is sent to the owner, or the Association will add such additional charges as an assessment against the owner's property in the Association. If the actual cost is less than the estimated amount, the Association shall issue a refund to the owner within thirty (30) business days after the date the invoice is sent to the owner.

FURTHERMORE, this Policy is effective upon recordation in the Public Records of Collin County, and supersedes any policy regarding records production which may have previously been in effect. Except as affected by Section 209.005 and/or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

Inwood Hills Homeowners Association, Inc.
Document Inspection and Copying Policy
Page 5 of 5

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held
12/27/11, and has not been modified, rescinded or revoked.



Jed Dolson
Director
Inwood Hills Homeowners Association, Inc.

Unofficial

SUMMARY OF ASSESSMENT COLLECTION POLICY

1. **Due Date** – Assessments are payable annually, due January 1 of each year.
2. **Delinquency Date** – Assessments are delinquent thirty (30) days past due date.
3. **Suspended Privileges** – Pursuant to the Declaration, members in good standing are entitled to use the common properties as defined in the Declaration. Any member (including their family) not in good standing as of the delinquency date will have their privileges suspended until such time as their good standing is restored.
4. **Late Invoice** – No sooner than thirty (30) days beyond the due date, the Association may send a Late Invoice to the Owner, stating that the assessments, along with the late fees and any outstanding balance that are outstanding. This notice will include the address and telephone number of a person who may be contacted regarding payment of the amount due.
5. **Late Fee** – Any assessment not received and processed at the expiration of forty five (45) days from the due date will accrue an automatic non-refundable twenty-five dollar (\$25) late fee, which will occur every 30 days until paid in full. Any late fees, handling charges, including attorney fees, interest and any other fees incurred at any time for the collection of past due assessments will be added to the amount due.
6. **Notice of Late Payment** – No sooner than forty-five (45) days beyond the due date, the Association may send a Notice of Delinquency to the Owner, by certified mail, the notice will state that the owners is late and list the past due amounts owed. The notice will also include the address and telephone number of a person who may be contacted regarding payment of the amount due.
7. **Notice of Default** - No sooner than sixty (60) days beyond the due date, the Association may send a Notice of Default to the Owner, by certified mail, the notice will state that the owner is in default of his/her obligations and that the assessments, along with late and any handling or collection charges are the responsibility of the owner. **This service will incur a non-refundable handling fee of twenty five dollars (\$25) that will be in addition to the late fee and charged to the owner account. The owner will be provided a breakdown of all past due amounts and notified of the right to request a payment plan.**
8. **Attorney Demand Letter** – No sooner than ninety (90) days beyond the due date, the account will be referred to an Attorney for collection, and legal fees and expenses incurred will be added to the account.
9. **Legal Action** – No sooner than one hundred twenty (120) days beyond the due date, the Association's legal counsel may file a Notice of Lien. The attorney's fees and expenses for this service will be added to the amount due. The Notice of Lien may be updated as necessary to secure payment of any assessment.
10. **Foreclosures** – Continued delinquencies will be reviewed by the Board of Directors to determine when foreclosure should be considered as an option.

FILED
In the Office of the
Secretary of State of Texas

MAY 01 2008

Corporations Section

CERTIFICATE OF FORMATION
OF
INWOOD HILLS HOMEOWNERS ASSOCIATION, INC.

I, the undersigned natural person of the age of twenty-one (21) years or more, a citizen of the State of Texas, acting as organizer of a corporation under the Texas Business Organizations Code (the "TBOC"), do hereby adopt the following Certificate of Formation for such corporation.

ARTICLE ONE
DEFINITIONS

The following words when used in this Certificate of Formation shall have the following meanings:

"TBOC" shall mean and refer to the Texas Non-Profit Corporations Law (as defined in Section 1.008(d) of the Texas Business Organizations Code), as amended.

