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Johnson County

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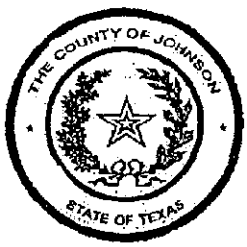


I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Volume and Page of the named records in Johnson County, Texas.

Any provision herein which restricts the sale, rental or use of the described Real Estate because of color race is invalid and unenforceable under Federal law.

BECKY IVEY, COUNTY CLERK
JOHNSON COUNTY, TEXAS

DECLARATION OF

COVENANTS, CONDITIONS & RESTRICTIONS

FOR LAURENWOOD

Popular Name of Development: **Laurenwood**

Name of Platted Subdivision: **Laurenwood, Johnson County, Texas**

Location of Subdivision: **Johnson County, Texas**

This document pertains to a residential development known as Laurenwood, located on a 36 +/- acre tract of land platted as a portion of Laurenwood, an addition to Johnson County, Texas, according to that final plat recorded with the Real Property Records of Johnson County, Texas.

Declarant: Laurenwood Chisholm Trail, LLC

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, FOR LAURENWOOD

NOTICE TO PURCHASER: LAURENWOOD IS A RESTRICTED COMMUNITY. THIS DOCUMENT AFFECTS YOUR RIGHT TO USE THE PROPERTY YOU ARE PURCHASING. BY PURCHASING PROPERTY IN LAURENWOOD, YOU ARE BOUND BY ALL OF THE TERMS OF THIS DOCUMENT, INCLUDING ANY DESIGN GUIDELINES NOW OR HEREAFTER ADOPTED AND THE RULES AND REGULATIONS INCORPORATED HEREIN.

This Declaration of Covenants, Conditions, and Restrictions ("Declaration") is made and entered into to be effective as of February 24, 2015, by Laurenwood Chisholm Trail, LLC, a Texas limited liability company (together with its successors and assigns, "Declarant").

RECITALS:

A. Declarant desires to establish a general plan of development for the planned community to be known as Laurenwood. Declarant also desires to provide a reasonable and flexible procedure by which Declarant may expand the Property to include additional real property, and to maintain certain development rights that are essential for the successful completion and marketing of the Property.

B. Declarant further desires to provide for the preservation, administration, and maintenance of portions of Laurenwood, and to protect the value, desirability, and attractiveness of Laurenwood. As an integral part of the development plan, Declarant deems it advisable to create a property owners association to perform these functions and activities more fully described in this Declaration and the other Government Documents described below.

C. Declarant owns all of that 36.638 +/- acres, more or less, tract of real property ("Property") in Johnson County, Texas, more particularly described by metes and bounds on Exhibit A attached hereto and incorporated herein by this reference and depicted on the Plat ("Plat") attached hereto as Exhibit B and incorporated herein by this reference, such Plat recorded in Volume 10, Page 740, Slide D-203 of the the Plat Records of Johnson County, Texas.

D. The Property has been or is to be subdivided pursuant to the Plat and known as "Laurenwood" (herein so called). Laurenwood is to be developed as a quiet, high quality, single family, residential community. It is the intent of Declarant that all homes and other improvements in Laurenwood shall be compatible with all other homes and improvements in the community, that they be in harmony with their natural surroundings, and that the agricultural and wildlife conservation uses of the land be continued and enhanced as appropriate and consistent with the terms hereof.

E. Declarant desires to adopt, establish, promulgate, and impress upon the Property the following reservations, covenants, restrictions, conditions, assessments, and liens for the benefit of Declarant, the Association, the Property, and the present and future Owners of the Property.

