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# FIRST AMENDED DECLARATION

# OF

# COVENANTS, CONDITIONS AND RESTRICTIONS

# FOR

# STONEBRIAR CREEK ESTATES

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**EXHIBIT "D"**- Certificate and Articles of Incorporation of Stonebriar Creek Estates Owners Association, Inc.


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# FIRST AMENDED DECLARATION
# OF
# COVENANTS, CONDITIONS AND RESTRICTIONS
# FOR
# STONEBRIAR CREEK ESTATES

**THIS FIRST AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR STONEBRIAR CREEK ESTATES** (the "Declaration") is made to be effective as of the 28th day of June, 2005, by the membership of the Stonebriar Creek Estates Owners Association, Inc., a Texas non-profit corporation (the "Association").

**WITNESSETH:**

**WHEREAS**, Stonebriar Creek Estates Owners Association, Inc. (formerly known as Stonebriar Creek Owners Association, Inc.) was organized to promote and develop the common good and social welfare of the people residing in the Stonebriar Creek community, which community is that area as identified and/or described on **Exhibit "A"** attached hereto; and

**WHEREAS**, the Declaration of Covenants, Conditions, and Restrictions for Stonebriar Creek Estates Owners Association, Inc. dated March 31, 1995, was recorded under Clerk's File Number 96-0019938 of the Deed Records of Collin County, Texas (the "Original Declaration"); and

**WHEREAS**, Article XI, Section 11.02(a) of the Original Declaration provides for the amendment of that instrument by the express written consent of at least sixty percent (60%) of all Members in good standing of the Association; and

**WHEREAS**, the amendments hereinafter set forth in this Declaration have been approved by the requisite percentage of Members in the Association; and

**WHEREAS**, the Association is incorporated under the laws of the State of Texas as a non-profit corporation, whose purpose includes effectuating the intents and objectives set forth in this Declaration.

**NOW, THEREFORE**, the Original Declaration, is hereby replaced and superceded by this Declaration, and from and after the recording of this instrument in the Deed Records of Collin County, Texas, the real property described within **Exhibit "A"** attached hereto, and such additions thereto as may hereafter be made subject to the terms hereof and pursuant to Article II hereof, is and shall be held, sold, used and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of and which shall run with the real property subjected to this Declaration. This Declaration shall be binding on all parties having any right, title or interest in the described the Properties or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof.

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## ARTICLE I.

## DEFINITIONS

Section 1.01 The following words when used in this Declaration (unless the context shall otherwise prohibit) shall have the following meanings:

(a) "Architectural Control Committee" or "Committee" shall mean the committee established by this Declaration and selected by the Board to review plans and applications for the construction or modification of improvements within the Properties and to administer and enforce the architectural controls described in Article XI hereof.

(b) "Articles of Incorporation" or "Articles" shall refer to the Articles of Incorporation of Stonebriar Creek Estates Owners Association, Inc., attached hereto as **Exhibit "D"** and incorporated by reference, as filed with the Secretary of State of the State of Texas.

(c) "Annual Assessment" shall refer to assessments levied on all Lots subject to assessment under Article VI to fund Common Expenses for the general benefit of all Lots.

(d) "Association" shall mean **STONEBRIAR CREEK ESTATES OWNERS ASSOCIATION, INC.**, a Texas non-profit corporation formerly known as Stonebriar Creek Owners Association, Inc., which has and is herein empowered to exercise the power, duty and responsibility of maintaining and administering the Common Properties, collecting the charges and making the disbursements hereinafter prescribed and administering and enforcing the Declaration.

(e) "Board of Directors" or "Board" shall be the body responsible for administration of the Association, selected as provided in the Bylaws and generally serving the same role as the board of directors under Texas corporate law.

(f) "Builder" shall mean any Person (as hereinafter defined) which purchases one or more Lots within the Properties for the purpose of constructing improvements thereon for later sale to consumers, or who purchases one or more parcels of land within the Properties for further development or resale in the ordinary course of such Person's business.

(g) "Bylaws" shall refer to the Amended and Restated Bylaws of Stonebriar Creek Estates Owners Association, Inc., attached hereto as **Exhibit "C"** and incorporated by reference, as they may be amended from time to time.

(h) "Common Expenses" shall mean the actual and estimated expenses incurred, or anticipated being incurred, by the Association for the general benefit of all Owners, including any reasonable reserve, as the Board may find to be necessary and appropriate pursuant to the Governing Documents.

(i) "Common Properties" shall mean and refer to those areas within or upon the Properties, or any Lot, the maintenance, repair or replacement of which is or becomes the responsibility of the Association, including those areas to be improved or constructed by the Association under the terms of the Agreement. The Common Properties might not be owned by the Association in fee, but may be hold as an easement or may simply be areas or portions of Lots which are maintained

by the Association for the use and benefit of the Members and the Properties (for example, the private streets located in public easements within or appurtenant to the Properties).

(j) "Design Guidelines" shall mean and refer to those particular standards, restrictions, guidelines, recommendations and specifications applicable to most of the aspects of construction, placement, location, alteration, maintenance and design of any improvements to or within the Properties, and all amendments, bulletins, modifications, supplements and interpretations thereof.

(k) "Governing Documents" shall refer to this Declaration, the Bylaws, the Articles of Incorporation, the Rules and Regulations, duly adopted Board resolutions, the Design Guidelines, as each may be supplemented and amended from time to time.

(l) "Lot" shall refer to each plot or tract of land shown upon any recorded subdivision map(s) or plat(s) of the Properties that is subject to this Declaration and which is designated as a lot therein and which is or will be improved with a residential dwelling. Each Lot shall contain a minimum of 2 acres of land.

(m) "Member" shall mean and refer to each Owner as provided in Article III.

(n) "Municipality" shall mean and refer to the City of Frisco, Texas.

(o) "Owner" shall mean and refer to every person or entity who is a record owner of a fee or undivided fee interest in any Lot that is subject to this Declaration, including contract sellers. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation.

(p) "Person" shall mean a natural person, a corporation, a partnership, a trustee, a limited liability company or any other legal entity.

(q) "Plat" shall mean the most recent recorded subdivision plat of the Properties.

(r) "Properties" shall mean and refer to all such existing properties as are subject to this Declaration as described on **Exhibit "A"** attached hereto, and any additional real property that may become subject to this Declaration.

(s) "Residence" shall mean a residential dwelling structure constructed on a Lot and which is intended to be used and occupied as a residence for a single family. All Residences must conform with all Restrictive Covenants governing said structures.

Non-conforming structures shall include, without limitation, the following:

- Tents
- Barns
- Residences which do not contain the minimum required square footage for the main residence.
- Any other structure that the board, by a majority vote, deems not to be conforming.

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(t) "Resident" shall mean and refer to any Person who inhabits a Residence, either permanently or temporarily, and may include, without limitation, an Owner or a lessee and their respective families, guests, invitees, servants or employees.

(u) "Rules and Regulations" or "Rules" shall mean any written rules or regulations adopted, implemented or published by the Association or its Board of Directors at any time and from time to time, as may be amended, with respect to the use and enjoyment of the Common Properties and the conduct of its members and their guests, invitees, agents and contractors within the Properties.

(v) "Special Emergency Charges" shall mean and refer to assessments levied against all Owners to cover unanticipated expenses or expenses in excess of those budgeted, as described in Section 6.05.

(w) "Special Road Assessment" shall mean and refer to assessments levied in accordance with Section 6.06(b).

(x) "Specific Assessment" shall mean assessments levied in accordance with Section 6.06(a).

## ARTICLE II.

## PROPERTY SUBJECT TO THIS DECLARATION

Section 2.01 Existing Properties. The Properties which are to be and which shall be bold, transferred, sold, conveyed, and occupied subject to this Declaration are those lots or parcels located in Collin County, Texas, and more particularly described on **Exhibit "A"** attached hereto and incorporated herein by reference for all purposes.

## ARTICLE III.

## MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 3.01 Membership.

(a) Every Owner of a Lot shall automatically be a Member of the Association; however, regardless of joint or common ownership of a Lot, each Lot will be entitled to one (1) vote per Lot as a Member of the Association. Where there is more than one Owner of a 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 each Lot in which such members own undivided interests. Membership shall be appurtenant to and inseparable from ownership of a Lot. Transfer of ownership, either voluntarily or by operation of law, shall terminate such owners membership in the Association, and membership shall be vested in the transferee; provided however, that no such transfer shall relieve or release such Owner from any personal obligation with respect to Association charges which have accrued prior to such transfer. In the event a Lot is owned by more than one Person, all co-Owners shall be entitled to the privileges of membership, subject to reasonable Board regulation and the Bylaws, and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners

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hereunder. The membership rights of an Owner which is not a natural person may be exercised by any officer, director, partner, manager, or trustee, or by the individual designated from time to time by the Owner in writing provided to the Secretary of the Association.

(b) Notwithstanding the foregoing, it is acknowledged that those Lots described or identified on **Exhibit "B"** attached hereto were, as of the effective date of the Orginial Declaration, owned by North Stonebriar, Ltd. ("North Stonebriar"). Notwithstanding anything contained in this Declaration to the contrary, even though the Lots owned by North Stonebriar were subject to the Original Declaration, North Stonebriar was not a Member of the Association, with no obligation to pay any charges to the Association, or with any privileges of membership. Upon the sale of each of North Stonebriar's Lots, the purchaser of such Lot shall automatically be a Member of the Association, with all privileges and obligations of Membership as set forth in this Declaration.

Section 3.02 Quorum, Notice and Voting Requirements.

(a) Unless otherwise provided herein, any action required to be authorized or approved by the Members pursuant to this Declaration, shall require the consent of at least 50% of all Members in good standing of the Association. Such authorization or approval may be taken either by the express written consent of Members or at a meeting duly called for that purpose, written notice of which shall be given to all Members not less than ten (10) days or more than sixty (60) days in advance and shall set forth the purpose of and agenda for such meeting.

(b) Except as otherwise provided herein, the quorum required for any action referred to in Paragraph (a) of this Section shall be as follows:

At any meeting called, the presence at the meeting of Members, or of proxies, entitled to cast thirty percent (60%) of all of the votes of the Members in good standing shall constitute a quorum. If the required quorum is not present at the meeting, another meeting may be called, subject to the notice requirement hereinabove set forth, and the required quorum at such second meeting shall, be one-half (1/2) of the required quorum at the preceding meeting, provided however, that no such subsequent meeting shall be held more thin sixty (60) days following the first meeting.

(c) Except as specifically set forth in this Declaration, notice, voting and quorum requirements for all action to be taken by the Association (as an incorporated entity) shall be consistent with its Articles of Incorporation and Bylaws, as same may be amended from time to time.

Section 3.03 Suspension of Voting Rights. The voting rights of any Member set forth in this Declaration shall be suspended for any period during which any charge payable by the Member to the Association remains past due, unless the Member is in good faith contesting the validity or amount of the charge. Any Member having his/her voting rights suspended shall not be considered a Member in good standing.

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## ARTICLE IV.

## PROPERTY RIGHTS IN COMMON PROPERTIES

Section 4.01 Conveyance to Association. Upon the unanimous consent of all Members of the Association, the Common Properties that are not owned by the Association in fee may be conveyed by the Members to the Association, and the Association agrees to accept such title to the Common Properties. The rights, duties and obligations of the Association under this Declaration shall extend to the Common Properties, regardless of whether such Common Properties are conveyed in fee to the Association.

Section 4.02 Member's Easement of Enjoyment. Every Member and every tenant, guest or invitee of every Member shall have a right and easement of use and enjoyment in and to the Common Properties, and such easement shall be appurtenant to and shall pass with the title of every Lot, provided, however, such easement shall not give such person the right to make alterations, additions or improvements to the Common Properties. An Owner who leases his or her Lot shall be deemed to have assigned all such rights to the lessees of such Lot.

Section 4.03 Extent of Members' Easements. The rights and easements of enjoyment of the Common Properties shall be subject to the following:

(a) The right of the Association to prescribe regulations governing the use, operation and maintenance of the Common Properties and imposing fines for infractions of such regulations.

(b) The right of the Association to enter into and execute contracts with third parties for the purpose of providing maintenance or such other materials or services consistent with the purposes of the Association.

(c) The right of the Association to suspend the voting rights of any Member for any period during which any charge by the Association against a Lot owned by such Member remains unpaid.

(d) The right of the Association, subject to approval by written consent by 75% of all of the Members in good standing, to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility company for such purposes and upon such conditions as may be agreed to by such Members.

(e) The Association shall have the right and option (without the joinder or consent of any person or entity, save and except any consent, joinder or approval required by the Municipality or any other governmental agency having appropriate jurisdiction over the Common Properties) to alter, improve, and/or maintain the Common Properties and, in connection therewith, to seek and obtain any and all permits, licenses or exemptions from any and all governmental agencies exercising jurisdiction over the Common Properties, all as necessary to construct the improvements to Stonebriar Creek Subdivision .

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## ARTICLE V.

## MAINTENANCE

Section 5.01 Association's Responsibility. Except as may be otherwise provided by this Declaration, the Association shall maintain and keep in good repair the Common Properties, such maintenance to be funded as hereinafter provided. The Municipality shall have no responsibility for maintenance of the Common Properties. The Common Properties shall include, but need not be limited to:

(a) all portions of and structures and improvements situated upon the Common Properties;

(b) all landscaping and other flora, parks, lakes, structures and improvements, including any bike and pedestrian pathways/trails, situated upon the Common Properties;

(c) all screening walls, entry features, monuments, bridges, and landscaping within public rights-of-way within or abutting the Properties, and landscaping and other flora within any public utility easement within the Properties (subject to the terms of any easement agreement relating thereto);

(d) such portions of any additional property as may be dictated by this Declaration, any covenant to share costs, or any contract or agreement for maintenance thereof entered into by the Association; and

(e) all ponds, lakes, detention areas, wash areas, streams and/or wetlands located within the Properties which serve as part of the storm water drainage system for the Properties, including any improvements and equipment installed therein or used in connection therewith; provided, neither the Association nor the Declarant shall have any liability for damage or injury caused by flooding or surface runoff resulting from rainfall or other natural occurrences.

The Association shall have the right to enter upon, for the purpose of maintaining, and may maintain, other property which it does not own, including, without limitation, Lots, or property dedicated to the public, if the Board determines that such maintenance is necessary or desirable to maintain the maintenance standards generally prevailing in the Properties (the "Community-Wide Standard"). In addition, the Association may enter into contractual agreements or covenants to share costs with other properties or facilities for maintaining and/or operating shared or mutually beneficial properties or facilities.

The Association shall maintain the facilities and equipment within the Common Properties in continuous operation, except for any periods of maintenance or repairs or unless Members representing 75% of the votes in the Association vote to discontinue such operation.

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The costs associated with maintenance, repair and replacement of the Common Properties shall be a Common Expense; provided, the Association may seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Common Properties pursuant to this Declaration, a covenant to share costs, other recorded covenants, or agreements with the owner(s) thereof.

Section 5.02 Owner's Responsibility. Unless the maintenance responsibility is otherwise assumed by or assigned to the Association pursuant to this Declaration, or other declaration of covenants applicable to such Lot, each Owner shall maintain the following items:

(a) his or her Lot and all landscaping, structures, parking areas, sidewalks and other improvements within the boundaries of the Lot in a well-maintained, safe, clean and attractive condition at all times. Such maintenance shall include (without limitation):

(i) the proper seeding, consistent watering and mowing of all lawns;

(ii) the pruning and cutting of all trees and shrubbery;

(iii) the prompt removal of all litter, trash, refuse and waste;

(iv) watering of all landscape;

(v) keeping exterior lighting and mechanical facilities in working order;

(vi) keeping lawn and garden areas alive free of weeds and attractive;

(vii) keeping driveways in good repair and condition;

(viii) promptly repairing any exterior damage;

(ix) complying with all governmental health and police requirements

(x) keeping any drainage easement free of items which would impede the flow of storm water within the drainage easement unless the maintenance responsibility is otherwise assumed by or assigned to the Association or other declaration of covenants applicable to such Lot; and

(xi) painting and repainting of improvements as often as is reasonably necessary to ensure the attractiveness and aesthetic quality of such Lot or improvement as determined by the Committee. The approval of the Committee otherwise required herein shall not be required for such repainting so long as neither the color scheme nor the arrangement of the colors of any improvements, nor the color of paint thereon, is substantially altered;

(b) all landscaping on that portion of the Common Properties or public right-of-way between the Lot boundary and the nearest curb or pavement edge of the adjoining street(s) or the nearest fence, wall or berm constructed on the adjacent Common Properties; and

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(c) all landscaping on that portion of the Common Properties or public right-of-way between the Lot boundary and (i) any abutting bank or water's edge of any lake, pond, stream or wetlands area within the Properties, or (ii) any Common Properties abutting the bank or water's edge of any lake, pond, stream or wetlands area within the Properties; provided, there shall be no right to remove trees, shrubs or similar vegetation from this area without prior approval pursuant to Article XI hereof.

During construction of improvements on a Lot, reasonable care shall be taken by the Owner thereof to protect all public and private streets from damage due to construction. Should an Owner's construction cause damage to roads and or other Common Properties and should the Owner fail to repair such damage within ten (10) days of the Association's delivery of written notice to the Owner of such damage, the Board may perform the required repairs and assess the Owner the cost of such repairs, including the cost of any administrative or consulting fees incurred as a result of such repairs, as a Specific Assessment in accordance with Section 6.06(a). During construction, Lots shall be kept as clean as possible to avoid blowing trash and to prevent mud from coming onto other portions of the Properties. Owners shall keep streets reasonably clean and free of dirt/mud and debris during construction periods and the Association shall have no responsibility or liability for the streets during construction. Owners will not be allowed to store any excavation of soil on streets or adjacent sites without prior written permission of the Committee. Soil runoff due to rain or irrigation shall be removed promptly from streets and sidewalks by the Owner. The Board may adopt rules regarding the maintenance of construction sites, including the imposition of fines for violations of this Section.