"Common Facilities" shall mean and refer to lots C-1, D-1, D-2, E-1, E-2, F-1, F-2, F-4, H-1 and I-1 and the subdivision perimeter landscaping, irrigation systems and screening fencing/walls as shown on the subdivision plat of Inwood Hills, Phases 1 & 1a, to be recorded in the Real Property Records of Collin County, Texas and such lots and areas designated as common areas in any subsequent subdivision plan of the Properties recorded in the Real Property Records of Collin County, Texas.

"Corporation" shall mean and refer to "Inwood Hills Homeowners Association, Inc.", the corporation incorporated hereunder.

"Declarant" shall mean and refer to HSM Inwood 94, Ltd., a Texas limited partnership, its successors and any assignee, other than an Owner, who shall receive by assignment from the said HSM Inwood 94, Ltd. all, or a portion, of its rights under the Declaration (defined hereinunder) as such Declarant, by an instrument expressly assigning such rights as Declarant to such assignee.

"Declaration" shall mean and refer to that certain Declaration of Covenants, Conditions and Restrictions applicable to the Properties to be recorded in the Real Property Records of Collin County, Texas, and as the same may be amended or supplemented from time to time as therein provided.

"Lot" shall mean and refer to any plot or tract of land shown upon the subdivision plat of the Properties which is shown as a building lot thereon and which is or will be improved with a residential dwelling.

CERTIFICATE OF FORMATION - Page 1
H:\Bob Finley\McKinney - Inwood Hills\Cert of Formation Inwood Hills HOA April 29, 2008.doc

RECEIVED
MAY 01 2008
Secretary of State

"ATTACHMENT 10"

"Member" shall mean and refer to each Owner as provided herein under Article Nine and Article Ten.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties but, notwithstanding any applicable theory of the mortgage or other security device, shall not mean or refer to any mortgagee or trustee under a deed of trust unless and until such mortgagee or trustee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

"Properties" shall mean and refer to the land and premises in the City of McKinney, Collin County, Texas, containing approximately 84.8430 acres of land, public streets and related improvements, as more particularly described on Exhibit "A" attached hereto and made a part hereof, and such additions thereto as may hereafter be brought within the jurisdiction of this Corporation by annexation as provided in the Declaration.

ARTICLE TWO

The name of the Corporation is INWOOD HILLS HOMEBOWNERS ASSOCIATION, INC.

ARTICLE THREE

The Corporation is a non-profit corporation.

ARTICLE FOUR

The period of its duration is perpetual.

ARTICLE FIVE

This Corporation does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and architectural control of and to promote the health, safety and welfare of the residents of the Properties, and to preserve the beautification of the Properties, and for these additional purposes:

(a) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;

(b) To provide for cleanup and waste collection within the Properties when, in its opinion, such action shall be necessary or appropriate to supplement such services provided by the City of McKinney, Texas, and to otherwise supplement municipal services;

(c) To maintain the Common Facilities and such other areas as are designated by the Association:

(d) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in the Declaration, and reference to the Declaration is hereby made for all purposes;

(e) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments provided for by the terms of the Declaration and to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including any licenses, taxes or governmental charges which may be levied or imposed against any property owned by the Corporation;

(f) To borrow money, to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred:

(g) Insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the residents of the Properties, provided, that no part of the net earnings of the Corporation shall inure to the benefit of or be distributable to any Member, director or officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes), and no member, director or officer of the Corporation or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation; and provided, further, that no part of the activities of the Corporation shall be carrying on propaganda, or otherwise attempting, to influence legislation, or participating in, or intervening in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office; and

(h) Nothing contained in this Certificate of Formation shall grant any authority to any officer or director of the Corporation for the exercise of any powers which are inconsistent with limitations on any of the same which may be expressly set forth in the TBOC.

ARTICLE SIX

The name of the initial registered agent for the Corporation is Don R. Plunk and the address of such registered agent is 5001 Spring Valley Road, Suite 1100 West, Dallas, Texas 75244.