DECLARATION

NOW, THEREFORE, Declarant hereby declares that the Recitals set forth above shall be a part of this Declaration and all the Property and each of the Lots which comprise the Property shall, to the fullest extent lawful, be held, sold, and conveyed subject to the following reservations, covenants, restrictions, conditions, assessments, and liens (collectively the "Restrictions," including, but not limited to, those matters set forth in the Design Guidelines) and the Restrictions shall run with the Property and each of the Lots and shall be binding on all parties having or acquiring any right, title, or interest in the Property or any Lot or any part thereof, and shall inure to the benefit of Declarant, the present and future owner(s) of the Property, the Association, and their respective heirs, successors, executors, administrators, and assigns. **THE RESTRICTIONS SHALL BE DEEMED INCORPORATED INTO EACH DEED COVERING THE PROPERTY OR ANY LOT OR ANY PART THEREOF AS IF SET OUT FULLY IN SUCH DEED.**

ARTICLE 1 – DEFINITIONS

1.1 SPECIFIC DEFINITIONS. The following words or phrases, whether or not capitalized, when used in this Declaration, or any supplemental declaration, unless the context shall prohibit, shall have the following meanings:

"ACC" shall mean the Architectural Control Committee of the Association.

"Applicable Law" means the statutes and public laws, codes, ordinances, and regulations in effect at the time a provision of the Declaration is applied, and pertaining to the subject matter of the Declaration. Statutes and ordinances specifically referenced in the Declarations are "Applicable Law" on the date of the Declaration, and are not intended to apply to the Property if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

"Association" shall mean a Texas non-profit corporation to be formed and to act as a property owners association named Laurenwood Homeowners Association, Inc. (or such other name as Declarant shall select), its successors and assigns. Until formation of the Association, Declarant shall have all of the rights, powers, and authority of the Association but not the obligations of the Association unless specifically assumed herein.

"Board" shall mean the Board of Directors of the Association.

"Building Code" shall mean the applicable building code adopted by the County Seat of the County in which the Lot is located or, if a code has not been so adopted, the 2008 version of the International Residential Code (without reference to the energy code contained therein), as amended, supplemented or replaced from time to time.

"Bylaws" shall mean the Bylaws of the Association.

"Common Area" shall mean the entrances and landscaping thereof, and any and all other areas of land within the Property which are described or designated as common green, Common Areas, recreational easements, greenbelts, open spaces or private streets on any recorded subdivision Plat of the Property or other instrument or intended for or devoted to the common use and enjoyment of the Owners of the Association, and including all equipment, accessories and machinery used in the operation or maintenance of any of such Common Area and any additions to or replacements of such Common Area. There may or may not be Common Area at the Property. Declarant may hold record title to any Common Area, consistent with the objectives envisioned herein and subject to the easement rights herein of the Owners to use and enjoy the Common Area, for an indefinite period of time and at a point in time (deemed appropriate and reasonable by Declarant) record title to the Common Area will be formally transferred from Declarant to the Association.

"City" shall mean the City of Fort Worth, Texas.

"County" shall mean Johnson County, Texas

"Declarant" shall mean Laurenwood Chisholm Trail, LLC and its successors or assigns.

"Declaration" shall mean this Declaration of Covenants, Conditions, and Restrictions, as amended and/or supplemented from time to time.

"Design Guidelines" shall mean the Design Guidelines which may be promulgated and published by the ACC, and as may be as amended from time to time, as described herein.

"Development Period" means the period during which Declarant reserves the right to facilitate the development, construction, and marketing of the Property and the right to direct the size, shape, and composition of the Property, pursuant to the rights and reservations contained in this declaration, to the full extent permitted by Applicable Law. If Applicable Law requires a stated term, the Development Period runs continuously from the date this Declaration is recorded until the earliest of the following events: (1) ten years after this Declaration is recorded, or (2) the date on which every Lot in the Property is improved with a dwelling. No act, statement, or omission by the Association may terminate the Development Period earlier than the term stated herein. Declarant, however, may

terminate the Development Period at any earlier time by recording a notice of termination. The Development Period is for a term of years or until the stated status is attained and does not require that Declarant own a Lot or any other land in the Property.