Section 5.03 Enforcement. If, at any time, an Owner of any Lot shall fail to control weeds, grass and/or other unsightly growth, or permit accumulation of garbage, trash or rubbish, or otherwise fail to maintain the Lot or other area required to be maintained by the Owner hereunder (such as a drainage easement), the Association shall have the authority and right to go onto said property for the purpose of mowing, cleaning or maintaining said property and shall have the authority and right to assess and collect from the Owner of said Lot a reasonable sum for mowing, cleaning or maintaining said property on each respective occasion of such mowing, cleaning or maintenance. However, the Association shall afford the Owner at least ten (10) days prior written notice and an opportunity to cure the problem prior to entry, except when immediate entry is required due to an emergency situation. Any such assessment, together with interest thereon at the highest lawful rate and costs of collection thereof, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made in accordance with Sections 6.06 and 6.08 of this Declaration.

Section 5.04 Standard of Performance. Unless otherwise specifically provided in the Governing Documents or in other instruments creating or assigning maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement necessary to maintain the property to a level consistent with the Community-Wide Standard. Repair and replacement shall include improvement, if necessary to comply with applicable building codes or other regulations or if otherwise deemed appropriate, in the Board's reasonable discretion. Each Owner further covenants and agrees that in the event of damage to or destruction of structures on such Owner's Lot, the Owner shall proceed promptly to repair or to reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved in

accordance with Article XI. Alternatively, the Owner shall clear the Lot and maintain it in a neat and attractive, and landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs which are not covered by insurance.

Section 5.05 Indemnification. If the Association, or any Owner, or any of their agents, employees or contractors (i) causes any damage to the Common Properties or to any Lot, or to any Improvements located thereon, or (ii) causes any injury to any person utilizing the Common Properties or any Lot, or any Improvements located thereon, which damage or injury arises in whole or in part out of the exercise of any of the easements granted by this Declaration, the party responsible for such damage or injury shall:

(a) Restore the Common Properties or Lot(s) to their condition immediately preceding such entry;

(b) Repair any damage to any Improvements located on the Common Properties or any Lot, and replace any such Improvements located thereon which are not capable of repair; and

(c) Indemnify, defend and hold harmless the Association, or any Owner not responsible for such damage or injury from any and all damages, liability and expenses incurred by such innocent party as a result of the exercise of rights granted by such easement.

Section 5.06 Party Walls and Party Fences.

(a) General Rules of Law to Apply. Each wall, fence or driveway built as a part of the original construction on the Lots which shall serve and/or separate any two adjoining Lots shall constitute a party structure. To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party structure shall be shared equally by the Owners who make use of the party structure.

(c) Damage and Destruction. If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the party structure may restore it. If other Owners thereafter use the party structure, they shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

(d) Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

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(e) Arbitration. In the event of any dispute arising concerning a party structure, each party shall appoint one arbitrator. Should any party fail and/or refuse to appoint an arbitrator within ten (10) days after written request by the other party, the requesting party shall appoint an arbitrator for the refusing party. The arbitrators appointed shall appoint one additional arbitrator. The decision by a majority of all three arbitrators shall be binding upon the parties and shall be a condition precedent to any right of legal action that either party may have against the other. The Association shall have no responsibility in resolving any disputes between Members concerning a party structure.

## ARTICLE VI.

## COVENANTS FOR ASSESSMENTS AND CHARGES

Section 6.01 Creation of the Lien and Personal Obligation for Charges. Each Member covenants and agrees, and any subsequent Owner of a Lot by acceptance of a deed therefor shall be deemed to covenant and agree, to pay to the Association (or to an entity or collection agency designated by the Association): (i) the annual assessment and related charges to cover the Common Expenses, including reserves; (ii) any special emergency charge for maintenance or otherwise, as such special emergency charge may be fixed established and collected from time to time as hereinafter provided; and (iii) specific assessments and special road assessments levied in accordance with Section 6.06 hereof. For purposes of this Article VI only, multiple contiguous plots or tracts of land under common ownership which are or may be improved with no more than one Residence shall be deemed to be one Lot. For purposes of this Section 6.01, "contiguous" plots or tracts may include those plots or tracts which are separated by a private driveway, creek or other improvement, but shall not include plots or tracts separated by a street.

The annual, special emergency charges, if any, specific assessments, if any, and special road assessments, together with such interest thereon, late charges and costs of collection (including attorney's fees and costs) thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such charge is made. Each such charge, together with interest thereon, late charges and cost of collection (including attorney's fees and costs) thereof as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. If any portion of the lien created by this Declaration shall be invalid or unenforceable, the unsecured portion of the charges shall be completely paid prior to the payment of the remaining and secured portion of such charges and all payments made on such charges shall be considered to have been paid on and applied first to the complete payment of the unsecured portion of such charges.

Section 6.02 Purpose of Charges. The charges levied by the Association shall be used exclusively: (i) for the purpose of funding the construction and maintenance of the improvements to Stonebriar Creek Subdivision, and (ii) for the purpose of benefitting the Owners and Residents of the Properties, and in particular for the improvement and maintenance of the Common Properties, including, but not limited to, the payment of taxes on the Common Properties and insurance in connection with the Common Properties. All funds collected by the Association shall remain within the Association, to be used solely for the purposes set forth herein, and no other distribution of any excess funds of the Association shall be made.

Section 6.03 Improvement and Maintenance of the Common Properties. The Association shall have the responsibility and duty (but with the right to charge Owners as provided herein) of contracting for and constructing the improvement to Stonebriar Creek Subdivision, maintaining the Common Properties, including but not limited to, the payment of taxes and insurance in connection with the Common Properties and the cost of repairs, replacements and additions thereto, and for paying the cost of labor, equipment and materials required for, and management and supervision of, the improvement and maintenance of the Common Properties.

Section 6.04 Basis and Amount of Annual Charges.

(a) For the calendar year 2004, each Lot was subject to an annual assessment or charge of $600.00 for the maintenance of the Common Properties. This initial annual charge was due March 31, 2004.

(b) Commencing with the calendar year beginning January 1, 2005, each Lot shall be subject to an annual assessment or charge of $1,600.00. Each year thereafter, the Board of Directors of the Association shall, at a meeting held prior to January 1 of the next year, shall recommend and call for a vote of the Members on the amount of the annual assessment or charge for 2006, and for each respective following year. Such annual assessment or charge shall be due on January 31 for the calendar year for which it is established, commencing January 31, 2006; however, each Member may, at the Member's election, make advance quarterly installments to the Association for such annual assessment or charge.

(c) When the annual assessment or charge is computed for each Lot, such assessment or charge shall be payable to the Association by the Member. Written notice of the annual assessment or charge to be paid by every Member shall be sent to the Member at the Member's last known address as shown on the Association's books and records, but need only be given to one (1) joint owner or co-owner.

Section 6.05 Special Emergency Charges. In addition to the annual assessments or charges authorized by Section 6.04 hereof, the Association may levy a special emergency charge in the event the Association must undertake extraordinary maintenance or repairs to the Common Properties as the result of an emergency situation, or to cover unanticipated expenses or expenses in excess of those budgeted; provided that any such special emergency charge shall require the affirmative approval of at least 50% of all the Members in good standing; and provided further that such special emergency charge shall be uniform against every Lot.

Section 6.06(a) Specific Assessments. The Association shall have the power to levy Specific Assessments against a particular Lot as follows:

(i) to cover costs incurred in bringing a Lot into compliance with the provisions of the Governing Documents;

(ii) to cover the costs of providing benefits, items or services not provided to all Lots, such as landscape maintenance, child care, pest control service, security and transportation services; such assessments may be levied in advance of the provisions of the requested benefit, item or service as a deposit against charges to be incurred;

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(iii) for fines levied pursuant to the Governing Documents;

(iv) for any other cost or expense authorized by the Governing Documents to be levied against an Owner and his or her Lot.

(b) Special Road Assessment.

(i) Commencing with the calendar year beginning January 1, 2005, and ending January 1, 2011 (inclusive), each Lot shall be subject to an annual special road assessment or charge of $2,000.00 to be used solely towards expenses incurred or to be incurred for the work described in the Master Paving Plan dated January 2002, and prepared by Hunter Associates. Any use of these funds other than for this purpose must be approved by at least a majority of the Members at a meeting duly called for such purpose. Such special road assessment or charge shall be due on January 1 for each calendar year during the term of the special road assessment and shall be delinquent if not paid by January 31 of that calendar year.

(ii) In the event that the Master Paving Plan is completed before January 1, 2011, as determined by the Board in its sole discretion, the Special Road Assessment shall terminate as of the date immediately proceeding the due date of next annual special road assessment.

(iii) In the event that the Board determines that, prior to the due date of an annual special road assessment, a partial special road assessment is sufficient to fund the completion of the work under the Master Paving Plan, the Board may unilaterally reduce the special road assessment by an amount determined by the Board to be reasonably necessary to avoid the levying and collection of excess special road assessment funds from the Members. The Board may not increase the special road assessment without the approval of at least a majority of the Members at a meeting duly held for this purpose.

(iv) One or more Owners may request in writing that the Association commence and complete work to a designated street in advance of the Association's planned sequence of work under the Master Paving Plan. The Board will accept this request only if the Owner(s) meets the following conditions:

1.) Cumulatively, the Owner(s) must contribute 75% of the estimated funds necessary to complete the designated street. Any such estimation must be confirmed by the President of the Board and is only valid for 60 days. The Association will then contribute the other 25% of the estimated funds and begin work on the street as soon as reasonably practical.

2.) Each Owner who has contributed funds pursuant to this Section 6.06(b) shall be given a credit in an amount equal to the amount contributed in excess of the special road assessment then due towards any future years' special road assessment, beginning with the the special road assessment due January 1, 2011, and

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working backwards. So, for example, if Member A contributed $4,000.00 to the fund over and above his or her annual special road assessment, he or she would be given full credit for the January 1, 2010 and January 1, 2011 special road assessment otherwise due on his or her Lot.

3.) In the event a Member contributes an amount greater than or equal to the entire balance due for the Lot for the complete period of the special road assessment, that Member will be exempt from any future payments of the special road assessment. So, for example, if the Member contributes $14,000.00 in 2005, that member would be exempt from any future payments on this special road assessment. If the contribution exceeds $14,000.00, the Member is not entitled to a refund. In the event that the Board terminates the Special Road Assessment before January 1, 2011, Members shall not receive a refund of any excess contributions to the Special Road Assessment.

4.) Any exemption granted under Section 6.06(b)(iv)(3) above pertains to this special road assessment and is not an exemption for any future Assessment that may be voted into existence.

(v) When the annual assessment or charge is computed for each Lot, such assessment or charge shall be payable to the Association by the Member. Written notice of the annual assessment or charge to be paid by every Member shall be sent to the Member prior to the commencement of the calendar year for which the annual assessment is due, but need only be given to one (1) joint owner or co-owner.

Section 6.07 Duties of the Board of Directors with Respect to Annual Charges.

(a) Budget. At least thirty (30) days before the beginning of each fiscal year, the Board shall prepare a budget covering the estimated Common Expenses of the Association during the coming year, including any contributions to a reserve fund.

(b) Computation. The Annual Assessment shall be levied equally against all Lots and shall be set at a level which is reasonably expected to produce the total income of the Association equal to the total budgeted Common Expenses, including reserves. In determining the level of assessments, the Board may consider other sources of funds available to the Association, the number of Lots subject to assessment hereunder on the first day of the fiscal year for which the budget is prepared, and the number of Lots reasonably anticipated to become subject to assessment during the fiscal year.

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(c) Notice; Disapproval. The Board shall send notice of the amount of the Annual Assessment to be levied pursuant hereto, to each Owner at least thirty (30) days prior to the effective date of such assessment.

In the event a proposed Annual Assessment is disapproved by the Members or the Board fails for any reason to determine the budget and Annual Assessment for any year, then and until such time as a budget and Annual Assessment shall have been determined, the budget and Annual Assessment most recently in effect shall continue in effect until a new budget and Annual Assessment are determined.

(d) Budget Revisions. The Board may revise the budget and adjust the Annual Assessment from time to time during the fiscal year, subject to the notice requirements and the right of the Members to approve the revised Annual Assessment as set forth herein.

(e) Commencement Date. The Board of Directors of the Association shall fix the date of commencement and the amount of the charge against each Lot for each annual period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and charges applicable thereto which shall be kept by the Secretary or other designated officer of the Association.

(f) Resale Certificate. The Board of Directors shall upon request at any time furnish to any Member liable for said charges, a certificate in writing signed by an officer or agent of the Association, setting forth whether said charges have been paid. A reasonable charge may be made by the Association for the issuance of such certificate.

Section 6.08 Effect of Non-Payment of Charges; The Personal Obligation of the Member; The Lien; Remedies of Association.

(a) The Association shall give written notice by certified mail, return receipt requested, of any charge that is not paid when due and remains unpaid ten (10) days following the date due. If any charge or part thereof is not paid when due, the unpaid amount of such charge shall bear interest from the date of delinquency at the same rate of interest as is charged by the Municipality for delinquent city ad valorem taxes, provided such amount of interest shall not exceed the maximum lawful rate, and the Association may, at its election, bring an action at law against the Member personally obligated to pay the same in order to enforce payment and/or to foreclose the lien against the property subject thereto, and there shall be added to the amount of such unpaid charges any and all costs of collection incurred by the Association, including reasonable attorneys' fees.

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(b) If any charge or any part thereof is not paid on the date(s) when due, then the unpaid amount of such charge shall become delinquent and shall, together with such interest thereon, late charges and cost of collection (including attorney's fees and cost s) thereof as provided above, thereupon become a continuing lien on the Lot of the non-paying Member which shall bind such Lot(s) of such Member, and his/her/their heirs, executors, advisors, personal representatives and assigns. The Association shall have the right to reject partial payments of a charge and demand the full payment thereof. The personal obligation of the then-existing Member to pay such charge, however, shall remain the personal obligation of such Member and shall not pass to his successors in title unless expressly assumed by them. However, the lien for unpaid assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Member may waive or otherwise escape liability for the charges provided herein by non-use of the Common Properties or abandonment of his Lot or for inconvenience or discomfort arising from the making of repairs or improvements, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority or for any other action taken or failed to be taken by the Association.

To evidence the aforesaid assessment lien, the Association may prepare a written notice of assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the property covered by such lien and a description of the property. Such notice shall be signed by one of the officers of the Association or its duly authorized agent and shall be recorded in the office of the County Clerk of Collin County, Texas. However, the failure of the Association to execute and record any such document shall not, to any extent, affect the validity, enforceability or priority of the lien. The lien may be foreclosed through judicial or, to the extent allowed by law, non-judicial foreclosure proceedings in accordance with Section 51.002 et seq. of the Texas Property Code (the "Foreclosure Statute"), as it may be amended from time to time, in like manner of any deed of trust on real property. In connection with the lien created herein, each Owner of a Lot hereby grants to the Association, whether or not it is so expressed in the deed, the contract for sale or other conveyance to such Owner, a power of sale to be exercised in accordance with the Foreclosure Statute. In any foreclosure proceeding, whether judicial or non-judicial, the owner shall be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association shall have the power to bid on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any mortgagee holding a prior lien on any part of the Properties, the Association shall report to said mortgagee any unpaid assessments remaining unpaid for longer than thirty (30) days after the same are due.

(c) The Association may give written notification to the holder(s) of the mortgage on the Lot of the non-paying Owner of such Owner's default in paying any charge when such default has not been cured within thirty (30) days.

Section 6.09 Owner's Right of Redemption. The Owner of a Lot may redeem the Lot from any purchaser at a foreclosure sale of the Association's assessment lien in accordance with section 209.011 et seq. of the Texas Property Code, as it may be amended form time to time.

Section 6.10 Subordination of the Lien to Mortgages. The lien of the charges provided for herein shall be subordinate and interior to (i) the lien of any bona fide mortgage or deed of trust now placed upon the Lots, and (ii) the lien of any bona fide first lien mortgage or deed of trust hereafter placed upon the Lots, subject to charges which have become due and payable prior to a sale, whether public or private, of such property pursuant to the terms and conditions of any such mortgage or deed of trust. Such sale shall not relieve such Lots from liability for the amount of any charges thereafter becoming due nor from the lien of any such subsequent charges.

Any lien created by this Declaration shall be secondary and subordinate to all liens, present and future given, granted and created by or at the instance and request of the owner of a Lot or Lots to secure the payment of monies advanced or to be advanced by a beneficiary under a deed of trust lien on any such Lot to the extent that any such charge, assessment, or claim hereunder has accrued and is unpaid prior to the foreclosure of any such deed of trust lien. Upon written request of any such deed of trust lienholder, the Association shall endeavor to give such holder written notice of the Association's intent to enforce the payment of any charge, assessment, or claim under this Declaration against a Lot encumbered by such deed of trust lien prior to commencing any action to foreclose any lien created by this Declaration. Any holder of a deed of trust lien who obtains title to a Lot or Lots pursuant to the exercise of any remedy provided in the deed of trust shall not be liable for any charge, assessment, or claim that accrued prior to the acquisition of title to the Lot or Lots by such lien holder. Nothing contained herein shall be construed as releasing any Lot owner from the personal obligation of such Lot owner for the payment of any charge, assessment, or claim arising hereunder against such Lot owner.

Section 6.11 Capital Contribution. Effective from the date of recording this Declaration, when plans are submitted to and approved by the Architectural Committee, the owner of the particular Lot for which such plans are submitted shall each contribute $300.00 per Lot to an interest-bearing account for future beautification and maintenance of front entry and common grounds. The account shall be established for use only by the Association.

Section 6.12 Exempt Property.

(a) The following property subject to this Declaration shall be exempted from the charges and lien created herein:

(i) All properties dedicated and accepted by the local public authority and devoted to public use; and

(ii) All Common Properties as defined in Article I hereof.

## ARTICLE VII.

## GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS OF THE ASSOCIAITON

Section 7.01 Powers and Duties.

(a) The affairs of the Association shall be conducted by its Board of Directors. The Board of Directors shall be selected in accordance with the Articles of Incorporation and

Bylaws of the Association. Except as otherwise specifically provided in the Governing Documents, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

The Board, for the benefit of the Common Properties and the Members, and in accordance with Article VI above, shall provide and shall pay for out of the fund(s) provided for in Article VI above, the following:

(i) The construction of the improvements to Stonebriar Creek Subdivision, and to the extent of funds available to the Association from the annual charges to the Members.