ARTICLE SEVEN

The business and affairs of the Corporation shall be managed by an initial Board of three (3) Directors. The number of directors may be changed by amendment of the By-Laws of the Corporation, but in any event shall not be less than three (3). The names

and addresses of the persons who are to act initially in the capacity of directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
Don R. Plunk	5001 Spring Valley Road Suite 1100 West Dallas, Texas 75244
Daniel B. Mahoney	5001 Spring Valley Road Suite 1100 West Dallas, Texas 75244
Robert C. Finley	5001 Spring Valley Road Suite 1100 West Dallas, Texas 75244

At each annual meeting after the date of incorporation hereof and thereafter until the directors are elected by the Class "A" Members, the Class "B" Member shall elect three (3) directors for a term of one (1) year each. At the first annual meeting following the date upon which all directors are to be elected solely by Class "A" Members, the Class "A" Members shall elect five (5) directors who shall serve for the following terms:

The three directors receiving the highest number of votes shall each serve for a term of two years, and the remaining two directors shall each serve for a term of one year.

At each annual meeting thereafter, the Class A Members shall elect new directors to fill any vacancy created by expired terms of existing directors in a manner so that the Corporation will at all times have five directors, all of whom shall have two-year terms.

ARTICLE EIGHT

The name and street address of the organizer of this corporation is:

Don R. Plunk, 5001 Spring Valley Road, Suite 1100 West, Dallas, Texas
75244.

ARTICLE NINE

Every person or entity who is now or hereafter becomes an Owner shall automatically be a Member of the Corporation.

ARTICLE TEN

The Corporation shall have two classes of voting membership:

CLASS "A". Class A Members shall be all members with the exception of Declarant. Class "A" Members shall be entitled to one vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such Lot.

CLASS "B". The Class "B" Member shall be Declarant. The Declarant shall be entitled to ten (10) votes for each Lot it owns; provided however, that Declarant shall cease to be a Class "B" Member and shall become a Class "A" Member entitled to one (1) vote per Lot on the happening of either of the following events:

- (i). When the total votes outstanding in the Class "A" membership exceeds the total votes outstanding in the Class "B" membership, or
- (ii). On December 31, 2018.

ARTICLE ELEVEN

Where the Declaration requires that certain additions to the Properties be approved by this Corporation, such approval must be given in accordance with the terms and conditions of Article Sixteen hereof.

ARTICLE TWELVE

To the extent permitted by law, the Corporation may participate in mergers and consolidations with other non-profit corporations organized for the same purpose, PROVIDED that any such merger or consolidation must first have the approval of the Members, given in accordance with the terms and conditions of Article Sixteen hereof.

ARTICLE THIRTEEN

The Corporation shall have power to mortgage the real property owned by the Association, but solely for the purpose of making improvements thereon, PROVIDED that any such mortgage must first have the approval of the Members, given in accordance with the terms and conditions of Article Sixteen hereof.

ARTICLE FOURTEEN

The Corporation shall have power to dedicate any of its property to an appropriate public authority for public use, PROVIDED that any such dedication must first have the approval of the Members, given in accordance with the terms and conditions of Article Sixteen hereof.

ARTICLE FIFTEEN

The Corporation may be dissolved only with the approval of the Members, given in accordance with the terms and conditions of Article Sixteen hereof.

ARTICLE SIXTEEN

(a) Subject to the provisions of paragraph (c) of this Article Sixteen, any action described in Article Eleven, Article Twelve, Article Thirteen, Article Fourteen and/or Article Fifteen hereof shall require the assent of two-thirds (2/3) of each class of Member entitled to vote (whether voting in person or by proxy) at a meeting duly called for that purpose. Written notice of such meeting shall be given to all Members at least thirty (30) days in advance setting forth the purpose of such meeting.