"Declarant Control Period" means that period of time during which Declarant controls the operation and management of the Association by appointing at least a majority of the directors of the Association, pursuant to the rights and reservations contained in this Declaration, to the fullest extent and for the maximum duration permitted by Applicable Law. The Declarant Control Period shall run continuously from the date of this Declaration is recorded until 120 days after seventy-five percent (75%) of the Lots that may be created on the Property have been improved with dwellings thereon and conveyed to Owners other than Builders or Declarant, or their respective affiliates. In no event shall the Declarant Control Period last longer than fifteen years after the date on which the Declaration is recorded. No act, statement, or omission by the Association may terminate the Declarant Control Period earlier than the term stated herein. Declarant, however, may terminate the Declarant Control Period at any earlier time by publicly recording a notice of termination. The Declarant Control Period is for a term of years or until the stated status is attained and does not require that Declarant own a lot or any other land in the Property.

"Governing Documents" shall mean, singly or collectively as the case may be, the Plat, this Declaration, the Bylaws of the Association, the Articles of Organization, the Rules of the Association, if any, all of which may be adopted, amended, supplemented, restated, or repealed from time to time. Although Governing Documents reference each other and may be recorded contemporaneously, each instrument is independent and may be amended pursuant to its own terms or Applicable Law.

"Initial Owner" shall mean the first purchaser of each Lot from Declarant.

"Lot" shall mean any one of the separate lots identified on the Plat that make up all or part of the Property.

"Lots" shall mean any two or more such lots. Each Lot is burdened by an easement for a portion of the Roads and the other Restrictions described herein.

"Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot, and his or its respective heirs, successors, personal representatives, and assigns. Mortgagees and creditors who acquire title to a Lot through foreclosure or a deed in lieu of foreclosure are owners. Persons or entities having ownership interests merely as security for the performance of an obligation are not owners. Every Owner is a member of the Association.

"Plat" shall mean the "Plat" described in Exhibit B, together with any and all replats thereof and amendments thereto.

"Property" shall mean all the real property identified on Exhibit A attached hereto and incorporated herein by this reference, and any additions thereto.

"Laurenwood" shall mean the Laurenwood referred to in the Recitals above as established by the Plat and this Declaration.

"Residence" shall mean a single family residential dwelling constructed or to be constructed on any Lot.

"Resident" shall mean individual that lives at or takes up residence on the Owner's Lot.

"Restrictions" shall mean the Restrictions described in the Declaration section above.

"Roads" means collectively the streets and roads within the Property, whether public or private.

"Rules and Regulations" means any and all rules and regulations promulgated by Declarant or the Board, as amended from time to time. The Rules and Regulations may, at the discretion of Declarant or the Board, be incorporated into and made a part of the Design Guidelines.

1.2 OTHER DEFINITIONS. Other terms are defined in other sections of this Declaration and are incorporated herein by this reference.

ARTICLE 2 – SUBJECT TO DOCUMENTS

2.1 SUBJECT TO DOCUMENTS OF RECORD. The Property is held, transferred, sold, conveyed, leased, occupied, used, insured, and encumbered subject to the terms of all publicly recorded documents, and all other publicly recorded instruments that touch and concern the land, run with the Property, and bind all parties having or acquiring any right, title, or interest in the Property, their heirs, successors, and assigns.

2.2 COVENANTS IN PLAT. The dedications, covenants, limitations, restrictions, easements, notes, and reservations shown on the Plat are hereby incorporated by reference as covenants running with the land. Each Owner must inform himself about the Plat's covenants on the Lot. Similarly, the Association is bound by the platted covenants on Common Areas.

2.3 OWNER AGREES TO BE BOUND. Each Owner, by impliedly or expressly accepting or acquiring an ownership interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to be bound by this Declaration, the Plat, and the Governing Documents. Owner acknowledges that the Governing Documents may be amended, supplemented, or restated from time to time. Each Owner agrees to maintain any easement that crosses Owner's Lot and for which the Association does not have express responsibility.

ARTICLE 3 – PROPERTY EASEMENT

3.1 GENERAL. In addition to other easements and rights established by the Governing Documents, the Property is subject to the easements and rights contained or referenced herein.