(ii) Care and maintenance of the Common Properties, including private streets and access areas, landscaping, screening walls and entry features which are a part of the Common Properties. Maintenance services contracted for by the Board in accordance with this paragraph shall be paid for out of Association funds.

(iii) The services of a person or firm to manage the Association or any separate portion thereof to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association.

(iv) Legal and accounting services, including all reasonable costs to provide defense of any lawsuit or other proceeding brought against a Director of the Association, or any officer of the Association in connection with such Director's or officer's fulfillment of his/her duties in such capacity unless such lawsuit or other proceeding is brought as a result of such Director's or officer's fraud or intentional misconduct.

(v) Any other materials, supplies, furniture, labor, services, maintenance, repairs, alterations, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration or by law or which in its opinion shall be necessary or proper for the operation or protection of the Association or for the enforcement of this Declaration.

(vi) To execute all declarations of ownership for tax assessment purposes and to pay all taxes with regard to the Common Properties.

(vii) To enter into agreements or contracts on behalf of the Association for the construction of the improvements to Stonebriar Creek Subdivision; provided, however, the Board of Directors shall not enter into any agreements or contracts on behalf of the Association with any Member or family members of a Member, unless such Member or family member is a bondable contractor.

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(viii) To enter into agreements or contracts with insurance companies, taxing authorities and the holders of mortgage liens on the individual Lots with respect to: (i) taxes on the Common Properties, and (ii) insurance coverage of the Common Properties, as they relate to the assessment, collection and disbursement process envisioned by Article VI hereinabove.

(ix) To enter into contracts, maintain one or more bank accounts, and generally, to have all the powers necessary or incidental to the operation and management of the Association and the Common Properties.

(x) If, as, and when the Board, in its sole discretion, deems necessary it may take action to protect or defend the Common Properties from loss or damage by suit or otherwise, to sue or defend in any court of law on behalf of the Association and to provide adequate reserves for repairs and replacements.

(xi) To make reasonable rules and regulations for the operation and use of the Common Properties and to amend them from time to time; provided that any rule or regulation may be amended or repealed by an instrument in writing signed by 60% of the Members, or, with respect to a rule applicable to less than all of the Properties, by 60% of the Members in the portions affected.

(xii) To make available to each Member, within one hundred twenty (120) days after the end of each year, an unaudited annual report.

(xiii) Pursuant to Article VIII herein, to adjust the amount, collect and use any insurance proceeds to repair damage or replace lost property.

(b) It is acknowledged that all of the powers and duties of the Board of Directors set forth herein are in furtherance of the purposes set forth in the Governing Documents. In the event the Board of Directors determines to make a major change in operating philosophy of the Association, which change expands or otherwise varies the purposes set forth in the Governing Documents, the Board of Directors shall give thirty (30) days prior written notice to the Members of such change.

Section 7.02 Maintenance Contracts. The Board, on behalf of the Association, shall have full power and authority to contract with any Member for the performance by the Association of services which the Board is not otherwise required to perform pursuant to the terms hereof such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable and in the best interest of the Association.

Section 7.03 Liability Limitations.

(a) Neither any Members nor the Board of Directors (or any of them) nor the officers (if any) of the Association shall be personally liable for any obligations or debts contracted for or otherwise incurred by the Association or for of another Member, whether such other Member was acting on behalf of the Association or otherwise. Neither any Members nor the Board of Directors of the Association, or its officers, agents or employees



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shall be liable for any incidental or consequential damages for failure to inspect any improvements or portions thereof or for failure to repair or maintain the same. Neither any Members nor the Board of Directors of the Association, or its officers, agents or employees shall too liable for any personal injury, property damage or other incidental or consequential damages occasioned by any act or omission related to the repair or maintenance of any Common Properties or any portions thereof.

(b) It is understood and acknowledged that the Common Properties may be subject to storm water overflow, natural bank erosion and other natural or man-made events or occurrences, the extent of which cannot be defined or controlled. Under no circumstances shall the Association ever be held liable for any damages or injuries of any kind or character or nature whatsoever resulting from: (i) the occurrence of any natural phenomena; (ii) the failure or defect of any structure or structures situated on or within the Common Properties; or (iii) any act, conduct, omission or behavior by any individual, group of individuals, entity or enterprise occurring on, within or related to the Common Properties.

Section 7.04 Common Areas. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Properties and all improvements thereon (including, without limitation, furnishings, equipment and common landscaped areas), and shall keep them in good, clean, attractive and sanitary condition, order and repair, pursuant to the terms and conditions hereof and consistent with the Community-Wide Standard.

Section 7.05 Personal Property and Real Property for Common Use. The Association may acquire, hold and dispose of tangible and intangible personal property and real property, subject to such restrictions as are set forth in the Governing Documents.

Section 7.06 Rules and Regulations. The Board may make and enforce reasonable rules and regulations governing the collection of assessments (including the application of payments received from Owners) and the use and operation of the Properties (including the use, occupancy, leasing or sale, maintenance, repair, modification and appearance of Lots), which rules and regulations shall be consistent with the rights and duties established by this Declaration. Such regulations and use restrictions shall be binding upon all Owners, Residents, invitees and licensees, if any, until and unless overruled, canceled or modified in a regular or special meeting of the Association by the vote of a majority of the Members.

Section 7.07 Compliance and Enforcement. Every Owner and Resident of a Lot shall comply with the Governing Documents. The Association shall be authorized to impose sanctions for violations of the Governing Documents. Sanctions may include, without limitation, the following:

(a) imposing reasonable monetary fines, which shall constitute a lien upon the violator's Lot;

(b) suspending an Owner's right to vote;

(c) suspending any services provided by the Association to an Owner or the Owner's Lot if the Owner is more than thirty (30) days delinquent in paying any assessment or other charge owed to the Association;

(d) exercising self-help (specifically including, but not limited to, the towing of vehicles that are in violation of the Governing Documents, removing nonconforming structures and/or improvements pursuant to Section 11.13 and performing maintenance on an Owner's Lot pursuant to Section 5.03);

(e) recording a Notice of Violation pursuant to Section 11.14;

(f) levying a Specific Assessment pursuant to Section 6.06(a); and

(g) taking any other action to abate a violation of the Governing Documents.

The Board shall afford a violator notice and an opportunity to be heard in accordance with Section 7.08 prior to the imposition of any sanction, unless the Board determines that an emergency situation exists. In addition to any other enforcement rights, in the event of a violation or breach of any of these restrictions by any Person, the Association, through its duly designated representatives, and the Owners of the Lots, or any of them, jointly or severally, shall have the right to proceed at law or in equity, or both, to compel compliance with the terms hereof or to prevent the violation or breach of any of them. All remedies set forth in the Governing Documents shall be cumulative of any remedies available at law or in equity. If the Association prevails in any action to enforce the Governing Documents, it shall be entitled to recover all costs, including, without limitation, attorney's fees, court costs and any additional administrative or management fees reasonably incurred in such action. Failure by the Association to enforce any of the foregoing or any other right or remedy of the Association shall in no event be deemed a waiver of the right to so thereafter.

Section 7.08 Enforcement Procedures.

(a) Notice. Prior to imposition of any sanction under the Governing Documents, the Board or its delegate shall serve the alleged violator with written notice by certified mail, return receipt requested, describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, including the amount of any fine or charge (iii) a period of not less than thirty (30) days from the violator's receipt of such notice within which the alleged violator may present a written request to the Covenants Committee, if any, or Board, for a hearing; (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless the violation is cured within a reasonable period of time or unless a request for a hearing is made within the thirty-day period; (v) a statement that the violator has the right to appeal the decision of the Covenants Committee, if any, to the Board of Directors by written notice to the Board of Directors; and (vi) a statement that attorney's fees and costs will be charged to the violator if the violation continues after the date stated in the notice. The Board or the Covenants Committee, if any, may suspend any proposed sanction if the violation is cured within the 30-day period, or if correction of the violation is commenced within the 30-day period and diligently pursued to completion. 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.

(b) Repeat Offender. Notwithstanding anything to the contrary herein contained, in the event the violator was given notice and a reasonable opportunity to cure a similar violation within the preceding six (6) months of the current violation, no additional opportunity to cure must be given to the violator.

(c) Hearing. If a hearing is requested within the allotted thirty (30) day period, the hearing shall be held before the Covenants Committee, if any, or the Board in executive session. The hearing shall be held no later than the 30th day after the date the Board of Directors receives the violator's request for a hearing. The Board or its delegate shall notify the violator of the date, time and place of the hearing no later than the 10th day before the date of the hearing. The alleged violator shall be afforded a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(d) Appeal. Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the manager, President or Secretary of the Association within thirty (30) days after the hearing date.

(e) Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Board may elect to enforce any provision of the Governing Documents by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking restrictions or rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the notice and hearing procedure set forth above unless otherwise required by law. In any such action, to the maximum extent permissible, the Owner or Resident responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees and additional management fees actually incurred. Any entry onto a Lot for purposes of exercising this power of self-help shall not be deemed a trespass.

Section 7.09 Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Properties designed to enhance the security of the Properties including the use of controlled access gates to the Properties. THE ASSOCIATION SHALL NOT IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTIES, NOR SHALL SUCH PARTIES BE HELD LIABLE FOR ANY LOSS OR DAMAGE FOR FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.

THE ASSOCIATION AND THE ARCHITECTURAL CONTROL COMMITTEE MAKE NO REPRESENTATION OR WARRANTY THAT ANY SYSTEMS OR MEASURES, INCLUDING ANY MECHANISM, DEVICE OR PERSON EMPLOYED TO LIMIT OR RESTRICT ACCESS TO THE PROPERTIES CANNOT BE COMPROMISED OR CIRCUMVENTED; OR THAT ANY SUCH SYSTEMS OR SECURITY MEASURES UNDERTAKEN WILL IN ANY CASE PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER AND ALL TENANTS, GUESTS AND INVITEES OF ANY OWNER, ACKNOWLEDGE AND UNDERSTAND THAT THE ASSOCIATION, ITS BOARD, AND COMMITTEE MEMBERS, ARE NOT INSURERS AND THAT EACH PERSON WITHIN THE PROPERTIES ASSUME ALL RISKS FOR PERSONAL INJURY AND LOSS OR DAMAGE TO PROPERTY,

INCLUDING LOTS AND THE CONTENTS THEREOF, RESULTING FROM ACTS OF THIRD PARTIES.

Section 7.10 Private Streets.

(a) Private Street Designation. Any streets and roads (referred to jointly as the "streets") within the Properties which are conveyed to the Association have not and will not be dedicated to the public for public access nor shall they be accepted by the Municipality as public improvements, and such streets shall be maintained by the Association, provided, however, that such streets shall always be open to Owners and their invited guests, and to those Persons, equipment and vehicles providing emergency services such as fire protection.

(b) Private Street Easement. There is hereby reserved to the Association an easement of ingress, egress and regress over private streets within the Properties as depicted on the Plat, for use in common with the Owners. The easement shall be for the benefit of the Owners and the fee simple title to the private streets themselves shall be held by the Association.

(c) City Services Not Provided. The Municipality is not required to provide routine police patrols, enforcement of traffic and parking ordinances, or preparation of accident reports with respect to the private streets to be installed within the Properties.

## ARTICLE VIII.

## INSURANCE; REPAIR AND RESTORATION

Section 8.01 Right to Purchase Insurance. The Association shall have the right and option to purchase, carry and maintain in force insurance covering any or all portions of the Common Properties, the improvements thereon and appurtenant thereto, for the interest of the Association and of all Members thereof, in such amounts and with such endorsements and coverage as shall be considered good sound insurance coverage for properties similar in construction, location and use to the Common Properties. Such insurance may include, but need not be limited to:

(a) Insurance against loss or damage by fire and hazards covered by a standard extended coverage endorsement in an amount which shall be equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined annually by the insurance carrier.

(b) Public liability and property damage insurance on a broad form basis.

(c) Fidelity bond for all officers and employees of the Association having control over the receipt or the disbursement of funds in such penal sums as shall be determined by the Board of Directors of the Association.

(d) Officers and directors liability insurance.

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Section 8.02 Insurance Proceeds. Proceeds of insurance shall be disbursed by the insurance carrier to the Association or contractors designated by the Association as the Board of Directors may direct. The Association shall use the net insurance proceeds to repair and replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of Insurance paid to the Association, as required in this Article, remaining after satisfactory completion of such repair and replacement, shall be retained by the Association as part of a general reserve fund for repair and replacement of the Common Properties.

Section 8.03 Mortgagee Protection. There may be attached to all policies of insurance against loss or damage by fire and other hazards, a mortgagees or lender's loss payable clause; provided, however, that amounts payable under such clause to the mortgagee may be paid to the Association to hold for the payment of costs of repair or replacement. The Association shall be responsible to hold said monies or to collect additional monies if the proceeds are insufficient to pay for the cost of all repairs or replacements and shall ensure that all mechanics', materialmen's and similar liens which may result from said repairs or replacements, are satisfied.

Section 8.04 Individual Insurance. By virtue of taking title to a Lot, each Owner covenants and agrees with all other Owners that each Owner shall carry blanket "all-risk" property insurance on its Lot (s) and structures constructed thereon providing full replacement cost coverage (less a reasonable deductible), unless the Association carries such insurance (which they are not obligated to do hereunder). If the Association assumes responsibility for obtaining any insurance coverage on behalf of Owners, the premiums for such insurance shall be levied as a Specific Assessment against the benefitted Lot and the Owner. The Association shall have no obligation to verify or insure that an Owner is in compliance with this Section.

Section 8.05 Liability Insurance. The Board may, but shall not be obligated to, require an Owner or Builder to obtain a comprehensive general liability policy prior to the commencement of construction or modification of any improvement for which plans and specifications must be submitted to the Committee for approval under this Declaration. Such policy, if required, shall have a combined single limit of not less than One Million Dollars ($1,000,000.00) covering all losses, damages and claims arising out of the original contractor's or Builder's use of, activities on and/or ownership of the Lot, including property damage, bodily injury and death. Such policy, if required, shall also name the original contractor or Builder, as applicable, as the insured party and the Association as an additional insured. In addition, the original contractor or Builder shall obtain, if required by the Board, worker's compensation insurance, if and to the extent required by law; employer's liability insurance; automobile liability insurance covering all motor vehicles owned, hired or used in connection with the original contractor's or Builder's construction activities in the Properties; and Builder's risk insurance covering the original contractor's or Builder's activities in the Properties, all in such amounts as are reasonable to the Association.

A certificate evidencing insurance required to be maintained pursuant to this Section 8.05 shall be provided to the Association prior to the commencement of any construction or modification of an improvement on a Lot, and such insurance shall be maintained in effect so long as the original contractor and/or Builder is engaging in any construction on any Lot within the Properties.

Section 8.06 Damage or Destruction.

(a) Common Properties. In the event of damage to or destruction of any part of the improvements to the Common Properties or other property insured by the Association, the Association shall repair or replace the same from the insurance proceeds available unless Members representing at least seventy-five percent (75%) of the total votes in the Association decide within sixty (60) days after the loss not to repair or reconstruct. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Special Assessment against all Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other assessments made against such Owner. If it is determined in the manner described above that the damage or destruction to the Common Properties shall not be repaired or reconstructed and no alternative improvements are authorized, the 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.

(b) Destruction of Building. In the event that any building constructed on a Lot has burned or in some other way destroyed or damaged and is thereafter abandoned for at least thirty (30) days, the owner of the Lot shall cause the building to be removed and the Lot cleared, the expense of such removal and clearing to be paid by the Owner. In the event the Owner does not comply with this provision, then the Association may, after ten (10) days written notice to the Owner, cause such building to be removed and the Lot cleared and charge the cost thereof to the Owner. In such event, the Association shall not be liable in trespass or for damages, expenses, costs or otherwise to the Owner for such removal and clearing. The Association shall have no obligation to procure insurance to protect against fire or other casualty to any of the Residences and each Owner is encouraged to procure and maintain such insurance coverage as is deemed prudent or desirable by such Owner.

Section 8.07 Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of the property which may have been damaged or destroyed.

## ARTICLE IX

## COMMON PROPERTIES

The Common Properties may be used as follows:

Section 9.01 Restricted Actions by Members. No Member shall permit anything to be done on or in the Common Properties which would violate any applicable public law or zoning ordinance or which will result in the cancellation of or increase of any insurance carried by the Association, or which would be in violation of any law. No waste shall be committed in the Common Properties.

Section 9.02 Damage to the Common Properties. Each Member shall be liable to the Association for any damage to the Common Properties caused by the negligence or willful misconduct of the Member or such Member's family, guests, pets, or invitees.

Section 9.03 Rules of The Board. All Members and occupants shall have by any rules and regulations adopted by the Board in accordance with the Governing Documents. The Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, and it Member determined by judicial action to have violated said rules and regulations shall be liable to the Association for all damages and costs, including reasonable attorneys' fees.

## ARTICLE X

## USE RESTRICTIONS

Section 10.01 Residents Bound. All provisions of the Governing Documents which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Residents, guests and invitees of any Lot. Every Owner shall cause all Residents of his or her Lot to comply with the Governing Documents. Every Owner shall be responsible for all violations and losses to the Common Areas caused by such Residents, notwithstanding the fact that such Residents of a Lot are fully liable and may be sanctioned for any such violation or loss.

Section 10.02 Business Use. No business, trade or similar activity may be conducted in or from any Lot, except that an Owner or Resident residing in a Lot may conduct business activities within the Lot so long as (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Lot, (ii) the business activity conforms to all zoning requirements for the Properties, (iii) the business activity does not noticeably increase the level of vehicular or pedestrian traffic or the number of vehicles parked in the Properties, (iv) the business activity does not involve door-to-door solicitation of Residents of the Properties, and (v) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board.

Garage sales, moving sales, rummage sales, or similar activities on any Lot shall not be permitted except upon the Board's approval and upon such dates as the Board may establish from time to time. Any such sales shall be subject to such other restrictions as may be imposed by the Board from time to time.

The terms "business" and "trade" as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether (i) such activity is engaged in full or part time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required.