(b) The quorum required for any action referred to in paragraph (a) of this Article shall be as follows:

At the first meeting called, as hereinafter provided, the presence at the meeting of Members, or of proxies, entitled to cast sixty (60) percent of all votes of all class of membership entitled to vote shall constitute a quorum. If the required quorum is not present at such meeting, two (2) additional meetings may be called, subject to the notice requirement hereinafter set forth, and the required quorum at such second meeting shall be one-half (1/2) of the quorum required at each preceding meeting, provided, however, that each subsequent meeting shall be held no later than sixty (60) days following each prior meeting.

(c) Notwithstanding any provision contained in this Certificate of Formation to the contrary, any action described in Article Eleven, Article Twelve, Article Thirteen, Article Fourteen and/or Article Fifteen hereof may be taken only with the assent given in writing and signed by two-thirds (2/3) of each class of Member then entitled to vote.

(d) The notice, voting and quorum requirements for any other action to be taken by the Corporation shall be as set forth in the TBOC and in the By-Laws of the Corporation, as amended from time to time.

ARTICLE SEVENTEEN

Any action required or permitted to be taken at a meeting of the Members may be taken without holding a meeting, providing notice, or taking a vote if Members of the Corporation having at least the minimum number of votes that would be necessary to take the action that is the subject of the consent at a meeting, in which each Member entitled to vote on the action is present and votes, sign a written consent or consents stating the action taken. The written consent or consents must include the date of each Member signed the consent.

Any action required to be taken at a meeting of the Corporation's Directors or an action that may be taken at a meeting of the Directors or a committee may be taken

without a meeting if a written consent, stating the action to be taken, is signed by the number of Directors or committee members necessary to take that action at a meeting at which all of the Directors or committee members are present and voting. The written consent or consents must include the date of each Director's or committee member's signature.

ARTICLE EIGHTEEN

An Officer or Director of the Corporation shall not be liable to the Corporation or its Members for monetary damages for an act or omission when acting in the capacity of Officer or Director except to the extent as provided by a statute of the State of Texas.

ARTICLE NINETEEN

The Corporation may indemnify a person who was, is, or is threatened to be named as a defendant or respondent in litigation or other proceedings due to such person's position as (or was formerly) an Officer, Director or contractually acting on behalf of the Corporation in accordance with the provisions of the TBOC's governing indemnification. As provided in the By-Laws, the Board of Directors shall have the power and authority to define the requirements and limitations for the Corporation to indemnify any Officers, Directors (current or former) or other persons in service to the Corporation.

ARTICLE TWENTY

This Certificate of Formation may be amended in accordance with governing law, provided that the voting and quorum requirements specified for any action under any provision of this Certificate of Formation shall also apply to any amendment of such provision, and provided further that no amendment of Articles Nine and Ten (membership and voting rights) or Article Sixteen shall be effective except as provided in the Declaration and any amendment of same.

ARTICLE TWENTY-ONE

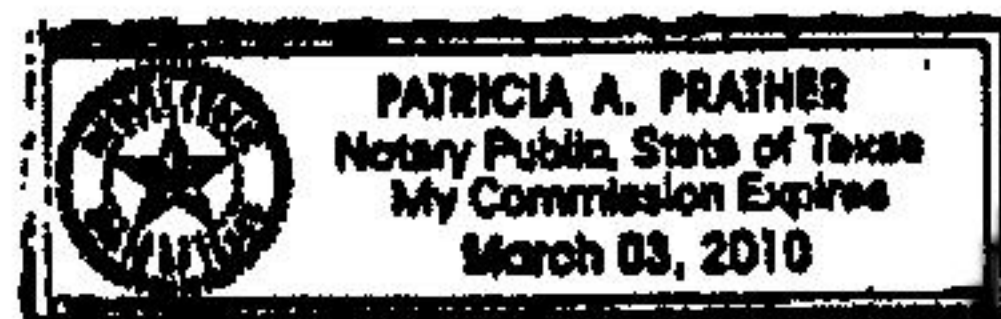
Upon dissolution of the Corporation, both the real and personal assets of the Corporation shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Corporation. In the event that such dedication is refused, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization engaged in activities substantially similar to those of the Corporation and which entity is qualified as an exempt organization under the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States Internal Revenue law.