3.2 EASEMENT FOR PERIMETER SCREENING FENCE. The Association is hereby granted a perpetual easement ("Screening Feature Easement") over each Lot on or along a perimeter thoroughfare and that abuts or contains a portion of the Property's screening features, for the purpose stated in this section, regardless of whether or how the Plat shows the easement or screening feature. On recording this Declaration, Declarant burdens every Lot with a boundary on or along County Road 920A and the Chisholm Trail Parkway with this Screening Feature Easement. The width of the Screening Feature Easement is twenty (20) feet and runs continuously along and within (inside) the boundary that is on or along a perimeter thoroughfare of the Property. The purpose of the Screening Feature Easement is to provide for the existence, repair, improvement, and replacement of the Property's screening features. This Screening Feature Easement does not, alone, obligate the Association to maintain a portion of the screening wall as a common expense for which responsibility is assigned to the Lot Owner by this Declaration. On Lots for which the responsibility is the Lot Owners, this Screening Feature Easement enables, but does not require, the Association to perform required work if the Owner or Owners fail or refuse to do so following written notice from the Association and a reasonable opportunity to cure. In exercising this Screening Feature Easement, the Association may construct, maintain, improve, and replace improvements reasonably related to the screening and identification of a residential subdivision. The Owners of the Lots burdened with the Screening Feature Easement will have the continual use and enjoyment of their Lots for any purpose that does not interfere with and prevent the Association's use of the Screening Feature Easement. In addition to the easement granted herein, the Association has the temporary right, from time to time, to use as much as the surface of a burdened Lot as may be reasonably necessary for the Association to perform its contemplated work on the Screening Feature Easement. This easement is perpetual. The Screening Feature Easement will terminate when the purpose of the easement ceases to exist, is abandoned by the Association, or becomes impossible to perform. The association may assign this easement, or any portion thereof, to a public or quasi-public body that agrees to accept the assignment. This easement in no way binds the Declarant to install any screening materials.

3.3 UTILITY AND OTHER EASEMENTS.

(a) Declarant will bring an electric line to the utility easement adjacent to each Lot. Each Owner will be responsible for bringing electricity service from such point to the Residence. Nothing contained herein shall be construed as imposing upon Declarant or the Association any obligation to provide any utilities or services. Furthermore, Declarant reserves the right to sell, lease, license, or assign, in whole

or in part, such easements and to otherwise negotiate as to such lines, utilities, or other facilities for the providing of services by a municipality, governmental agency, or other private or public service corporation. **EXCEPT DECLARANT'S OBLIGATION SET FORTH IN THE FIRST SENTENCE OF THIS SUB-SECTION, EACH OWNER SHALL BE RESPONSIBLE FOR, AND SHALL PAY FOR, THE INSTALLATION AND MAINTENANCE OF ALL UTILITIES TO THE OWNER'S LOT, AND DECLARANT DOES NOT WARRANT OR GUARANTY THE AVAILABILITY OF UTILITIES OR THE ECONOMIC FEASIBILITY OF BRINGING UTILITIES TO ANY LOT.**

(b) On, over, and across each Lot, upon which is now or hereafter constructed (or replaced) all or any part of any common gate or common entryway into the Property, there is hereby reserved to Declarant and the Association an easement for the construction, maintenance, repair, and replacement of all Common Areas, including, but not limited to, common gate and common entryway improvements, gates, poles and posts associated therewith, motors and electrical lines associated therewith, irrigation systems and water lines, brick, stone, metal, or other decorative fences, walls, planters, or other improvements, landscaping, and similar common gate or common entryway improvements. **FURTHER, EACH OWNER ACKNOWLEDGES AND AGREES THAT ALL EMERGENCY SERVICES SUCH AS, BUT NOT LIMITED TO, FIRE, POLICE, AND AMBULANCE SERVICE, SHALL BE GRANTED EMERGENCY ACCESS THROUGH ALL COMMON GATES, IF ANY.**

(c) The Property, and each Lot, as applicable, is subject to all easements established by or shown on the Plat.