Notwithstanding the above, neither the leasing of a Lot or the construction of Residences by Builders shall not be considered a business or trade within the meaning of this Section.



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Section 10.03 Single-Family Restrictions. No Lot shall be occupied by more than a single family. For purposes of this restriction, a single family shall be defined as any number of Persons related by blood, adoption or marriage living with not more than two Persons who are not so related as a single household unit, or no more than three Persons who are not so related living together as a single household unit, and the household employees of either such household unit; provided, however, that nothing herein shall be interpreted to restrict the ability of one or more adults meeting the definition of a single-family from residing with any number of Persons under the age of eighteen (18) over whom such Persons have legal authority.

Section 10.04 Residential Use Only. All Lots in the Stonebriar Creek Subdivision shall be known and described as residential lots. No structure shall be erected, altered, placed or permitted to remain on any residential Lot other than private residences and necessary servant houses, garages, cabanas and storage buildings, and not more than one single private dwelling shall be erected or placed on a Lot, and shall be occupied as a single family dwelling and not a duplex, apartments or any other form of multiple units of occupancy and not for business use.

Section 10.05 Set-back Requirements. No building structure shall be closer than seventy (70) feet to a front property line, twenty-five (25) feet or ten percent (10%) of the Lot width at the building line, whichever is greater, to a side property line, and thirty (30) feet to a back property line unless otherwise approved by the Architectural Committee. On a cul-de-sac and corner Lots, no structure or building shall be erected nearer than seventy (70) feet to the center line of the road unless otherwise approved by the Architectural Committee.

Section 10.06 Square Footage Requirements. The square footage of the main dwelling, excluding porches, garage and other outbuildings, shall be a minimum of three thousand three hundred (3,300) square feet (two thousand (2,000) square feet on the ground floor if main dwelling is a two-story house], but will vary by Lot. All houses shall have a garage with a minimum area of 600 square feet. No garage shall have an opening which faces or opens facing the street or any side street; the placement of garages on corner Lots shall be subject to special approval of the Architectural Committee. Architectural Committee is permitted to grant a ten percent (10%) variance on a case by case basis.

Section 10.07 Exterior Materials. No exterior building walls erected or constructed shall be clad or covered with materials other than brick, brick veneer, stucco or stucco-like material, stone or stone veneer. The above named materials shall constitute at least eighty percent (80%) of each outside wall [except for the outside back wall which such materials shall constitute at least seventy percent (70%)], excluding roofs, windows and doors, or unless otherwise approved by the Architectural Committee. All dwellings shall be so placed on the interior Lots as to face the street on which the Lots' face. The Architectural Committee reserves the right and authority to approve non-masonry materials for one hundred percent (100%) of the outside walls of any house if the Architectural Committee determines that the quality and style of the structure are architecturally significant.

Section 10.08 Cul-de-sac Lots. On cul-de-sac and corner Lots, the placement of improvements on the Lots shall be subject to the special approval of the Architectural Committee.

Section 10.09 Elevations. No house shall be duplicated in any one block on either side of the street with a substantially similar exterior elevation.

Section 10.10 Roof Materials. All homes must have, simulated wood shingle roofs, tile roofs, simulated tile roofs, or composition shingles (of a random tab style and having at least a 300-pound weight), unless express approval to use other material is obtained from the Architectural Committee.

Section 10.11 Driveways. Driveway design must be included on the plot plan when the house plan is submitted to the Architectural Committee for approval. The approval of the house plan shall be contingent upon satisfactory design layout of the driveway and the ordering fight posts and mail box. Any changes from the original plan shall require specific written approval. All driveways shall be completed at the time of construction for the primary dwelling and shall be concrete (or masonry with a concrete base). Where culverts are required, they shall have head-walls, and have specific approval by the Architectural Committee. Wet drives are permissible.

Sections 10.12 Mailboxes. Posts for mail boxes are required. The approval process for the construction of mail boxes shall be the same as that for the driveway. The plot plan must include the exact location of the mail box, providing a description and exact distance from the drive and asphalt edge of the street. Any deviation or variance must have specific written approval from the Architectural Committee. A number plate of a material approved by the Architectural Committee showing street address shall be installed on the front of the mailbox post, directly underneath the mailbox in a manner approved by the Architectural Committee.

Section 10.13 Fences. In all cases, fences must have specific approval from the Architectural Committee prior to construction. Chain link fences for dog runs are permitted so long as they are placed at the rear of the property in a manner not to be offensive to neighbors and providing the Lot Owner agrees to plant climbing roses, hedges, or other evergreen shrubbery along the outside of the fence so that the fence is totally and permanently screened throughout the year from public view and adjacent property. Fences shall not exceed six (6) feet in height.

Solid wood fences are strictly prohibited except around swimming pools and only around swimming pools on the condition that the fence is constructed in a manner not to extend beyond the main building's exterior walls and providing the owner agrees to plant climbing roses, hedges, or other evergreen shrubbery along the outside of the fence so that the fence is totally and permanently screened throughout the year from public view and adjacent property.

Section 10.14 Outbuildings. Barns, well houses, greenhouses and outbuildings used for the purpose of housing domestic pets, storage, home shops and other related personal use shall be constructed in a similar or compatible manner to compliment the main dwelling, and shall require specific approval of the Architectural Committee. Any outbuildings permitted in accordance with these covenants shall be erected in accordance with the zoning ordinance governing ranch estates.

Section 10.15 Lot Maintenance. Lot owners will at all times keep their individual Lot(s) mowed and free of debris, junk and unsightly objects. Vacant Lots shall be mowed at least twice during the months beginning with May and ending with October.

Each owner of a Lot agrees that the Association reserves the right to enforce the maintenance of vacant Lots by performing the necessary maintenance to meet the restrictive

covenants at the Lot owner's expense. Prior to conducting such work, the Association will be required to notify the Lot owner by certified mail, return receipt requested, at least seven (7) days in advance.

Such maintenance cost shall be charged at the normal market rate plus a twenty percent (20%) markup to cover necessary administrative costs as appropriate for the type of work conducted. The Lot owner shall on demand reimburse the Association for any such expenditures, and if not paid, shall constitute a lien on the particular Lot or Lots. All sums expended by the Association shall bear interest from the date of disbursement at the lesser of 18% per annum or the highest rate permitted by law.

Lot owners will be required to keep yards mowed, trimmed and flower beds, etc. free of weeds/growth. The Association shall have the right to hire a third party at the Lot owner's expense fourteen (14) days after receipt of written notification via certified mail, return receipt requested, if reasonable efforts and evidence of good faith compliance is not evident ten (10) days after receipt of said written notification. The Lot owner shall on demand reimburse the Association for any such expenditures, and if not paid, shall constitute a lien on the particular Lot or Lots. All sums expended by the Association shall bear interest from the date of disbursement at the lesser of 18% per annum or the highest rate permitted by law.

Section 10.16 Construction Site Maintenance. The Lot owner shall have the primary and ultimate responsibility for keeping the construction site in an acceptably neat and orderly manner. "'NEAT AND ORDERLY" shall be defined as "a work-site where debris is not unnecessarily unsightly, annoying, a nuisance, a distraction to the neighboring homes, or be an undue eyesore to any prospective buyer interested in Stonebriar Creek Subdivision." This shall also include the responsibility for regular cleanup and the hauling off of all debris and construction materials, and to keep all materials on site anchored or stored to keep them from blowing onto neighboring properties.

Section 10.17 Enforcement of Construction Site Maintenance. Construction site maintenance and upkeep has been a special problem area in other subdivisions where certain groups of individuals and Builders have not felt the commitment or obligation with regard to the nuisance and affect it caused to the neighboring Lot owners. As a result, the Association shall have the right to hire the work done on the site at the expense of the Lot owner and/or Builder. The Association will immediately notify the owner or Builder by phone at the time they are made aware of a problem, whether such awareness is from a homeowner complaint or observance by any member of the Board of Directors of the Association. Should the problem not be corrected within three (3) days from the owner's or Builder's receipt (whichever is earlier) of written notification via certified mail, return receipt requested, the Association shall immediately make arrangements to correct the problem in the quickest and most practical manner, based on the sole judgment of the Association. All such actions shall be at the expense of the owner and/or Builder, and, if not paid upon written demand of the Association, shall constitute a lien on the particular Lot or Lots.

Section 10.18 Construction Deposit. A deposit of $500 (the "Deposit") will be required at the time of submission of an application for construction of improvements to insure compliance with the provisions of Section 10.16. The Deposit will be placed in an interest-bearing escrow account at a financial institution chosen by the Association. The proceeds of the Deposits, including both principal and interest shall be released to the Lot owner and/or the Builder as

appropriate at the completion of the construction when the site has been cleaned properly and the obligations met. Should any actions and expenditures be required by the Association, the person(s), firm, or company hired by the Association to clean the property shall be paid from the Deposit if necessary. Any balance of the proceeds, if any, shall, revert to the Lot owner and/or Builder (as appropriate) upon satisfactory completion. Should the Deposit be inadequate to cover the costs, the Lot owner shall on demand reimburse the Association for any expenditures in excess of the Deposit, and if not paid, shall constitute a lien on the particular Lot or Lots.

Section 10.19 Portable Toilet Facilities. Portable toilet facilities shall be supplied at the beginning of construction for each site, and shall remain in place throughout the construction cycle. Said facilities must be located at least 50 feet from any adjoining property line and should be placed with prevailing winds in mind as much as possible. Should the Builder not make immediate and direct arrangements for such facilities, the Association will phone the owner or Builder to have portable facilities sent to the site. Should the owner or Builder fail to provide portable toilet facilities within two (2) days from the Lot owner's or Builder's receipt (whichever is earlier) of written notification via certified mail, return receipt requested, the Association will make arrangements for those facilities. All costs incurred will be at the expense of the Lot owner and/or Builder as appropriate. Should the Deposit be inadequate to cover the costs, the Lot owner shall on demand reimburse the Association for any expenditures in excess of the Deposit, and if not paid, shall constitute a lien on the particular Lot or Lots.

Section 10.20 Owner Responsibility. The owner of the Lot or Lots shall be responsible for ensuring the Builder is knowledgeable of all the covenants related to the construction of the project and the conduct of the Builder's employees.

Sections 10.21 Pets. No livestock, poultry or animals of any kind shall be kept on any Lots in said Stonebriar Creek Subdivision, except dogs and cats and horses permitted as pets only, with one horse per acre allowed. No animals shall be kept for the purpose of breeding and/or sale. The Municipality ordinances regarding the numbers of animals and the Municipality nuisance ordinance shall apply and prevail. The Association will file a written complaint to the Municipality with a request to enforce the ordinances, should either the number of animals and/or disturbances caused by animals, regardless of ownership, disrupt of cause annoyance that would be harmful to the normal expected lifestyle of Lot owners in the Stonebriar Creek Subdivision.

Sections 10.22 Signs. No sign or signs of any nature shall be displayed to the public view on any Lot or the Common Properties except that:

(a) Any Builder, during the construction and sale of a Single Family Residence, may utilize professional signs (of not more than twelve (12) square feet in size) on each Lot which it owns for advertising and sales promotion.

(b) Thereafter, a dignified "for sale" sign (of not more than six (6) square feet in size) may be utilized on a Lot by the homeowner of that Lot for the sale of that Lot and its improvements.

(c) Two small, professionally fabricated signs indicating that the Lot is protected by a security system and monitored by a professional security company may be placed on a Lot.

(d) No more than two (2) political signs advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal may be erected on a Lot provided that such signs shall not be erected more than a reasonable period of time (in no event to exceed sixty (60) days in advance of the election to which they pertain and are removed within fifteen (15) days after the election).

(e) Personal signs indicating school affiliations, birth announcements and similar type signs may be erected on a Lot provided they are in compliance with the Design Guidelines.

(f) Contractors' signs used for advertising work performed on a Lot may be erected on such Lot provided that such signs shall not be erected more than ten (10) days prior to commencement of the work and are removed no later than ten (10) days following completion of the work.

The Board or its agents shall, without notice, have the right, but not the obligation, to remove any sign, billboard or other advertising structure that does not comply with the above, and in so doing shall not be subject to any liability for trespass or any other liability in connection with such removal. The Board shall have the right to erect signs as it deems appropriate. All signs are to be in compliance with the sign ordinance of the Municipality.

Section 10.23 Nuisances. No illegal, obnoxious or offensive trade shall be carried on upon any Lot, nor shall anything be done thereon which may be or become a nuisance or annoyance to the neighborhood.

Section 10.24 Mobile Homes. A mobile home, basement, tent, shack, garage, or other similar outbuildings of a temporary character shall not be, at anytime, carried on, placed, located, stored or otherwise permitted on any Lot.

Section 10.25 Vehicles. Wrecked, junked, new, old, vintage or other similar vehicles, trailers, motor vehicle accessories, equipment and machinery, which are inoperable or do not have affixed to them both an unexpired license plate and a valid unexpired motor vehicle safety inspection sticker, shall not be permitted on any Lot unless totally and permanently screened throughout the year from public view and adjacent property.

Trucks with capacity in excess of one (1) ton shall not be permitted to park on the streets, driveways, or Lots overnight, and no vehicle of any size which normally transports inflammatory or explosive cargo may be kept in this subdivision at any time.

Section 10.26 Rubbish; Trash. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other wastes shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition and only on the rear portion of any of the Lots except on those days trash is picked up.

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The Association shall have the right to remove any unsightly rubbish at the owner's expense, should the Lot owner not correct the problem within three (3) days from receipt of notification.

Section 10.27 New Improvements. All improvements to any Lot shall be by new construction, and no existing house or structure may be moved into the Stonebriar Creek Subdivision or placed on any Lot.

Section 10.28 Obstruction of Easements. All easements shown on the recorded plat for the purpose of installation and maintenance of utilities and all such easements hereinafter granted for such purposes shall be observed by each Lot owner and shall not be in any manner obstructed so as to hinder or defeat such easement.

Section 10.29 Underground Utilities. Utility service connections, including; but not limited to, electric and telephone, shall be underground from the point of service to the residence.

Section 10.30 Septic Systems. All septic systems must comply with or exceed Municipality/county standards, with both Municipality and county inspections and approval.

Section 10.31 Propane Tanks. Installation of new propane tanks, other than those of 10 Gallons or less (i.e. for a barbaque grill) are not permitted. Propane tanks properly installed prior to the effective date of this Declaration are exempt from this restriction for repair and replacement. When butane or propane tanks are installed on the property, they must be totally and permanently screened from public view from the street and all adjoining properties. The Lot owner agrees to plant climbing roses, photenias, hedges, or other perennial shrubbery so that tanks are totally and permanently screened throughout the year from public view and adjacent property.

Section 10.32 Antennas. No exterior antennas, aerials, satellite dishes or other apparatus for the transmission of television, radio, satellite or other signals of any kind shall be placed, allowed or maintained upon any portion of the Properties, except that (i) antennas or satellite dishes designed to receive video programming services via multi-point distribution services which are one meter or less in diameter or diagonal measurement; (ii) antennas or satellite dishes designed to receive direct broadcast satellite service which are one meter or less in diameter; or (iii) antennas or satellite dishes designed to receive television broadcast signals or wireless internet services [(i), (ii) and (iii) are collectively referred to as "Permitted Devices"] shall be permitted, provided that any such Permitted Device is placed in the least conspicuous location on the Lot at which an acceptable quality signal can be received and is not visible from neighboring property or is screened from the view of adjacent Lots in a manner consistent with the Community-Wide Standard and the Design Guidelines.

Sectio 10.33 Leasing of Lots. "Leasing", for purposes of this Declaration, is defined as regular, exclusive occupancy of a Lot by any Person, other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity or emolument. Lots may be leased only in their entirety. No fraction or portion may be leased. There shall be no subleasing of Lots or assignment of leases unless prior written approval is obtained from the Board. No transient tenants may be accommodated in a Lot. All leases shall be in writing and shall be for an initial term of no less than six (6) months, except with the prior written consent of the Board. Notice of any lease, together with such additional information as may be

required by the Board, shall be given to the Board by the Owner within ten (10) days of execution of the lease. The Owner must make available to the lessee copies of the Governing Documents. The Board may adopt reasonable rules regulating leasing and subleasing.

Section 10.34 RV/Boat Storage. Recreational vehicles, campers, motor homes, boats, and other types of non-primary vehicles may not be stored in the open in the front or side of Residences or in plain view of main streets and adjacent neighbors. Such vehicles/craft must be housed in their own shed or in screened area rear of home in the best manner possible to avoid causing a visual impairment on the neighborhood. This covenant does not apply to short and infrequent occurrences (such as when visitors in a RV) that do not exceed two consecutive weeks.

## ARTICLE XI

## ARCHITECTURAL CONTROL

Section 11.01 Architectural Control Committee.

(a) The Architectural Committee shall consist of the Members of the Board of Directors of the Association then serving and such additional members as may be elected or appointed in accordance with the Bylaws of the Association.

(b) The Architectural Committee shall approve each and every plan and specification for each and every building to be erected upon said Lot or Lots and/or any plans or specifications altering, enlarging, remodeling or changing any building or structure on said Lot or Lots, and/or any plans or specifications for any exterior modification or improvement of a Lot, as to materials, harmony of external design as it relates to existing structures and location on Lots with respect to side lines, setback lines, topography and finished grade elevations. The Builder shall furnish five sets of plans and detailed specifications as required to the Architectural Committee for its file/ records.

(c) The Architectural Committee, by the majority of its number, may designate an agent representative to act for them from time to time; such designation shall be reduced to writing and provided to all owners within two (2) weeks from such designation. The agent or designated representative of the Architectural Committee may be replaced or succeeded from time to time at the will of the Architectural Committee providing written notification to all owners within two (2) weeks from such replacement or change. The service rendered and to be rendered hereunder by the Architectural Committee and its designated agent or representative shall be without compensation or charges of fees to the owners.

Section 11.02 Prior Written Approval. Written approval from the Architectural Committee shall be required on any and all construction and improvements made to an Owner's Lot.