IN WITNESS WHEREOF, for the purposes of forming this Corporation under the laws of the State of Texas, I have, as Organizer of this Corporation, hereunto set my hand this 19th day of APRIL, 2008.

Don R. Plunk
Don R. Plunk

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on 19th day of APRIL, 2008 by Don R. Plunk, known to me to be the person whose name is subscribed to the foregoing instrument.



Patricia A. Prather
Notary Public In And For
The State Of Texas
PATRICIA A. PRATHER
(Print Name)

Umoftx.com

EXHIBIT "A"
1 OF 3
LEGAL DESCRIPTION OF PROPERTY

BEING a tract of land in the City of McKinney, Collin County, Texas a part of the M. W. Bailey Survey, Abstract No. 36, a part of the James Herndon Survey, Abstract No. 391, and being part of that 98.405 acre tract of land conveyed to HSM Inwood 94, Ltd. as recorded in Volume 6046, Page 6705, Collin County Deed Records, and being further described as follows:

BEGINNING at a five-eighths inch iron rod found for the southwest corner of said 98.405 acre tract of land and said point being in the north line of Virginia Parkway (a 120 foot right-of-way);
THENCE North 02 degrees 38 minutes 10 seconds East, 1,804.13 feet to a 60d nail in fence post found for corner;

THENCE South 87 degrees 25 minutes 07 seconds East, 756.23 feet to a one-half inch iron rod set for corner;

THENCE South 85 degrees 37 minutes 26 seconds East, 539.97 feet to a one-half inch iron rod set for corner;

THENCE North 55 degrees 13 minutes 21 seconds East, 7.59 feet to a one-half inch iron rod set for corner;

THENCE North 11 degrees 05 minutes 14 seconds East, 21.53 feet to a one-half inch iron rod set for corner;

THENCE Southeasterly, 304.15 feet along a curve to the left having a central angle of 13 degrees 49 minutes 50 seconds, a radius of 1,260.00 feet, a tangent of 152.82 feet, and whose chord bears South 39 degrees 37 minutes 20 seconds East, 303.41 feet to a one-half inch iron rod found for corner;

THENCE South 46 degrees 32 minutes 15 seconds East, 57.97 feet to a one-half inch iron rod found for corner, being in the east line of said 98.405 acre tract;

THENCE along the east line of said 98.405 acre tract of land as follows:

South 02 degrees 09 minutes 09 seconds West, 610.88 feet to a one-half inch iron rod set for corner;

North 88 degrees 31 minutes 20 seconds West, 795.13 feet to a fence corner post found for corner;

South 00 degrees 29 minutes 45 seconds East, 885.98 feet to a one-half inch iron rod set for the southeast corner of said 98.405 acre tract of land, said point being in the north line of Virginia Parkway;

THENCE along the south line of said 98.405 acre tract of land and along the north line of Virginia Parkway as follows:

Northwesterly, 237.95 feet along a curve to the left having a central angle of 02 degrees 21 minutes 17 seconds, a radius of 5,789.58 feet, a tangent of 118.99 feet, and whose chord bears North 89 degrees 19 minutes 03 seconds West, 237.93 feet to a one-half inch iron rod found for corner;

South 89 degrees 30 minutes 18 seconds West, 547.41 feet to a five-eighths inch iron rod found for corner;

Southwesterly, 47.30 feet along a curve to the right having a central angle of 00 degrees 40 minutes 15 seconds, a radius of 4,040.00 feet, a tangent of 23.65 feet, and whose chord bears South 89 degrees 50 minutes 27 seconds West, 47.30 feet to the POINT OF BEGINNING and containing 2,070,496 square feet or 47.532 acres of land.