(d) Easements for the installation and maintenance of storm waters, retention ponds, detention ponds, and/or a conservation area are reserved as may be shown on the Plat. Within these easement areas, no structure, plant, or material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of drainage, or which may hinder or change the direction or flow of drainage channels or slopes in the easement. The easement areas of each Lot and all improvements contained therein shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority, utility company or the Association are responsible. The easements described herein shall be for the purpose of installation and maintenance of possible drainage facilities or utilities, and for any other purpose deemed by Declarant or the Association to be beneficial to the Property as a whole.

3.4 OWNERS EASEMENTS OF ENJOYMENT. Subject to the provisions of subsection, every Owner and every tenant of every Owner, who resides on a Lot, and each individual who resides with either of them, on such Lot shall have a right and easement of use, recreation and enjoyment in and to the Common Area, subject to other rights contained in the Governing Documents, 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 Area.

3.6 OWNER'S INGRESS/EGRESS EASEMENT. Every Owner is granted a perpetual easement over the Property's streets, as may be reasonably required, for vehicular ingress to and egress from Owner's Lot.

3.7 EXTENT OF OWNER'S EASEMENTS. The rights and easements of use, recreation, and enjoyment created hereby shall be subject to the following:

(a) The right of the Association to prescribe Rules and Regulations governing, and to charge fees and or deposits related to, the use, operation and maintenance of the Common Area;

(b) Liens or mortgages placed against all or any portion of the Common Area with respect to the monies borrowed by Declarant to develop and improve the Property or by the Association to improve or maintain the Common Area;

(c) The right of the Association to enter into and execute contracts with any party (including, without limitation, Declarant) for the purpose of providing maintenance or such other materials or services consistent with the purposes of the Association;

(d) The right of Declarant or the Association to take such steps as area reasonably necessary to protect the Common Area against foreclosure;

(e) The right of Declarant or the Association to suspend the voting rights of any Owner and to suspend the right of any individual to use or enjoy any of the Common Area for any period during which any assessment (including without limitation "fines") against a Lot resided upon by such individual remains unpaid, and for any period deemed reasonable by the Association for an infraction of the then-existing Rules and Regulations;

(f) The right of Declarant and/or the Association to dedicate or transfer all or any part of the Common Area to any municipal corporation, public agency, authority, or utility company for such purposes and upon such conditions as may be agreed upon by Declarant and the Owners having a majority of the outstanding eligible votes of the Association;

(g) The right of Declarant and/or the Association to convey, sell or lease all or part of the Common Area upon such terms and conditions as may be agreed upon by Declarant and the Owners having a majority of the outstanding eligible votes of the Association; and/or

(h) The right of Declarant or the Association to enter into and execute contracts with the owners-operators of any community antenna television system or other similar operations for the purpose of extending cable or utility service on, over or under the Common Area to ultimately provide service to one or more of the Lots.

3.8 OWNER'S RIGHT TO BUILD. That a Lot remains vacant and unimproved for a period of years, even decades, does not diminish the right of the Lot Owner to construct improvements on the Lot. Nor does a vacant Lot enlarge the rights of Owners or neighboring lots, who may have become so accustomed to the open space that they expect it to remain unimproved forever.

3.9 PERPETUAL EASEMENTS. All easements reserved or created in any part of this Declaration for the benefit of Declarant or the Association are perpetual. All easements reserved or created herein for the benefit of Declarant may be granted or assigned by Declarant, in whole or in part, on an exclusive or nonexclusive basis, to any third party. Utility easements reserved or created herein for the benefit of the Association may be granted or assigned by the Association, in whole or in part, on an exclusive or nonexclusive basis, to any public utility or utilities.

3.10 CONDEMNATION OR GOVERNMENTAL TAKING.

(a) If all or any part of the Common Area are taken by any authority having the power of condemnation or eminent domain or are conveyed in lieu thereof, the funds payable with respect thereto shall be payable to the Association and shall be used by the Association to purchase additional Common Area to replace that which has been condemned or to take whatever steps it deems reasonably necessary to repair any damage suffered by the condemnation. If all of the funds cannot be used in such manner, any remaining funds may be distributed equitably to the Owners.

(b) If all or any part of a Lot is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and the Owner elects not to restore the remainder of the Lot, then the Owner shall promptly remove any remaining improvements damaged or destroyed by such taking or conveyance and shall leave the Lot in orderly, safe and net condition.