Section 11.03 Design Guidelines. The Board may prepare design and development guidelines and application and review procedures (the "Design Guidelines") which shall be applicable to all construction activities within the Properties. The Board shall have the sole and full authority to amend them from time to time. Any amendments to the Design Guidelines shall be prospective only and shall not apply or require modifications to or removal of structures previously approved once the approved construction or modification has commenced. There shall be no

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limitation on the scope of amendments to the Design Guidelines; the Board is expressly authorized to amend the Design Guidelines to remove requirements previously imposed or otherwise to make the Design Guidelines more or less restrictive. The Design Guidelines may contain general provisions applicable to all of the Properties, as well as specific provisions which vary from one portion of the Properties to another depending upon location and unique characteristics.

The Association shall make the Design Guidelines available to Owners and Builders who seek to engage in development or construction within the Properties, and all such Persons shall conduct their activities in accordance with such Design Guidelines.

Section 11.04 Submission of Plans and Specifications. No building, fence, wall, barn, well house, greenhouse, terrace or other structure shall be commenced, erected or maintained, nor shall any addition, or change or alteration therein be made, unless plans and specifications as established herein, plot plans and grading plans thereof or other information concerning the same which is satisfactory to the Architectural Committee, shall have been submitted and approved by the Architectural Committee and a copy of all plans, specifications and other written information shall be left with the Architectural Committee after approval thereof by the Architectural Committee. The approval of the Architectural Committee shall be required as to the type material, fence, wall, terrace, or other structures or additions, changes and alterations thereto. Architecturally pleasing lines shall also be a consideration of approval.

A plot plan showing the location of the major trees on the Lot, the location of the house relative to the existing trees, any planned or proposed outbuildings, the pool location; and size, if any, including the approximate type and location of the pool fence, the proposed location of the driveway, light posts, and mail box shall be approved by the Architectural Committee prior to the commencement of any construction or any modifications to the primary dwelling, outbuildings, fencing, pools and related construction and landscaping.

Section 11.05 Landscaping Plans. The general intent, plans and approximate landscaping budget will be a part of the initial requirements by the Architectural Committee, and the plans for construction will only be approved based on a landscaping commitment by the owner, and an understanding of the landscaping intent and commitment by the Architectural Committee, as well as meeting the other requirements of these covenants.

Landscaping of houses shall be required ninety (90) days from time of completion and occupancy permit from the Municipality; however, under extenuating circumstances this may be extended an additional ninety (90) days.

Acceptable landscaping shall be described as that which is compatible to existing homes in the neighborhood/development.

A detailed landscaping plan shall be submitted for the discussion, review and approval of the Architectural Committee sixty (60) days prior to completion of the construction.

Section 11.06 Basis of Approval. Approval of plans and specification may be based among other things, on visual and environmental impact, ecological compatibility, the quality of workmanship and design, architectural merit, adequacy of site dimensions, architectural design, conformity and harmony of external design and of location with neighboring structures and sites,

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relation of finished grades and elevations to neighboring sites, and conformity to both the specific and general intent of the Design Guidelines and the general scheme of development for the Properties. Decisions of the Committee may be based on purely aesthetic considerations.

Section 11.07 Failure of the Committee to Act. A schedule and procedures outlining the specified plans to be submitted at specific times shall be established by the Committee and may be set forth in the Design Guidelines. The Committee shall, within thirty (30) days after receipt of each required submission of plans, advise the party submitting the same, in writing, at an address specified by such party at the time of submission of (i) the approval of plans or (ii) the disapproval of plans, specifying the segments or features of the plans which are objectionable and suggestions, if any, for the curing of such objections. In the event the Committee fails to advise the submitting party by written notice within the time set forth above of either the approval or disapproval of the plans, the applicant may give the Committee written notice of such failure to respond, stating that, unless the Committee responds within ten (10) days of receipt of such notice, approval shall be deemed granted. However, no plans, whether expressly approved or deemed approved pursuant to the foregoing, shall be inconsistent with the Design Guidelines unless a variance has been granted in writing pursuant to Section 11.08 hereof. However, the failure of the Architectural Committee to act shall NOT impair the right of any purchaser/homeowner of the Lots to enjoin the erection of improvements which violate any other covenants created herein.

Section11.08 Variances. Any variance to the covenants as outlined herein will require the specific written approval of the Architectural Committee. The Architectural Committee shall use discretion in considering any variance, and no variance shall be considered, that, in the sole judgment of the Architectural Committee, would not be in the best interest of the current purchasers/owners of record. Since it is recognized that no single set of regulations or covenants can be all encompassing, the criteria for making that decision shall be a judgment determination of whether such a variance request would enhance or be detrimental, in the long term, for the majority of the Lot Owners in the Stonebriar Creek Subdivision. Variances from the Town of Frisco ordinances shall not be permitted in Stonebriar Creek. The Architectural Committee is permitted to grant variances from these Declaration. "Architectural Committee Approval" is defined as the favorable vote of a majority of the Architectural Committee members.

Section 11.09 Completion of Construction. The construction of any dwelling on any Lot must be completed within one (1) year from date of commencement of construction.

Section 11.10 No Waiver of Future Approvals. The Committee's approval of any plans for any work done or proposed, or in connection with any other matter requiring the approval and consent of such Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar plans or other matters subsequently or additionally submitted for approval.

Section 11.11 Limitation of Liability. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only, and the Committee shall not bear any responsibility for ensuring (i) structural integrity or soundness of approved construction or modifications, (ii) compliance with building codes and other governmental requirements, or (iii) conformity of quality, value, size or design among Lots. The Committee's approval of any application shall not be deemed to be a representation or warranty that the construction or modification of any improvement pursuant to such approval will be free of defects in the quality of

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materials or labor provided or in its design. Each Owner should obtain whatever soils reports, foundation studies, and/or engineering studies the Owner deems necessary to determine the adequacy of construction of any improvement prior to construction. Neither the Association, the Board, the Committee or member of any of the foregoing, shall be held liable to anyone submitting plans and specifications for approval or to any owner of land affected by this Declaration for soil conditions, drainage or other general site work, or for any defects in plans revised or approved hereunder, or for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Lot or in connection with the approval or disapproval or failure to approve or to disapprove any plans and specifications.

Section 11.12 Fees; Assistance. The Committee may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers, agents or other professionals, although nothing shall be construed herein as requiring the review of applications by such professionals.

Section 11.13 Enforcement. Any work performed in violation of this Article or the Design Guidelines shall be deemed nonconforming. Upon written request from the Board or the Committee, Owners shall, at their own cost and expense, cure such nonconforming work or remove such structure or improvement and restore the Lot to substantially the same condition as existed before the nonconforming work. Should an Owner fail to remove or restore as required hereunder, the Association or its designees, shall have the right to enter the Lot and remove or cure the violation, and such entry and abatement shall not be considered a trespass. All costs, together with the interest at the maximum rate then allowed by law, may be assessed against the nonconforming Lot and collected as a Specific Assessment pursuant to Section 6.06 hereof.

In the event that any Person fails to commence and diligently pursue to completion all approved work, the Association shall be authorized, after providing notice and an opportunity to cure to the Owner, to enter upon the Lot and remove or complete any incomplete work and to assess all costs incurred against the Lot and the Owner thereof as a Specific Assessment pursuant to Section 6.06.

In addition to the foregoing, the Association shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Article and the decisions of the Committee.

Section 11.14 Notice of Violation. To evidence any violation of this Article or Article X by any Owner, the Board may file, but is not required to file, in the Deed Records of Collin County, Texas, a notice of violation setting forth (i) the violation, (ii) the name of the Owner and Lot, and (iii) a sufficient legal description of the Lot. Such notice shall be signed and acknowledged by an officer or duly authorized agent or attorney of the Association. The cost of preparing and recording such notice may be assessed against the non-conforming Lot and collected as a Specific Assessment pursuant to Section 6.06 hereof.

Section 11.15 Notices. Any notice under this Article shall be deemed to have been given at the time the envelope containing such notice, properly addressed and postage prepaid, is deposited with the United States Postal Service, registered or certified mail, return receipt requested, or at the time it is delivered by facsimile transmission, with proof of receipt. For purposes of this Section

11.15, "properly addressed" shall mean, in the event the Association is delivering notice, addressed to the Person at his or her last known address as shown on the books and records of the Association. Personal delivery of such written notice shall also be sufficient and shall be deemed to have been given at the time of delivery. The date of receipt shall be the date of actual receipt of such notice if the notice is personally delivered or sent by facsimile transmission (provided that any facsimile transmission sent after 5:00 p.m. shall be deemed received on the next business day), or three (3) days after the postmark date, whichever is sooner.

Section 11.16 Builder Performance. Neither the Association or the Committee,, are a co-venturer, partner, agent, employer, stockholder or affiliate of any kind of or with any Builder. Therefore, neither the Association or the Committee shall be responsible for, or guarantors of, performance by any Builder of all or any of its obligations to any Owner pursuant to any contracts for the sale or construction of a Residence or Lot or otherwise. Neither the Association or the Committee has made, or have made, any warranty or representation with respect to performance by any Builder under any contract or otherwise.

Such Owner acknowledges and agrees that neither the Association or the Committee share any liability or obligation to Owner, related to or arising out of any contract with a Builder or otherwise, by reason of any failure by a Builder fully and adequately to perform its obligations to Owner. Owner further acknowledges and agrees that Owner has not, in entering into any contract with a Builder, relied upon any representations, oral or written, of the Association or the Committee.

## ARTICLE XII

## EASEMENTS

Section 12.01 Ingress and Egress by the Association. Full rights of ingress and egress shall be had by the Association at all times over and upon each Lot for the construction of the improvements contemplated by the Agreement with Frisco, and for the maintenance and repair of the Common Properties in accordance with the provisions hereof, and as reasonably necessary for the carrying out by the Association of its functions, duties and obligations hereunder; provided, that any such entry by the Association upon any Lot shall be made with prior written notice to the affected Member(s) and with as little inconvenience to the Member as practical, and any damage caused by the Association's entry, other than damages caused by the Member, shall be repaired by the Association at the expense of the maintenance fund.

Section 12.02 Emergency and Service Vehicles. An easement is hereby granted to all police, fire protection, ambulance and other emergency vehicles and other service vehicles to enter upon the Common Properties, including but not limited to private streets, in the performance of their duties and further, an easement is hereby granted to the Association, its officers, agents, employees and management personnel to enter the Common Properties to render any service. The Association shall have the right, but not the obligation, to enter upon any Lot for emergency, security and safety reasons, to perform maintenance pursuant to Article V hereof, and to inspect for the purpose of ensuring compliance with the Governing Documents. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter upon a Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure

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the condition within a reasonable time after requested by the Board, but shall not authorize entry into any Residence without permission of the Owner except by emergency personnel acting in their official capacities. The easement granted hereunder shall not create an obligation or duty on the part of Declarant or the Association to provide for the safety or security within the Properties.

## ARTICLE XIII

## GENERAL PROVISIONS

Section 13.01 Duration The Declaration of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Association and/or any Member subject to this Declaration, their respective legal representative, heirs, successors and assigns, for a term of thirty-five (35) years from the date that this Declaration is recorded in the office of the County Clerk of Collin County, Texas, after which time said Covenant and Restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument is signed by the Members entitled to cast seventy-five percent (75%) of the votes of all the Members in good standing of the Association in the aggregate has been recorded In the Deed Records, Collin County, Texas, agreeing to abolish these Declaration in whole or a substantial portion thereof, provided, however, that no such agreements to abolish shall be effective unless made and recorded one (1) year in advance of the effective date of such abolishment.

Section 13.02 Amendments.

(a) Notwithstanding Section 11.01 of this Article, this Declaration may be amended and/or changed in part upon the affirmative vote and/or express written consent, or any combination thereof, of at least fifty-one (51%) of all Members in good standing of the Association. In addition, an approval by majority of the then members of the Town council of the Town of Frisco is required, to the extent any of this Declaration are modified, changed or rescinded with respect to the rights of the Town .

(b) Any and all amendments, if any, shall be recorded in the office of the County Clerk of Collin County, Texas. Notwithstanding the prior provisions of this Section 11.02(a), the Board of Directors of the Association may execute and record amendments to this Declaration without such consent or approval if the amendment is for the purpose of correcting technical or typographical errors or for clarification only. Notwithstanding the above, 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. To be effective, any amendment must be recorded in the County Clerk Official Records of Collin County, Texas. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted.

(c) 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.

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(d) It is acknowledged that it is the intent of the Members that all improvements that are presently located on the Lots, as of the date of this Declaration, shall be permitted to remain under the terms of this Declaration or any amendment hereto. In the event any amendment to this Declaration is proposed that includes restrictive covenants on the Lots, no such amendment to this Declaration shall prohibit any such presently existing improvements, unless such amendment has been approved by all of the Members.

Section 13.03 Enforcement. In the event of any violation or attempted violation of any of the Declaration herein, any other person or persons owning any of the real property in said Stonebriar Creek Subdivision subject to these Declaration may enforce these Declaration by proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, to restrain or to recover for such violations. In addition, the Association shall have the right, but not the obligation, to bring such proceedings at law or in equity as it shall deem necessary to enforce these Declaration. Failure by the Association or any Member to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Violation or failure to comply with any of these restrictions, covenants and conditions shall in no way affect the validity of any lien securing the payment of a legal debt existing at the time of such violation or subsequent thereto.

In the event that the Association or any person having the right to enforce this Declaration brings any legal action or any other type of enforcement procedure, then the party found in violation of any of this Declaration shall pay to the party or parties enforcing this Declaration reasonable attorneys' fees; interest on any sums expended to remedy any breach or violation of thisn Declaration from the date advanced at the lesser of eighteen percent (18%) or the maximum legal rate allowed by law whichever is greater); court costs; and other associated expense that the enforcing party may incur in enforcing this Declaration. This Declaration shall be governed by and interpreted in accordance with the law of the State of Texas. Venue for the purpose of resolving any dispute related to this Declaration shall be in Collin County, Texas.

Section 13.04 Grandfathering. Notwithstanding any other provision herein to the contrary, nothing herein contained shall apply to any thing, condition, use, or improvement already in existence or under construction as of the date of recording of this Declaration. It is the purpose and intent of this provision to "grandfather" any and all of such things, conditions, uses and/or improvements from all of the terms and conditions of this document.

Section 13.05 Severability. Invalidation of any one of these Covenants or Restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

Section 13.06 Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

Section 13.07 Notices to Members. Unless otherwise required herein to be given by certified mail, any notice required to be given to any Member under the provisions of this Declaration

shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, addressed to the last known address of the person who appears as Member on the records of the Association at the time of such mailing.

13.08 Notices to Mortgagees. If a holder of a mortgage on a Lot shall notify the Association of its address and the Identity of the Lot and Member covered by and granting such mortgage, then such holder(s) shall be entitled to receive written notification from the Association of any default by the respective mortgagor/Member in the performance of such mortgagor's/Member's obligation(s) as established by this Declaration.

13.09 Entire Agreement. This Declaration represents the entire agreement of the Members of the Association with respect to the matters contained herein, and any other or prior agreements or covenants with respect to the matters contained herein are hereby superseded and replaced by this Declaration. In the event of any conflict, the terms of this Declaration shall control. It is acknowledged by the Members that any and all assets and funds of the Association acquired or obtained prior to the date of this Declaration shall become the assets and funds of the Association, to be used and managed in accordance with this Declaration.

13.10 Multiple Counterparts. This Declaration may be executed in any number of counterparts each of which shall be deemed to be an original and all of which shall constitute one and the same document, and the original counterparts of the signature pages may be affixed to one counterpart, making an original fully-executed counterpart for recordation in the Deed Records of Collin County, Texas.

13.11 Limitation on Charges. It is intended at all times to comply with the law of the State of Texas governing the maximum rate or amount of interest payable on or in connection with any charge, assessment, or claim made against or pursuant to this Declaration. If the applicable law is ever judicially interpreted so as to render usurious any amount payable under this Declaration, or contracted for, charged, taken, reserved or received with respect thereto, or if any payment by any Lot owner results in such Lot owner having paid any interest in excess of that permitted by any applicable law, then it is expressly intended that all excess amounts collected by the Association or anyone acting on its behalf shall be applied to reduce the unpaid amounts owing by such Lot owner that are not characterized as "interest" under applicable law (or, if such amounts have been or would thereby be paid in full, shall be refunded to such Lot owner).

**EXECUTED** to be effective as of the date first above written.

**STONEBRIAR CREEK ESTATES OWNERS ASSOCIATION, INC.**

By: _____

Its: President (ACTING)

## ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the 28 day of June, 2005, by Joan C Campbell, President of Stonebriar Creek Estates Owners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

MICHAEL A. ALVIS
Notary Public, State of Texas
My Commission Expires
December 07, 2008

Notary Public, State of Texas

**AFTER RECORDING RETURN TO:**
Riddle & Williams, P.C.
3811 Turtle Creek Blvd., Suite 1050
Dallas, Texas 75219

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EXHIBIT "A"

Property Description

Tract I:

All of the Lots that comprise the STONEBRIAR CREEK ADDITION to Collin County, Texas, as recorded in Cabinet B, Page 382 of the Plat Records of Collin County, Texas, SAVE AND EXCEPT Lots 10, 11, 17(A), 20, 27 and 48 of STONEBRIAR CREEK ADDITION.

Tract II:

Being that certain 1.97 acre tract of land conveyed to James C. Selby and wife, Susan C. Selby by deed recorded in Volume 1154, Page 379 of the Deed Records of Collin County, Texas, in the G. R. Martin Survey, Abstract No. 622.

Tract III:

BEGINNING, at a point in the East line of the G. R. MARTIN Survey, 210.5 feet, S 00° 31' 33" W, of the Northeast corner of the G. R. MARTIN Survey;

THENCE, S 00° 31' 33" W, along the East line of said Martin Survey, 389.5 feet, to a point for corner;

THENCE, S 87° 25' 37" W, 318.25 feet, to the Southeast corner of the Art Phelps Tract;

THENCE, N 02° 38' 05" W, along the East line of said Phelps Tract, 300.83 feet, to the Northeast corner of said Phelps Tract;

THENCE, N 01° 13' 37" E, 109.1 feet, to a point for corner;

THENCE, S 89° 00' E, 333.03 feet, to PLACE OF BEGINNING and CONTAINING 3.011 acres of land.