EXHIBIT "A"
2 OF 3
LEGAL DESCRIPTION OF PROPERTY

BEING a tract of land in the City of McKinney, Collin County, Texas a part of the M. W. Bailey Survey, Abstract No. 36, a part of the James Herndon Survey, Abstract No. 391, said being part of that 98.405 acre tract of land conveyed to HSM Inwood 94, Ltd. as recorded in Volume 6046, Page 3705, Collin County Deed Records, and being further described as follows:

COMMENCING at a five-eighths inch iron rod found for the southwest corner of said 98.405 acre tract of land and said point being in the north line of Virginia Parkway (a 120 foot right-of-way);

THENCE North 02 degrees 38 minutes 10 seconds East, 1,804.13 feet to a 60d nail in fence post found for the POINT OF BEGINNING;

THENCE South 88 degrees 58 minutes 07 seconds East, 400.94 feet to a one-half inch iron rod set for corner;

THENCE South 81 degrees 49 minutes 16 seconds East, 384.00 feet to a one-half inch iron rod set for corner;

THENCE South 88 degrees 18 minutes 34 seconds East, 477.60 feet to a one-half inch iron rod found for corner, said point being in the west right-of-way line of a 120 foot wide right-of-way dedication for Hardin Boulevard as recorded in Doc. No. 20070529000714660 Collin County Deed Records;

THENCE along the west right-of-way line of Hardin Boulevard as follows:

South 28 degrees 42 minutes 30 seconds West, 89.62 feet to a one-half inch iron rod set for corner;

Southeasterly, 1,350.59 feet along a curve to the left having a radius of 1,260.00 feet, a central angle of 61 degrees 24 minutes 55 seconds, a tangent of 748.36 feet, and a chord bearing and distance of South 01 degrees 59 minutes 58 seconds East, 1,286.86 feet to a one-half inch iron rod set for corner;

THENCE South 11 degrees 05 minutes 14 seconds West, 21.53 feet to a one-half inch iron rod set for corner;

THENCE South 55 degrees 19 minutes 21 seconds West, 7.59 feet to a one-half inch iron rod set for corner;

THENCE North 85 degrees 37 minutes 26 seconds West, 559.97 feet to a one-half inch iron rod set for corner;

THENCE North 87 degrees 25 minutes 07 seconds West, 756.23 feet to the POINT OF BEGINNING and containing 1,607,568 square feet or 36.905 acres of land.