(c) If any part of a Lot is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof and the Owner elects to restore the remainder of the Lot, then, subject to the provisions of this Declaration, the Owner shall diligently restore, within 90 days after the taking, the remainder of the Lot to the same condition it was in prior to such taking or conveyance.

3.11 ASSOCIATION'S ACCESS EASEMENT. Each owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, grants to the Association an easement of access and entry over, across, under, and through the Property, including without limitation all Common Areas and the owner's Lot and all improvements thereon for the below-described purposes. If the exercise of this easement requires entry onto an owner's Lot, the entry will be during reasonable hours and after notice to the owner, unless entry is response to a situation that at the time of entry is deemed to be an emergency that may result in imminent damage to or loss of life or property. In exercising this easement on an owner's Lot, the Association is not liable to the owner for trespass. The Association may exercise this easement of access and entry for the following express purposes:

(a) To inspect the Lot for compliance with maintenance and architectural standards.

(b) To perform maintenance that is permitted or required of the Association by Governing Documents or by Applicable Law.

(c) To perform maintenance that is permitted or required of the owner by the Governing Documents or by Applicable Law, if the owner fails or refuses to perform such maintenance.

(d) To enforce architectural standards.

(e) To enforce use restrictions.

(f) To exercise any self-help remedy permitted by the Governing Documents or by Applicable Law.

(g) To enforce any other provision of the Governing Documents.

(h) To respond to emergencies.

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

(j) To perform any and all functions or duties of the Association as permitted or required by the Governing Documents or by Applicable Law.

(k) Maintenance of the Common Areas.

3.12 GENERAL EASEMENTS FOR DECLARANT. Declarant, so long as it shall retain record title to at least one (1) Lot, reserves for itself and for the Association the right and easement to the use of any Lot, or any portion thereof, as may be needed for repair, maintenance, or construction on any of the Property in accordance with these Restrictions.

3.13 ROAD EASEMENT FOR DECLARANT. Declarant reserves an easement over and across the Property for the use of the Roads and any other existing roads and rights-of-way on the Property. Without limiting the foregoing, Declarant reserves the right to use the Roads for ingress and egress to and from any adjacent undeveloped property owned by Declarant.

ARTICLE 4 - SECURITY

4.1 SECURITY. The Association may, but is not obligated to, maintain or support certain activities within the Property designed, either directly or indirectly, to improve safety or the perception of safety in or on the Property. Each Owner and Resident acknowledges and agrees, for himself and his guests, that Declarant, the Association, and their respective directors, officers, shareholders, members, managers, committees, agents, and employees are not provides, insurers or guarantors of security within the Property. Each Owner and Resident acknowledges and accepts his sole responsibility to provide security for his own person and property, and assumes all risks for loss or damage to same. Each Owner and Resident further acknowledges that Declarant, the Association their respective directors, officers, shareholders, members, managers, committees, agents, and employees have made no representation or warranty, nor has the Owner or Resident relied on any representation nor warranty, express or

implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire, burglar, and/or intrusion systems recommended or installed, or any security measures undertaken within the Property. Each Owner and Resident acknowledges and agrees that Declaration, the Association, and their respective directors, officers, shareholders, members, managers, committees, agents, and employees, may not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

ARTICLE 5 -- COMMON AREA

5.1 TITLE TO THE COMMON AREA. Declarant will hold record title to the Common Area for an indefinite period of time, subject to the easements set forth herein. The designation of real property as a Common Area may be determined by the Plat, the Declaration, the appraisal district, a taxing authority, a recorded deed into the Association, or any combination thereof. Mere ownership of the Property is not determinative. All costs attributable to Common Areas, including maintenance, property taxes, insurance, and enhancements, are automatically the responsibility of the Association, regardless of the nature of title to the Common Areas, unless this Declaration elsewhere provides for a different allocation for a specific Common Area. Declarant shall have the right and option (without the joinder and consent of any person or entity) to encumber, mortgage, design, redesign, reconfigure, alter, improve, landscape and maintain the Common Area. At some point in time (deemed reasonable and appropriate by Declarant), Declarant will convey title to the Common Area to the Association for the purposes herein envisioned. Declarant reserves the right to execute any open space declarations applicable to the Common Area which may be permitted by law in order to reduce property taxes.