Tract IV:

BEGINNING, at a point in the East line of the G. R. MARTIN Survey, said point being S 00° 31' 33" W, 600.00 feet from the Northeast corner of said G. R. MARTIN Survey;

THENCE, S 00° 09' 12" W, along the East line of said Martin Survey, 732.83 feet, to a point for corner;

THENCE, N 89° 30' W, 30 feet;

THENCE, N 00° 09' 12" E, parallel to the East line of the Martin Survey, 731.22 feet, to a point for corner;

THENCE, N 87° 25' 37" E, 30 feet, to PLACE OF BEGINNING and CONTAINING 0.5041 acres of land.

TOGETHER with an easement over and across the following described property:

Situated in Collin County, Texas, mostly in the Collin County School Land Survey, Abstract No. 149, and being a 30 foot strip off the north side of the extreme eastern portion of 168.20 acres which is described as First Tract in a deed from Mrs. Lilly Kleber, Executrix of Estate of Maud H. Covington, Deceased, to John Thompson, dated April 10th, 1945, and recorded in Vol. 352, Page 595, Collin County Deed Records;

BEGINNING, at the most easterly northeast corner of said 168.20 acres, a stake in road;

THENCE, West, at 19.57 chains, an inside corner of said 168.20 acres, in all 20.02 chains to the Southwest corner of a 0.503 acre tract in the G. R. MARTIN Survey;

THENCE, South, 0.45 chains;

THENCE, East, at 0.45 chains, cross the east line of said Martin Survey, in all 20.02 chains to the east line of said 168.20 acres, in road;

THENCE, North, with said road 0.45 chains to the PLACE OF BEGINNING, and CONTAINING 0.91 acres of land.

Tract V:

BEING a tract of land out of the G. R. Martin Survey, Collin County, Texas, and being described as follows:

BEGINNING at the N. E. corner of the G. R. Martin Survey;
THENCE South 0 deg. 31 min. 33 sec. West along the East line of said survey, 210.5 feet to iron pin in the Northeast corner of a 3.011 acre tract;
THENCE South 89 deg. 00 min. West, along said North line of said 3.011 acre tract 316.03 feet to iron pin for corner, in the East line of a 1.0039 acre tract;
THENCE Northerly along said 1.0039 acre tract 204.2 feet to iron pin for corner in the North line of G. R. Martin Survey;
THENCE Easterly along the North line of said survey 312.3 feet to place of beginning, and containing 1.50 acres of land.

Tract VI:

Situated in Collin County, Texas, in the G. R. MARTIN SURVEY, ABSTRACT NO. 622, and being a part of a 6.50 acre tract of land as recorded in Volume 661, Page 187, of the Deed Records of Collin County, Texas; and being adjacent to 1.004 acres of land conveyed to ALI FEIZPOUR by deed dated October 12, 1984, filed October 17, 1984 and recorded in Volume 1999, Page 35, Deed Records of Collin County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a point in the East property line of said 1.004 acre tract from whence the Southeast corner bears South 01 degree, 37 minutes, 42 seconds West, a distance of 94.10 feet;

THENCE North 01 degree, 37 minutes, 42 seconds East, a distance of 15.0 feet to a point;

THENCE South 88 degrees, 35 minutes, 55 seconds East, a distance of 17.0 feet to a point;

THENCE North 00 degrees, 51 minutes, 17 seconds East, a distance of 15.0 feet to a point;

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THENCE South 88 degrees, 35 minutes, 55 seconds East, a distance of 316.05 feet to a point;

THENCE South 00 degrees, 31 minutes, 33 seconds West, a distance of 30.0 feet to a point;

THENCE North 88 degrees, 35 minutes, 55 seconds West, a distance of 333.31 feet to the PLACE OF BEGINNING, and containing approximately 1.0039 acres of land.

Tract VII:

Situated in Collin County, Texas, out of the G. R. Martin Survey, Abstract No. 622, and being part of three tracts, an 83.5 acre tract recorded in Volume 543, Page 164, an 8.00 acre tract recorded in Volume 543, Page 164, and a 5.08 acre tract recorded in Volume 835, Page 706, of the Deed Records of Collin County, Texas and being more particularly described by metes and bounds as follows:

TRACT 1

BEGINNING at an iron pin found set in concrete being the Southwest corner of the said 5.08 acre tract, said point also being an interior Southeast corner of the Stonebriar Creek Addition to the City of Frisco, Texas, as recorded in Cabinet B, Page 382 of the Plat Records of COLLIN County, Texas;

THENCE North 00 degrees 53 minutes 23 seconds East, 218.00 feet along the East line of Stonebriar Creek Addition to a point;

THENCE South 89 degrees 20 minutes 29 seconds East, 352.11 feet to a point;

THENCE South 00 degrees 53 minutes 23 seconds West, 218.00 feet to a point;

THENCE North 89 degrees 10 minutes 29 seconds West, 352.11 feet to the POINT OF BEGINNING and CONTAINING 1.7622 acres, more or less or 76,760.32 square feet of land.

TRACT 2

COMMENCING at an iron pin found set in concrete being the Southwest corner of said 5.08 acre tract, said point also being an interior Southeast corner of the Stonebriar Creek Addition to the City of Frisco, Texas, as recorded in Cabinet B, Page 382 of the Plat Records of COLLIN County, Texas; THENCE South 89 degrees 10 minutes 29 seconds East, 587.71 feet to an iron pin; THENCE North 21 degrees 51 minutes 51 seconds East, 534.22 feet to an iron pin, THENCE North 83 degrees 08 minutes 49 seconds West, 123.68 feet to the POINT OF BEGINNING;

BEING the point of curvature of a non-tangent curve to the right, having a central angle of 51 degrees 01 minutes 48 seconds a radius of 45.00 feet, a tangent length of 21.48 feet, a chord bearing of South 62 degrees 35 minutes 51 seconds West, and a chord length of 38.77 feet;

THENCE 40.08 feet with said curve to a point;

THENCE South 88 degrees 06 minutes 45 seconds West, 38.77 feet to a point being the point of curvature of a curve to the left, having a central angle of



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72 degrees 03 minutes 38 seconds a radius of 90.00 feet, a tangent length of 65.46 feet, a chord bearing of South 52 degrees 04 minutes 56 seconds West, and a chord length of 105.88 feet;

THENCE 113.19 feet with said curve to a point;

THENCE South 16 degrees 03 minutes 07 seconds West, 20.23 feet to a point;

THENCE South 19 degrees 05 minutes 12 seconds West, 52.89 feet to a point;

THENCE South 33 degrees 22 minutes 20 seconds West, 13.45 feet to a point being the point of a curvature of a curve to the right, having a central angle of 42 degrees 03 minutes 21 seconds, a radius of 60.00 feet, a tangent length of 23.07 feet a chord bearing South 54 degrees 24 minutes 00 seconds West, and a chord length of 43.06 feet;

THENCE 44.04 feet with said curve to a point;

THENCE South 75 degrees 25 minutes 41 seconds West, 58.78 feet to a point;

THENCE South 28 degrees 33 minutes 27 seconds West, 36.91 feet to a point;

THENCE South 71 degrees 10 minutes 47 seconds West, 33.88 feet to a point;

THENCE South 84 degrees 22 minutes 57 seconds West, 15.15 feet to a point being the point of curvature of a curve to the left, having a central angle of 101 degrees 58 minutes 43 seconds a radius of 30.00 feet, a tangent length of 37.03 feet, a chord bearing of South 33 degrees 23 minutes 36 seconds West, and a chord length of 46.62 feet;

THENCE 53.40 feet with said curve to a point;

THENCE North 89 degrees 10 minutes 29 seconds West, 20.63 feet to a point being the point of curvature of a non-tangent curve to the right, having a central angle of 94 degrees 29 minutes 12 seconds a radius of 50.00 feet, a tangent length of 54.08 feet, a chord bearing of North 37 degrees 08 minutes 21 seconds East, and a chord length of 73.42 feet;

THENCE 82.46 feet with said curve to a point;

THENCE North 84 degrees 22 minutes 57 seconds East, 12.84 feet to a point;

THENCE North 71 degrees 10 minutes 47 seconds East, 23.76 feet to a point;

THENCE North 28 degrees 33 minutes 27 seconds East, 37.77 feet to a point;

THENCE North 75 degrees 25 minutes 41 seconds East, 67.40 feet to a point being the point of curvature of a curve to the left, having a central angle of 42 degrees 03 minutes 21 seconds, a radius of 40.00 feet, a tangent length of 15.38 feet, a chord bearing of North 54 degrees 24 minutes 01 seconds East, and a chord length of 28.71 feet;

THENCE 29.36 feet with said curve to a point;

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THENCE North 33 degrees 22 minutes 20 seconds East, 10.94 feet to a point;

THENCE North 19 degrees 05 minutes 12 seconds East, 49.85 feet to a point;

THENCE North 16 degrees 03 minutes 07 seconds East, 19.70 feet to a point being the point of curvature of a curve to the right, having a central angle of 72 degrees 03 minutes 38 seconds, a radius of 110.00 feet, a tangent length of 80.01 feet, a chord bearing of North 52 degrees 04 minutes 56 seconds East, and a chord length of 129.41 feet;

THENCE 138.35 feet with said curve to a point;

THENCE North 88 degrees 06 minutes 45 seconds East, 36.23 feet to a point being the point of curvature of a curve to the left, having a central angle of 16 degrees 16 minutes 08 seconds, a radius of 25.00 feet, a tangent length of 3.57 feet, a chord bearing of North 79 degrees 58 minutes 41 seconds East, and a chord length of 7.06 feet;

THENCE 7.10 feet with said curve to a point;

THENCE South 83 degrees 08 minutes 49 seconds East, 28.31 feet to the POINT OF BEGINNING and CONTAINING 0.2378 acres, more or less (10,360 square feet) of land.

TRACT 3

Being a tract of land situated in the G. R. Martin Survey, Abstract No. 622, Collin County, Texas, and being a portion of Lot 3 of Stonebriar Creek Addition to the City of Frisco, Texas, as recorded in Cabinet B, Page 382, of the Plat Records of Collin County, Texas, and being more particularly described as follows:

Beginning at an iron rod in the South line of said Lot 3 and being 15.95 feet North 83 degrees 08 minutes 49 seconds West of the Southeast corner of said Lot 3;

Thence North 83 degrees 08 minutes 49 seconds West along the South line of Lot 3, a distance of 185.25 feet to an iron rod for corner, and being the Southwest corner of Lot 3;

Thence North 31 degrees 34 minutes 32 seconds West along the Southwest line of Lot 3 a distance of 26.50 feet to an iron rod for corner;

Thence North 67 degrees 04 minutes 44 seconds East a distance of 34.73 feet to an iron rod at the edge of pavement, said iron rod also being the point of curvature for a non-tangent curve to the left having a radius of 291.55 feet, a central angle of 17 degrees 01 minutes 06 seconds and a chord of 86.28 feet bearing South 70 degrees 35 minutes 59 seconds East;

Thence along said curve and said edge of pavement a distance of 86.60 feet to a point for corner;

Thence South 80 degrees 14 minutes 56 seconds East continuing along the edge of said pavement a distance of 40.96 feet to a point for corner;

Thence South 81 degrees 24 minutes 14 seconds East continuing along the edge of said pavement a distance of 50.66 feet to an iron rod for corner;

EXHIBIT "A"

Thence South 21 degrees 51 minutes 51 seconds West a distance of 16.20 feet to the Place of Beginning and containing 4,486 square feet of land.

Tract VIII:

SITUATED in Collin County, Texas, a part of the G. R. Martin Survey Abst. #622 and being a part of an 8 acre tract described in a deed recorded in Volume 543 page 164 of the Collin County Deed Records and being more particularly described by metes and bounds as follows:
BEGINNING at a stake in the South line of said tract. Said stake bears South 89 deg 53 min West a distance of 180.0 feet from the Southeast corner of the said tract.
THENCE South 89 deg 53 min West with an established fence line a distance of 190.7 feet to an iron stake.
THENCE North 0 deg 12 min East with an established fence line a distance of 233.8 feet to a steel post.
THENCE South 89 deg 56 min East with an established fence line a distance of 70.0 feet to a steel post.
THENCE North with the fence line a distance of 23.5 feet to an iron stake.
THENCE South 89 deg 56 min East a distance of 119.8 feet to an iron stake.
THENCE South a distance of 257.0 feet to the place of beginning containing 1.085 acres of land.

Tract IX:

Situated in Collin County, Texas, in the G. R. Martin Survey, Abstract No. 622, and being part of 8 acres described in a deed to Frank D. McDonnold et ux, dated August 14, 1958, recorded in Volume 543, Page 164, Collin County Deed Records;

Beginning at the Southeast corner of said 8 acres;

THENCE West 180 feet to a point in its South line;

THENCE North 257 feet;

THENCE East 180 feet to a point in its East line;

THENCE South 257 feet to the Place of Beginning, and containing approximately 1.062 acres of land.

Tract X:

Situated in Collin County, Texas out of the G. R. Martin Survey, Abst. #622 and being a part of a 8 acre tract as described in Volume 543, Page 164 of the Collin County Deed Records and a part of a part of a 168.20 acre tract as described in Volume 352, Page 595 of the Collin County Deed Records and being more particularly described by metes and bounds as follows:

Beginning at a bois d'arc post for corner in the East line of said 8 acre tract from whence the Northeast corner of said 8 acre tract bears North 0 degrees 20 minutes 25 seconds East a distance of 73.0 feet;

THENCE North 0 degrees 20 minutes 25 seconds East a distance of 171.79 feet to a 1/2 inch iron rod for a corner, said corner being located in the South line of Stonebriar Way;

THENCE North 83 degrees 08 minutes 49 seconds West with the South line of Stonebriar Way a distance of 369.17 feet to a 1/2 inch iron rod for a corner;

EXHIBIT "A"

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THENCE South 1 degrees 08 minutes 10 seconds West a distance of 232.91 feet to a fence post for a corner;

THENCE South 88 degrees 59 minutes 50 seconds East a distance of 70 feet to a fence post for a corner;

THENCE North 0 degrees 56 minutes 10 seconds East a distance of 23.5 feet to an 1/2 inch iron rod for a corner;

THENCE South 88 degrees 59 minutes 50 seconds East a distance of 299.8 feet to the Place of Beginning, and containing approximately 2.72 acres of land.

Tract XI:

All of the Lots that comprise THE ENCLAVE AT STONEBRIAR CREEK ESTATES, PHASE ONE and PHASE TWO, additions to the City of Frisco, Collin County, Texas, pursuant to the Plats thereof recorded in the Plat Records of Collin County, Texas.

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EXHIBIT "A"

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EXHIBIT "A"

Property Subject to this Declaration

Tract 1 (Tract III on Exhibit "A" above):

BEGINNING, at a point in the East line of the G. R. MARTIN Survey, 210.5 feet, S 00° 31' 33" W, of the Northeast corner of the G. R. MARTIN Survey;

THENCE, S 00° 31' 33" W, along the East line of said Martin Survey, 389.5 feet, to a point for corner;

THENCE, S 87° 25' 37" W, 318.25 feet, to the Southeast corner of the Art Phelps Tract;

THENCE, N 02° 38' 05" W, along the East line of said Phelps Tract, 300.83 feet, to the Northeast corner of said Phelps Tract;

THENCE, N 01° 13' 37" E, 109.1 feet, to a point for corner;

THENCE, S 89° 00' E, 333.03 feet, to PLACE OF BEGINNING and CONTAINING 3.011 acres of land.

Tract 2 (Tract IV on Exhibit "A" above):

BEGINNING, at a point in the East line of the G. R. MARTIN Survey, said point being S 00° 31' 33" W, 600.00 feet from the Northeast corner of said G. R. MARTIN Survey;

THENCE, S 00° 09' 12" W, along the East line of said Martin Survey, 732.83 feet, to a point for corner;

THENCE, N 89° 30' W, 30 feet;

THENCE, N 00° 09' 12" E, parallel to the East line of the Martin Survey, 731.22 feet, to a point for corner;

THENCE, N 87° 25' 37" E, 30 feet, to PLACE OF BEGINNING and CONTAINING 0.5041 acres of land.

TOGETHER with an easement over and across the following described property:

Situated in Collin County, Texas, mostly in the Collin County School Land Survey, Abstract No. 149, and being a 30 foot strip off the north side of the extreme eastern portion of 168.20 acres which is described as First Tract in a deed from Mrs. Lilly Kleber, Executrix of Estate of Maud H. Covington, Deceased, to John Thompson, dated April 10th, 1945, and recorded in Vol. 352, Page 595, Collin County Deed Records;

BEGINNING, at the most easterly northeast corner of said 168.20 acres, a stake in road;

THENCE, West, at 19.57 chains, an inside corner of said 168.20 acres, in all 20.02 chains to the Southwest corner of a 0.503 acre tract in the G. R. MARTIN Survey;

THENCE, South, 0.45 chains;

THENCE, East, at 0.45 chains, cross the east line of said Martin Survey, in all 20.02 chains to the east line of said 168.20 acres, in road;

THENCE, North, with said road 0.45 chains to the PLACE OF BEGINNING, and CONTAINING 0.91 acres of land.

Tract 3 (Tract V on Exhibit "A" above):

BEING a tract of land out of the G. R. Martin Survey, Collin County, Texas, and being described as follows:

BEGINNING at the N. E. corner of the G. R. Martin Survey;
THENCE South 0 deg. 31 min. 33 sec. West along the East line of said survey, 210.5 feet to iron pin in the Northeast corner of a 3.011 acre tract;
THENCE South 89 deg. 00 min. West, along said North line of said 3.011 acre tract 316.03 feet to iron pin for corner, in the East line of a 1.0039 acre tract;
THENCE Northerly along said 1.0039 acre tract 204.2 feet to iron pin for corner in the North line of G. R. Martin Survey;
THENCE Easterly along the North line of said survey 312.3 feet to place of beginning, and containing 1.50 acres of land.