EXHIBIT "A"
3 of 3

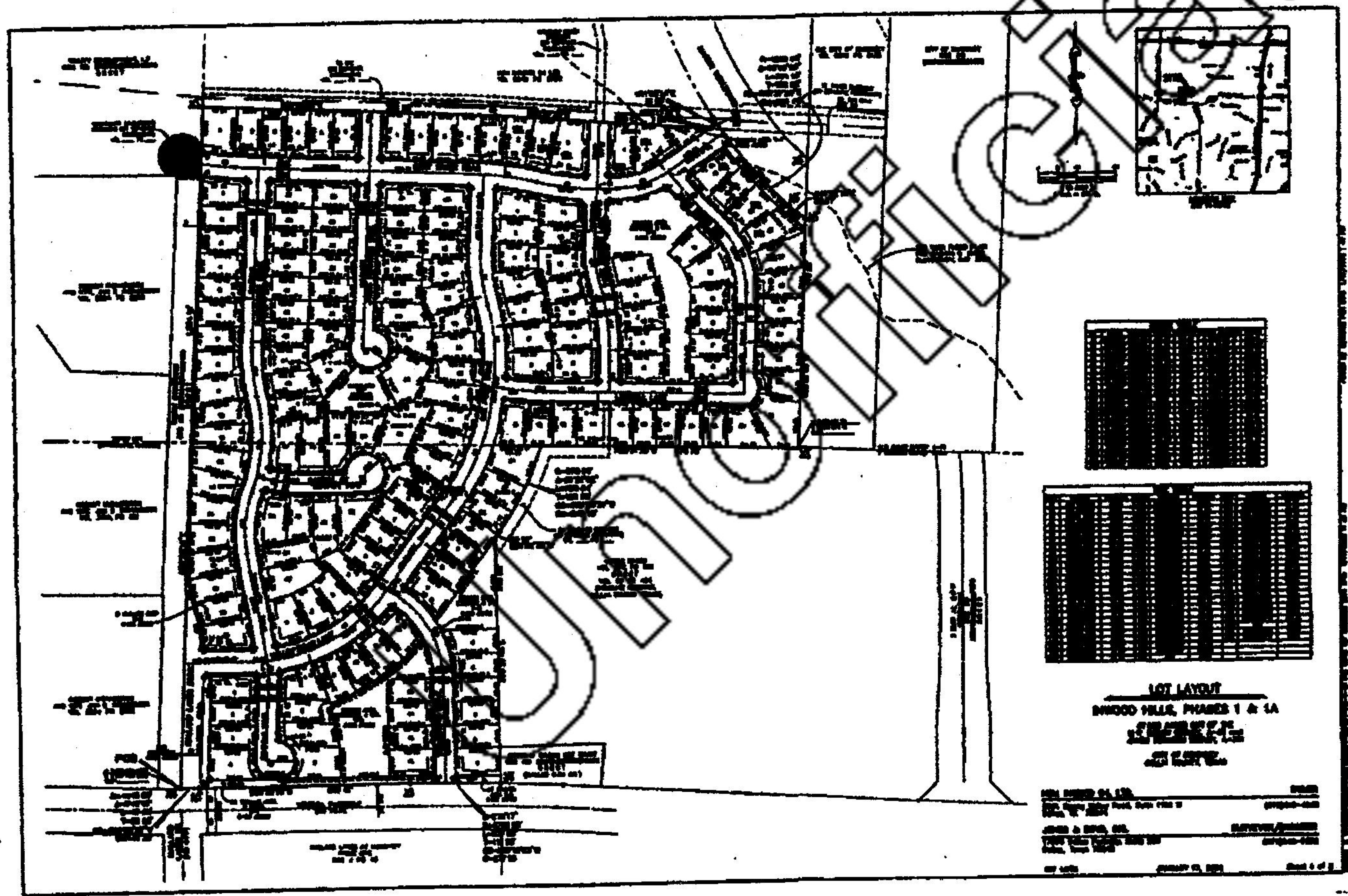
BEING a tract of land in the City of McKinney, Collin County, Texas a part of the James Harndon Survey, Abstract No. 391, and being a portion of that tract of land conveyed to Verbie Hayes as recorded in Volume 277, Page 190, Collin County Deed Records and Volume 68, Page 424, Probate Records, Collin County, Texas, and being further described as follows:

COMMENCING at a one-half inch iron rod found for the southeast corner of a 98.405 acre tract conveyed to HSM Inwood 94 Ltd., as recorded in Volume 6046, Page 3703, Collin County Deed Records, said point also being in the north line of Virginia Parkway (a 120' right-of-way);

THENCE along the east line of said HSM Inwood 94 Ltd. tract the following:
North 00 degrees 29 minutes 45 seconds West, 640.86 feet to a one-half inch iron rod set for corner, being the POINT OF BEGINNING of this tract of land;
North 00 degrees 29 minutes 45 seconds West, 243.12 feet to a fence corner post found for corner, being an inside "ell" corner in the east line of said HSM Inwood 94, Ltd. tract;
South 88 degrees 31 minutes 20 seconds East, 124.35 feet to one-half inch iron rod set for corner;

THENCE Southwesterly, 250.64 feet along a non-tangent curve to the right having a radius of 670.00 feet, a central angle of 21 degrees 26 minutes 02 seconds, a tangent of 126.80 feet, and a chord bearing and distance of South 25 degrees 55 minutes 31 seconds West, 249.18 feet to a one-half inch iron rod set for corner;

THENCE South 36 degrees 38 minutes 32 seconds West, 22.19 feet to the POINT OF BEGINNING and containing 17,690 square feet or 0.406 acres of land.



Unofficial

Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
01/23/2012 10:37:08 AM
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Stacey Kemp