5.2 USE. On the date of this Declaration, the Property's Common Area are intended for the exclusive use of the Owners and their guests and are not intended to be a public accommodation or a public facility within the meaning of the Americans with Disabilities Act. This provision may not be construed to prevent the Association from enlarging the use of a Common Area if such expansion is deemed to be in the best interest of the Association, or from opening a Common Area to use by the public if public use is a condition of a status or benefit that is deemed to be in the best interest of the Association.

5.3 CHANGE OF USE. From time to time, the Association may modify a Common Area on a temporary or long-term basis to respond to changing lifestyles, economies, environmental conditions, public policies, or recreational values, provided (1) the Board deems the modification to be in the best interest of the Association, and (2) the modification does not affect an agreement with or requirement of a public or quasi-public entity without the entity's written approval of the modification. Modification may include (without limitation) a change of use, or the removal, addition, relocation, or change o improvements on a Common Area. Unless required by a public or quasi-public entity, a modification does not require an amendment of this Declaration or of the Plat, even if a Common Area has been platted or improved for a particular use.

5.4 COMPONENTS OF COMMON AREA. The Common Area may be improved or unimproved, and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. The Common Area of the Property consists of the following components on or adjacent to the Property, even if located on a Lot or a public right-of-way:

(a) All of the Property, save and except the Lots.

(b) The land described in Exhibit A as the Common Area and all improvements thereon.

(c) Any area shown on the Plat as Common Area or an area to be maintained by the Association.

(d) The formal entrances to the Property, including (if any) the signage, landscaping, electrical and water installations, and planter boxes.

(e) The screening features along the perimeters of the Property, if any.

(f) The right-of-way of perimeters streets around the Property to the extent that the Association has a right or duty to maintain or regulate that portion of the right-of-way.

(g) The grounds between the perimeter streets around the Property and the screening walls, fences, or berms, to the extent that the Association has a right or duty to maintain or regulate that portion of the right-of-way.

(h) Landscaping on street islands (if any), to the extent it is not maintained by a public or quasi-public entity.

(i) Any modification, replacement, or addition to any of the above described areas and improvements.

(j) Personal property owned by the Association, such as books and records, office equipment, and supplies.

5.5 LIMITED COMMON AREA. If it is in the best interest of the Association, a portion of the Common Area may be licensed, leased, or allocated to one or more Lots for their sole and exclusive use, as a limited Common Area, whether or not the area is so designated on the Plat. Inherent in the limiting of a Common Area, maintenance of the limited Common Area becomes the responsibility of the Lot owner to whom use it limited. For example, a Common Area that is difficult to access and maintain except via the adjoining Lot might be a candidate for limited Common Area.

5.6 PERSONAL RESPONSIBILITY. Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance and by occupying a home on the Property, acknowledges, understands, and agrees to each of the following statements:

(a) Each Owner agrees to be informed about and to comply with the published or posted Common Area rules.

(b) The use and enjoyment of Common Areas involve risk of personal injury, risk of death, and risk of damage or loss to property.

(c) Each person using a Common Area assumes all risks of personal injury, death, and loss or damage to property resulting from such use.

(d) Parents, guardians, hosts, caretakers, and supervisors are at all times responsible for the well-being and safety of their children and guests in their use of Common Areas.

(e) The Association, Declarant, homebuilders, and their respective directors, officers, committees, agents, and employees are not providers, insurers, or guarantors of personal safety in or on the Common Areas.

(f) The Association, Declarant, homebuilders, and their respective directors, officers, committees, agents and employees have made no representations or warranties – verbal or written – relating to safety or lack of risks pertaining to the Common Areas.