Tract 4 (Tract VI on Exhibit "A" above):

Situated in Collin County, Texas, in the G. R. MARTIN SURVEY, ABSTRACT NO. 622, and being a part of a 6.50 acre tract of land as recorded in Volume 661, Page 187, of the Deed Records of Collin County, Texas; and being adjacent to 1.004 acres of land conveyed to ALI FEIZPOUR by deed dated October 12, 1984, filed October 17, 1984 and recorded in Volume 1999, Page 35, Deed Records of Collin County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a point in the East property line of said 1.004 acre tract from whence the Southeast corner bears South 01 degree, 37 minutes, 42 seconds West, a distance of 94.10 feet;

THENCE North 01 degree, 37 minutes, 42 seconds East, a distance of 15.0 feet to a point;

THENCE South 88 degrees, 35 minutes, 55 seconds East, a distance of 17.0 feet to a point;

THENCE North 00 degrees, 51 minutes, 17 seconds East, a distance of 15.0 feet to a point;

THENCE South 88 degrees, 35 minutes, 55 seconds East, a distance of 316.05 feet to a point;

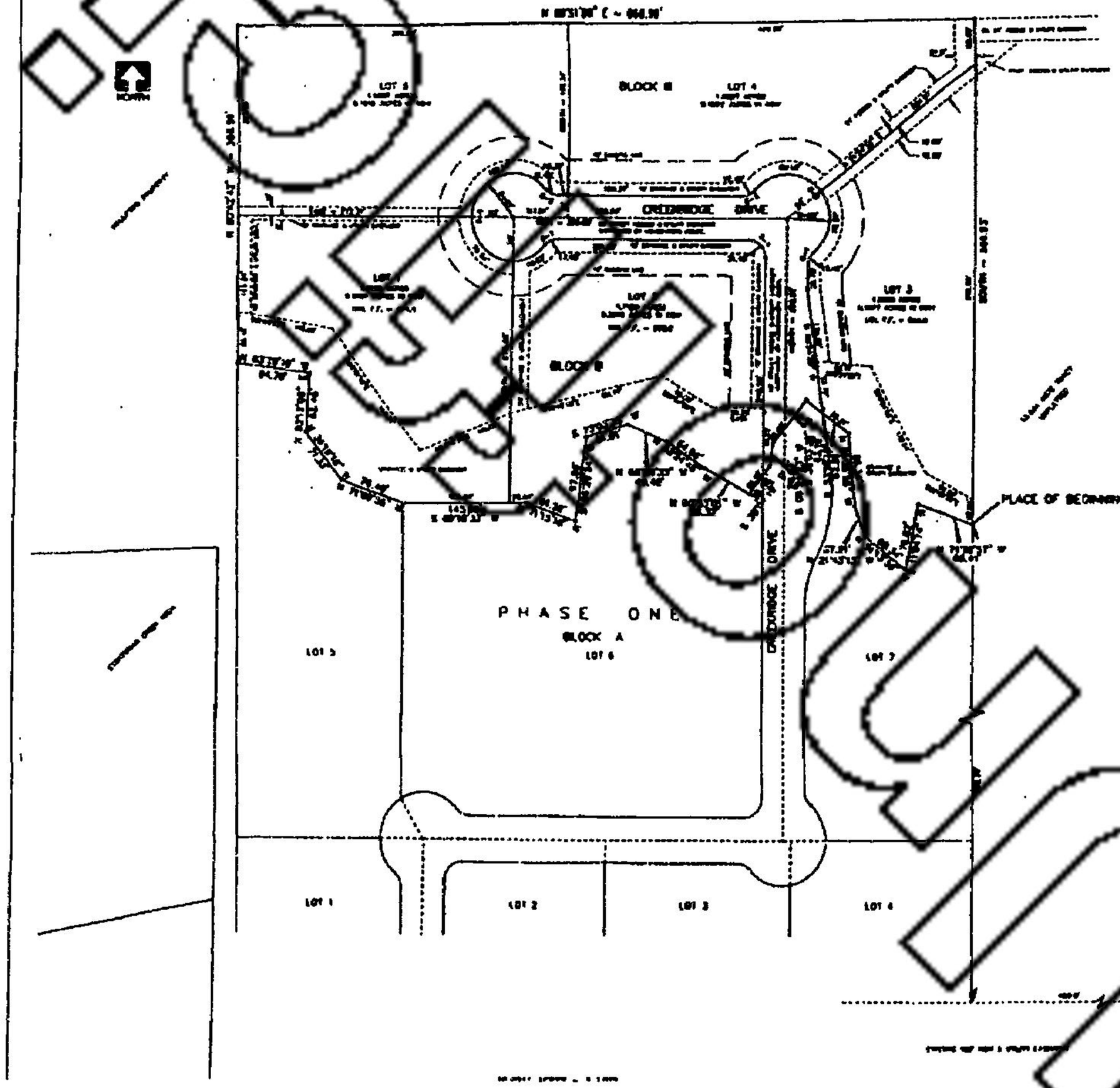
THENCE South 00 degrees, 31 minutes, 33 seconds West, a distance of 30.0 feet to a point;

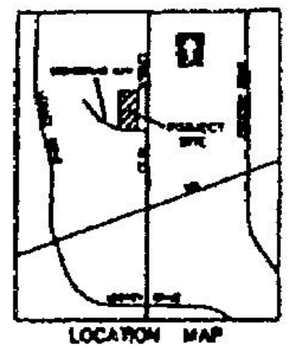
THENCE North 88 degrees, 35 minutes, 55 seconds West, a distance of 333.31 feet to the PLACE OF BEGINNING, and containing approximately 1.0039 acres of land.

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EXHIBIT "B"
North Stonebriar Lots




FINAL PLAT

THE ENCLAVE AT
STONEBRIAR CREEK ESTATES

PHASE TWO

AN ADDITION TO THE CITY OF FRISCO
OUT OF THE
COLLIN COUNTY SCHOOL LAND SURVEY – ABSTRACT NO. 149
CITY OF FRISCO, COLLIN COUNTY, TEXAS

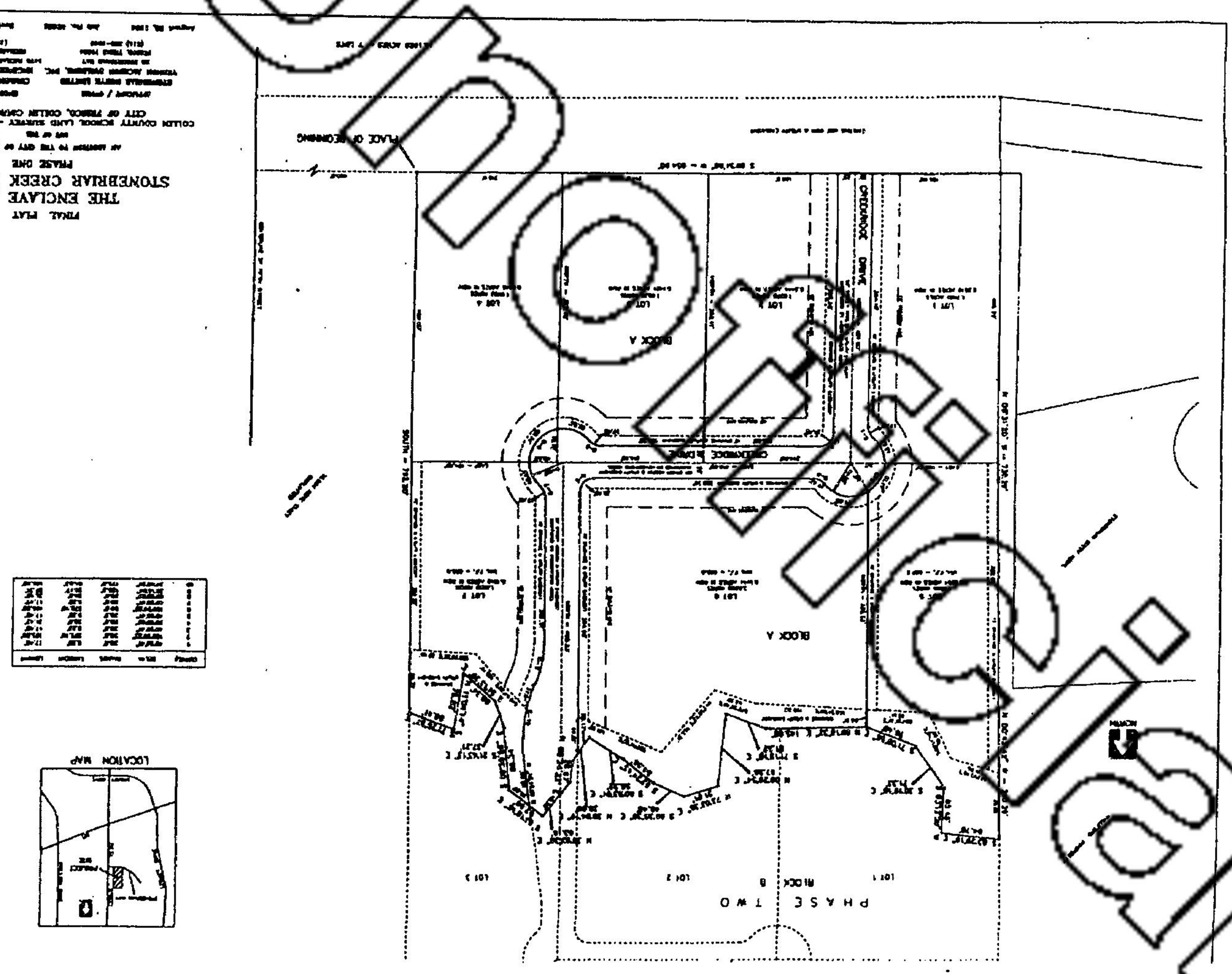
DEVELOPER / OWNER
STONEBRIAR NORTH LIMITED
VERNON JACKSON BUILDERS, INC.
50 STONEBRIAR HWY
FRISCO, TEXAS 75034
(214) 208-4000

ENGINEER – SURVEYOR
CHAIRMAN & PEVITT, INC.
ENGINEERING – SURVEYING
1470 RICHARDSON DRIVE, SUITE 130
RICHARDSON, TEXAS 75080
(214) 690-8990

Recorded

EXHIBIT "B"
Continued

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**EXHIBIT "C"**

**Amended and Restated Bylaws**
**of**
**Stonebriar Creek Estates Owners Association, Inc.**

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# AMENDED AND RESTATED BYLAWS

# OF

# STONEBRIAR CREEK ESTATES OWNERS ASSOCIATION, INC.

## ARTICLE I.

## NAME AND OFFICES

Section 1. The name of the corporation is Stonebriar Creek Estates Owners Association, Inc., hereinafter referred to as the "Association."

Section 2. The principal office of the Association shall be established from time to time by resolution of the Board of Directors. If no resolution is adopted establishing such office, the registered office of the Associations shall be the principal office of the Association.

Section 3. The Association shall have and continuously maintain, in the State of Texas, a registered office, and a registered agent whose office is identical with such registered office as required by the Texas Non-Profit Corporation Act. The registered office may, but need not, be identical with the principal office of the Association in the State of Texas, and the registered office and registered agent may be changed from time to time by the Board of Directors.

Section 4. The Association may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Association may require from time to time. The Board of Directors may change the location of any office of the Association.

## ARTICLE II.

## DEFINITIONS

The defined terms used in these Bylaws, unless a different meaning or intent clearly appears from the context, shall have the same meaning as they have in that certain Declaration of Covenants, Conditions and Restrictions for Stonebriar Creek Estates Owners Association, Inc., dated March 31, 1995, and recorded under File Number 96-0019938, as supplemented by Supplemental Declaration of Covenants, Condition and Restrictions for Stonebriar Creek Estates Owners Association recorded under File Numbers 96-0019939, 96-0019940, and 96-0019941, all as may be amended or supplemental from time to time (the "Declaration"), Deed Records, Collin County, Texas which Declaration is incorporated herein by reference for all purposes. In the





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event of any conflict between the language of these Bylaws and the Declaration, the language of the Declaration shall control.

## ARTICLE III.

## MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Subject to Article 3(b) of the Declaration relating to North Stonebriar, Ltd. every Owner of a Lot shall automatically be and must remain a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Memberships shall be appurtenant to and may not be separated from ownership of any Lot. The Board of Directors may declare that an Owner is not a Member in good standing because of prior unpaid dues, fines, late charges, interest, legal fees, and/or any other assessments of any nature. The Board of Directors may temporarily suspend the voting rights of any Member who is not in good standing until such unpaid amounts are paid in full.

Section 2. The Association shall have one class of voting membership.

Members shall be entitled to one (1) 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 (1) vote be cast with respect to any such Lot.

Section 3.

(a) Subject to the provisions of Paragraph (b) of this Section and to any voting or approval requirements which are set forth in the Declaration, any action which is not delegated to the Board of Directors by these Bylaws or the Declaration shall require the approval of the majority of the vote of those Members who are voting in person or by proxy at a meeting duly called for that purpose at which a quorum is present, written notice of which shall be given to all Members not less than twenty-one (21) days nor more than fifty (50) days in advance and shall set forth the purpose of such meeting.

(b) As an alternative to the procedure set forth above, any action referred to in Paragraph (a) of this Section may be taken with the approval given in writing and signed by the Members who hold more than fifty percent (50%) of the outstanding votes of the Association, regardless of class.

Section 4. The rights of membership are subject to the payment of annual, special and individual assessments levied by the Association, together with such interest thereon and costs of collection thereof as provided in the Declaration, shall be a charge on the land and shall be a





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continuing lien upon each Lot against which each such assessment is made and shall be a continuing personal obligation of the Owner of such Lot at the time when the assessment fell due.

Section 5. The voting rights of any Member and right of any individual to use or enjoy any of the Common Area of any Member whose interest in a Lot is subject to the assessments referred to hereinabove in Article III, Section 4, may be suspended by action of the directors during the period when such assessments against a Lot owned by such Member remains unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If, at any time, the directors shall have adopted and published rules and regulations governing the use of the Common Area and facilities, and the personal conduct of Members, their families and their guests thereon, as provided in Section 4.03 of the Declaration, they may, in their discretion, for violation of such rules and regulations by a Member or by his family or guests, suspend the rights of such Member and/or the person committing the violation, such suspension to continue for a period not to exceed sixty (60) days.

## ARTICLE IV

## DIRECTORS

Section 1. The number of directors of the Association shall be three (3). The directors shall be elected at the annual meeting of the Members. Each director elected shall hold office for his designated term or until his successor is elected and qualified. Directors must be Members of the Association.

Section 2. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of the directors shall be filled at an annual meeting of the Members or at a special meeting of the Members entitled to vote called for that purpose.

Section 3. Any director may be removed from the Board of Directors, with or without cause, by a majority vote of the Members at an annual meeting of the Members or at a special meeting of the Members entitled to vote called for that purpose.

Section 4. The business and affairs of the Association shall be managed by its Board of Directors which may exercise all such powers of the Association and do all such lawful acts and things as are not by statute, by the Articles of Incorporation ("Articles"), by these Bylaws or by the Declaration directed or required to be exercised and done by the Members. The powers and duties of the Board of Directors shall be as set forth in Article IV of the Articles and in Article VII of the Declaration.

## ARTICLE V.

## MEETINGS OF THE BOARD OF DIRECTORS

Section 1. The Board of Directors shall meet each year immediately following the annual meeting of the Members, at the place of such meeting, for the transaction of such business as may be properly brought before it. No notice of annual meetings need be given to either old or new members of the Board of Directors.

Section 2. Regular meetings may be held at such other times as shall be designated by the Board of Directors. No notice of regular meetings of the Board is required other than a resolution of the Board of Directors stating the time and place of the meetings.

Section 3. Special meetings of the Board of Directors shall be held when called by the President or by any director. A person or persons authorized to call special meetings of the Board of Directors may fix any place within or without the State of Texas as the place for holding a special meeting. The person or persons calling a special meeting shall notify the Secretary of the information required to be included in the notice of the meeting. Written notice of special meetings of the Board of Directors shall be given to each director not less than three (3) nor more than fourteen (14) days before the date of the meeting. The notice shall state the place, day and time of the meeting, who called the meeting, and the purpose or purposes for which the meeting is called.

Section 4. A majority of the directors then in office shall constitute a quorum for the transaction of business and the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by the Articles. The directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of directors required to constitute a quorum. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 5. Notice of special meeting of the Board of Directors shall be given in writing by mail, telegram or by personal delivery to each director at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting; except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the





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purpose of, any regular or special meeting of the Board need to be specified in the notice or waiver of notice of such meeting, unless specifically required by law, by these Bylaws or by the Declaration.

Section 6. The vote of a majority of directors present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board of Directors unless the act of a greater number is required by law or these Bylaws. A director who is present at a meeting and abstains from a vote is not considered to be present and voting for the purpose of determining the decision of the Board of Directors.

## ARTICLE VI.

## NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting of the Members. The Nominating Committee shall consist of a chairman and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine. Such nominations shall be made from among Members.

Section 2. Election to the Board of Directors shall be by written ballot at the annual meeting of the Members. At such election the Members or their proxies may cast as many votes as they are entitled to exercise under the provisions of the Declaration. The three (3) persons receiving the largest number of votes shall be elected to serve as Directors for a term of one (1) year or until his successor is duly elected.

## ARTICLE VII.

## COMPENSATION OF DIRECTORS

The directors of the Association shall serve without compensation. Nothing herein shall preclude any Director from serving the Association in any other capacity and receiving compensation therefor.





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## ARTICLE VIII.

## NOTICES

Section 1. Notices to Members or Owners shall be in writing and shall be deemed to have been properly delivered when deposited in the United States mail addressed to the last known address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing, with postage thereon prepaid. A person may change his or her address by giving written notice to the Secretary of the Association.

Section 2. Whenever any notice is required to be given to any Member or Owner under the provisions of any statute or of the Articles or of these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 3. Attendance of any Member at a meeting shall constitute a waiver of notice of such meeting unless the Member attend for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

## ARTICLE IX.

## OFFICERS

Section 1. The officers of the Association shall consist of a President, one or more Vice Presidents, a Secretary and a Treasurer, each of whom shall be a member of the Association and shall be elected by the Board of Directors. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of any other officers, assistant officers or agents created pursuant to Section 3 of this Article IX.

Section 2. The Board of Directors at its first meeting after each annual meeting of Members shall elect the officers of the Association. If the election of officers is not held at this meeting, the election shall be held as soon thereafter as conveniently possible. New offices may be created and filled at any meeting of the Board of Directors.

Section 3. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors, none of whom need be directors.

Section 4. All officers of the Association shall serve without compensation.

Section 5. Each officer of the Association shall hold office until the first meeting of the Board of Directors following the Annual Meeting of the members of the Association or until their





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successors are elected and qualified, unless such member shall sooner resign, or shall be removed or otherwise disqualified to serve. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors with or without good cause whenever in its judgment the best interests of the Association will be served thereby. Any vacancy occurring in any office of the Association by death, resignation, removal or otherwise, shall be filled by the Board of Directors for the unexpired portion of the officer's term.

## THE PRESIDENT

Section 6. The President shall be the chief executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Members and of the Board of Directors. He may execute, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Association. He shall, in his capacity as President, co-sign all checks and promissory notes of this Association; and in general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

## THE VICE PRESIDENT

Section 7. In the absence of the President or in the event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or Board of Directors.

## THE SECRETARY

Section 8. The Secretary shall keep the minutes of the meeting of the Members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these Bylaws; keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member; and in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

## THE TREASURER

Section 9. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies or other depositories as directed by resolution of the Board of Directors; provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. He shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the President or Vice President.

The Treasurer shall keep proper books of account. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its annual meeting. He shall perform such other duties as from time to time may be assigned to him by the President or the Board of Directors.

## ARTICLE X.

## COMMITTEES

Section 1. The Board of Directors may adopt a resolution establishing one or more committees delegating specified authority to a committee, and appointing or removing members of a committee.

Unless otherwise provided in the Declaration, each committee of the Association shall consist of a Chairman and two or more Members and shall include a Member of the Board of Directors for Board contact. If the Board of Directors delegates any of its authority to a committee, the majority of the committee shall consist of directors. The Board of Directors may establish qualifications for membership on a committee. The establishment of a committee or the delegation of authority to it shall not relieve the Board of Directors, or any individual director, of any responsibility imposed by these Bylaws or otherwise imposed by law.

Section 2. The Nominating Committee shall be appointed by the Board of Directors sixty (60) prior to each annual meeting to serve until the end of the annual meeting for which such committee shall have been appointed. The Nominating Committee shall have the duties and functions described in Article VI of these Bylaws.

Section 3. The Architectural Control Committee shall be comprised of the members of the Board of Directors and shall have duties and functions in accordance with the Declaration





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which instrument is incorporated in these Bylaws by reference for all the purposes. Notwithstanding the foregoing, the Board may appoint on Architectural Control Committee to consist of Members in addition to or in lieu of members of the Board of Directors.

## ARTICLE XI.

## MEETINGS OF MEMBERS

Section 1. All meetings of members shall be held at the principal office of the Association, or at such place within the City of Frisco, Texas, as may be designated by the Board of Directors or officer or Member(s) calling the meeting.

Section 2. The first annual meeting of the Members of the Association shall be held within one (1) year following the date of incorporation of the Association on a date to be selected by the Board of Directors and each annual meeting thereafter shall be held on a date established by the Board of Director in a notice of Annual Meeting each year thereafter at the principal office of the Association or at such other location as may be designated by the Board of Directors. If such date for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. The Board of Directors may postpone the time of holding the annual meeting of Members for such period not exceeding ninety (90) days as they deem advisable [and any annual meeting which is so postponed or for any other reason not held on the date provided above (or on the first day following which is not a legal holiday) is herein referred to as a "delayed annual meeting"]. Failure to hold the annual meeting at the designated time shall not work a dissolution of the Association.

Section 3. Special meetings of the Members may be called at any time by the President or by the Board of Directors. Special meetings of Members may also be called by the Secretary upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Membership. Such request shall state the purpose or purposes of such meeting and the matters proposed to be acted on thereat.

Section 4. Written notice of all special meetings and delayed annual meetings stating the place, day and hour of the meeting, and the purpose or purposes for which the meeting is called shall be delivered not less than twenty-one (21) or more than fifty (50) days before the meeting to the then Members of record entitled to vote at such meeting. Such notice shall be deemed to be properly delivered when deposited in the United States mail addressed to the last known address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing, with postage thereon prepaid. Notice of annual meetings (which are not delayed) shall be given in a like manner. If all the Members meet and consent to the holding of a meeting, any action may be taken at the meeting regardless of a lack of proper notice.

Section 5. The presence at the meeting of Members entitled to vote or represented by legitimate proxy, of sixty percent (60%) or more of all of the votes of the Association, regardless





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of class, shall constitute a quorum at a meeting of Members for any action except as otherwise provided in the Articles, the Declaration or these Bylaws. The members present at a duly called and held meeting at which a quorum is present may continue to transact business even if enough Members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of Members required to constitute a quorum. If the required quorum is not present at the first meeting, one additional meeting may be called, subject to the notice requirement hereinabove set forth, and the required quorum at such second meeting shall be one-half (1/2) of the required quorum at the preceding meeting; provided, however, that no such second meeting shall be held more than sixty (60) days following the first meeting. Further, if a quorum is not present or represented at any meeting, a majority in interest of the Members entitled to vote thereafter shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The vote of the Members holding a majority of the votes entitled to be cast and thus represented at a meeting at which a quorum is present shall be the act of the Members unless the vote of a greater number is required by law, the Articles, the Declaration, or these Bylaws.

Section 6. At all meetings of Members, each Member who is entitled to vote may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease should membership in the Association cease.

Section 7. Meetings of the Members shall be presided over by the President or, if he is not present, by any one of the Vice Presidents.

## ARTICLE XII.

## GENERAL PROVISIONS

Section 1. The fiscal year of the Association if other than the calendar year, shall be fixed by resolution of the Board of Directors.

Section 2. The Association may, but shall not be required to, have a corporate seal. If the Board elects to have a corporate seal, the corporate seal shall have inscribed thereon the name of the Association, the words "Texas" and "Non-Profit" and a five-pointed star. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

Section 3. All meetings of the Board and Members shall be conducted in accordance with Robert's Rules of Order, Newly Revised, except where inconsistent with the express language of the Articles, these Bylaws and/or the Declaration.



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## ARTICLE XIII.

## INDEMNIFICATION

Section 1. The Association shall indemnify, defend and hold harmless the Board, the Architectural Control Committee if any and each director, officer, employee and agent of the Declarant, the Board and the Architectural Control Committee, from all judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses (including attorney's fees) incurred by such indemnified person under or in connection with the Declaration or the Properties to the fuliest extent permitted by applicable law, such indemnity to include matters arising as a result of the sole or concurrent negligence of the indemnified party, to the extent permitted by applicable law.

Section 2. If the Association has not fully indemnified him, the court in the proceeding in which any claim against such director or officer has been asserted, or any court having the requisite jurisdiction of an action instituted by such director or officer on his claim of indemnity, may assess indemnity against the Association, its receiver, or trustee, for the amount paid by such director or officer in satisfaction of any judgment or in compromise of any such claim (exclusive in either case of any amount paid to the Association), or any expenses and costs (including attorney's fees) actually and necessarily incurred by him in connection therewith to the extent that the court shall deem reasonable and equitable, provided, nevertheless, that indemnity may be assessed under this Section only if the court finds that the person indemnified was not guilty of gross negligence or misconduct in respect of the matter in which indemnity is sought.

## ARTICLE XIV.

## BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

## ARTICLE XV.

## AMENDMENTS

Section 1. These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted at a regular or special meeting of the Board of Director, or at a regular or special meeting of the Members, by a vote of more than fifty percent (50%) of the outstanding votes of the Members of the Association, in the aggregate, regardless of class. Notwithstanding the foregoing, the Board of Directors shall not have the power to amend the Bylaws in contravention of any provision of the Declaration.





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Section 2. In the case of any conflict between the Articles and these Bylaws, the Articles shall control. In case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

## ARTICLE XVI.

## AMENDED AND RESTATED BYLAWS

These Amended and Restated Bylaws of Stonebriar Creek Estates Owners Association, Inc. constitute a complete amendment and restatement of all prior Bylaws of the Association and such prior bylaws shall be deemed to be supersede and replaced by these Amended and Restated Bylaws for all purposes.

## CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Stonebriar Creek Estates Owners Association, Inc. a Texas non-profit corporation, and

THAT the foregoing Bylaws constitute the Amended and Restated Bylaws of such Association, as duly adopted by unanimous consent of the Board of Directors of the Association on the ____ day of _____, 1998.

IN WITNESS WHEREOF, I have hereunto subscribed my name this _____ day of _____, 1998.

_____
F. Alan Barber, Secretary

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**EXHIBIT "D"**

**Certificate and**
**Articles of Incorporation**
**of**
**Stonebriar Creek Estates Owners Association, Inc.**

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# The State of Texas

*SECRETARY OF STATE*

The undersigned, as Secretary of State of the State of Texas, HEREBY CERTIFIES that the attached is a true and correct copy of the following described instruments on file in this office:

STONEBRIAR CREEK OWNERS ASSOCIATION, INC.

| | |
|---|---|
| ARTICLES OF INCORPORATION | OCTOBER 11, 1977 |
| 9.01 DELINQUENT NOTICE | DECEMBER 15, 1993 |
| 9.01 REPORT | JANUARY 31, 1994 |

*IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, on January 5, 1995.*

CEB

*Secretary of State*

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FILED
In the Office of the
Secretary of State of Texas

JUL 1 1977

Deputy Director, Corporation Division

# ARTICLES OF INCORPORATION

# OF

# STONEBRIAR CREEK OWNERS ASSOCIATION, INC.

We, the undersigned, natural persons of the age of twenty-one (21) years or more, at least two (2) of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such Corporation.

## ARTICLE ONE

The name of the Corporation (which is hereinafter called "Corporation") is STONEBRIAR CREEK OWNERS ASSOCIATION, INC.

## ARTICLE TWO

The Corporation is a non-profit corporation.

## ARTICLE THREE

The period of its duration is perpetual.

## ARTICLE FOUR

The purpose or purposes for which the Corporation is organized is to promote and develop the common good and social welfare of the people residing in Stonebriar Creek and its environment. Stonebriar Creek is defined as a community being developed or to be developed on all or a portion of a tract of land in Collin County, Texas, presently consisting of 175.15 acres of land more or less, being more particularly described in two Deeds filed of record in the office of the Collin County Clerk in Volume 962, Pages 823 and 825.

Provided, however, only those portions of the above described property as shall hereafter be actually subject to an agreement of covenants, conditions and restrictions supporting and benefiting the Corporation, together with any additional land in the county, which may hereafter be subject to such agreement of covenants, conditions and restrictions supporting and benefiting the Corporation, and adopted by resolution of the Board of Directors of the Corporation, shall be considered as the community of Stonebriar Creek and the proper object of the powers and purposes of the Corporation.

Without limiting the foregoing general statements of purposes, the Corporation shall have the following specific purposes:

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(1) To aid, promote and provide for the establishment, advancement, and perpetuation of any and all utilities, systems, services and facilities within Stonebriar Creek which tend to promote the general welfare of its people with regard to health, safety, education, culture, recreation, comfort or convenience to the extent and in the manner deemed desirable by the Board of Directors.

(2) To operate and maintain or provide for the operation and maintenance of any properties which may be from time to time designated or conveyed to the Corporation for the operation and maintenance as areas serving the general welfare of Stonebriar Creek and the people thereof with regard to health, safety, education, culture, recreation, comfort and convenience.

(3) To enforce all covenants, restrictions, reservations, servitudes, profits, licenses, conditions, agreements, easements and liens established for the support and/or benefit of the Corporation, or which it may be legally entitled to enforce, and to disburse and use the proceeds of any such charges and to use and disburse any funds which may come into the hands of the Corporation for the promotion of any and all of the purposes of the Corporation in a lawful manner determined by the Board of Directors.

(4) To do any and all lawful things and acts that the Corporation may from time to time, in its discretion, deem to be for the benefit of Stonebriar Creek and the inhabitants with regard to health, safety, education, culture, recreation, comfort or convenience of such community.

ARTICLE FIVE

The Corporation is authorized and empowered to do all things necessary to carry on and accomplish the purpose for which it is organized and chartered, including authority and power:

(1) To enter into, make and perform contracts of every kind and description;

(2) To borrow or raise monies for any purposes of the Corporation from time to time without limit as to the amount;

(3) To draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereon by mortgage upon or pledge, conveyance or assignment in trust of the whole or any part of the property of the Corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds or other obligations of the Corporation for its corporate purposes;

(4) To have and exercise all powers necessary or appropriate to effect any or all of the purposes for which the Corporation is organized; and

(5) To have and exercise all of the general powers set forth in Article 1396-2.02 of the Revised Civil Statutes of Texas, as amended.

ARTICLE SIX

The Corporation shall have no capital stock.

ARTICLE SEVEN

Section 1. Membership. Every owner of a lot in Stonebriar Creek shall automatically be a member of the Corporation. Members shall include those persons or entities who have contractually agreed to purchase a lot as well as record owners of a fee or undivided fee interest in a lot. A lot may be as described by metes and bounds or as created by subdivision plats approved by appropriate governmental authority. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall not be transferred by a contract of sale until record legal title passes. With the exception of the developer, no owner shall have more than one membership, nor shall multiple owners of one lot all be members but shall designate one of their number only. In the event such multiple owners fail to so designate, the decision shall rest with the Board of Directors of the Corporation or its Membership Committee. Membership shall be appurtenant to and may not be separated from ownership.

Section 2. Voting Rights. The Corporation shall have two (2) classes of voting membership.

Class A. Class A members shall be those owners as defined in Section 1 with the exception of the developer.

Class B. Class B members shall be the developer. The Class B member shall be entitled to four (4) votes for each lot in which it holds the interest required for membership by Section 1 but Class B membership shall cease and become converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or

(b) on December 31, 1990.

From and after the happening of these events, whichever occurs earlier, each Class B member shall be deemed to be a Class A member entitled to the rights and privileges applicable to Class A members as hereinabove stated.

ARTICLE EIGHT

No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its members, trustees, officers or

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other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Five hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any of other provisions of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions of which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE NINE

Upon the dissolution of the Corporation the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the Corporation, dispose of all the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) as the Board of Directors shall determine. Any of such assets not so disposed of shall be disposed of by a court located in Collin County, Texas, having jurisdiction thereof exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized or operate exclusively for such purposes.

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ARTICLE TEN

The name and address of the initial registered agent of the Corporation is BRUCE R. WEST, Trustee, Route 2, Box 185-A, Frisco, Texas 75034, which is also the address of the initial registered office.

ARTICLE ELEVEN

The Corporation shall have three (3) Directors who shall constitute the Board of Directors and the governing body of the Corporation. The initial Board of Directors shall consist of the following named individuals.

| Name | Address |
|---|---|
| Bruce R. West | Route 2, Box 185-A, Frisco, Texas 75034 |
| Nance K. Banks | 5733 West Marquette<br>Denver, Colorado 80235 |
| Evelyn J. Blevins | 5733 West Marquette<br>Denver, Colorado 80235 |

ARTICLE TWELVE

The names and addresses of the Incorporators are as follows:

| Name | Address |
|---|---|
| Bruce R. West | Route 2, Box 185-A<br>Frisco, Texas 75034 |
| Charles A. Girand | 1901 Mercantile Bank Building<br>Dallas, Texas 75201 |
| Marshal W. Dooley | 1901 Mercantile Bank Building<br>Dallas, Texas 75201 |

IN WITNESS WHEREOF, we have hereunto set our hands, this 7th day of October, 1977.

Bruce R. West
BRUCE R. WEST

Charles A. Girand
CHARLES A. GIRAND

Marshal W. Dooley
MARSHAL W. DOOLEY

THE STATE OF TEXAS §
COUNTY OF DALLAS §

I, Elaine Kahle, a Notary Public, do hereby certify that on this the 7th day of October, 1977, personally appeared before me, BRUCE R. WEST, who being by me first duly sworn, declared that he is the person who signed the foregoing document as an Incorporator, and that the statements therein



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contained are true.

Diane L. Kahle
Notary Public in and for
Dallas County, Texas

My Commission Expires:
March 16 1979

THE STATE OF TEXAS §
COUNTY OF DALLAS §

I, Diane L. Kahle, a Notary Public, do hereby certify that on this the 4th day of October, 1977, personally appeared before me, CHARLES A. GIRARD, who being by me first duly sworn, declared that he is the person who signed the foregoing document as an incorporator, and that the statements therein contained are true.

Diane L. Kahle
Notary Public in and for
Dallas County, Texas

My Commission Expires:
March 16 1979

THE STATE OF TEXAS §
COUNTY OF DALLAS §

I, Diane L. Kahle, a Notary Public, do hereby certify that on this the 4th day of October, 1977, personally appeared before me, MARSHAL W. DOOLEY, who being by me first duly sworn, declared that he is the person who signed the foregoing document as an incorporator, and that the statements therein contained are true.

Diane L. Kahle
Notary Public in and for
Dallas County, Texas

My Commission Expires:
March 16, 1977

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FILED
In the Office of the
Secretary of State of Texas
MAR 29 1996
Corporations Section

**ARTICLES OF AMENDMENT**

**TO THE**

**ARTICLES OF INCORPORATION**

**OF**

**STONEBRIAR CREEK OWNERS ASSOCIATION, INC.**

Pursuant to the provisions of Article 4.04 of the Texas Non-Profit Corporation Act (the "Act"), the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation in order to change the name of the corporation.

ARTICLE I.

The name of the corporation is Stonebriar Creek Owners Association, Inc.

ARTICLE II.

ARTICLE ONE of the Articles of Incorporation is hereby amended so as to provide in its entirety as follows:

"ARTICLE ONE

The name of the corporation is Stonebriar Creek Estates Owners Association, Inc."

The foregoing amendment to the Articles of Incorporation was adopted by the members of the corporation to be effective as of January 31, 1995.

The requisite number of members entitled to vote on said amendment have signed a consent in writing pursuant to Article 9.10 of the Act adopting said amendment and any written notice required by Article 9.10 of the Act has been given or waived.



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