ARTICLE 6 - ARCHITECTURAL CONTROL COMMITTEE

6.1 ARCHITECTURAL CONTROL COMMITTEE. To protect the overall integrity of the development of Laurenwood as well as the value of the improvements of all Owners, a committee of representatives designated as the Architectural Control Committee ("ACC") is hereby established to carry out all duties as noted herein with full authority to approve, disapprove, and monitor all construction, development, and improvement activities of any kind within the Property and to help ensure that all such activities are in accordance with the Restrictions and architecturally and aesthetically designed to be compatible with Declarant's conceptual plan for the Property. At the discretion of the Board, the duties of the ACC may be delegated in whole or in part to a third party representative of the ACC who need not be an Owner or a member of the Board.

6.2 APPOINTMENT OF ACC MEMBERS. The number and identity of the ACC members shall be decided by Declarant as long as it owns at least one (1) Lot. In the event of the death or resignation of any member of the ACC,

Declarant shall have full power and authority to appoint a successor committee member or members, chosen in its absolute and sole discretion. When Declarant no longer owns at least one (1) Lot, or when Declarant has otherwise elected to cede control of the Association to the Owners, the Board of Directors of the Association shall appoint the successor members of the ACC, which shall consist of at least three (3) but no more than five (5) members, and which may be members of the Board. The term of each ACC member shall be two years and shall be staggered so all ACC members are not elected in any given year. The Owners of the ACC serve at the pleasure of the Board and may be removed and replaced at the Board's discretion. Owners of the ACC need not be Owners. The Association may hire professionals, such as architects, engineers, and design consultants, to serve on or to advise the ACC at a compensation determined by the Board.

6.3 ACC APPROVAL REQUIRED. The ACC shall review all plans and modifications submitted for compliance with the Restrictions, Design Guidelines, Rules, if any, and for compatibility with the architectural and aesthetic goals of the Property. Without ACC approval, a Owner, other than Declarant, may not construct and/or reconstruct a dwelling, garage, outbuilding, fence, storage tank, or improvement of any kind (including exterior cosmetic alterations such as painting) on a Lot or make an addition, alteration, improvement, installation, modification, redecoration, or reconstruction of or to a Lot if it will be visible from a street or Common Area, or if it may have an adverse impact on neighboring homes. The ACC has the right, but not the duty, to evaluate every aspect of construction, landscaping, and property use that may adversely affect the general value or appearance of the Property. Generally, the architectural and aesthetic style of the improvements shall harmonize as much as may be reasonable and practicable with each other and with the heritage and historical architecture of the area. Landscaping generally shall be in harmony with the natural occurring flora of the area using native or native hybrid plants as much as is practicable. Each Owner may be required to pay certain fees to the ACC to reimburse it for the cost of its plan review as provided in the Design Guidelines.

6.4 APPLICATION FOR APPROVAL. To request approval from the ACC, an Owner must make written application to the ACC, in a form approved by the ACC, and submit two (2) full size identical sets of final plans and specifications, including all elevations, floor plans, foundation plans, plot plan, roof, outbuildings, colors, exterior lighting, mailbox, showing the nature, kind, shape, color, size, materials, and locations of the work to be performed (collectively the "Plans"). In support of the application, the Owner may, but is not required to, submit letters of support or non-opposition from Owners that may be affected by the proposed change. The application must clearly identify any requirement of this Declaration for which a variance is sought.

(a) Within forty-five (45) days of receipt, the ACC shall review the Owner's Plans and advise Owner if the Plans are approved, denied, or if more information is required. If the Plans are denied or more information is required, the ACC return one set of Plans and provide the Owner with a reasonable statement supporting the denial or request for further information. The ACC will retain the other set of Plans, together with the application, for the ACC's files. If the Plans are approved, the ACC shall mark same on the Plans and return one set of Plans to the Owner. An "approved" marking or stamp on the Plans shall be conclusive evidence that the ACC approved such Plans. Verbal approval by an Association director or officer, a member of the ACC, the Association's manager, or Declarant does not constitute architectural approval by the ACC. Approval may only be issued in writing.

6.4.1. DEEMED APPROVAL. If the Owner has not received the ACC's written response, approving, denying, or requesting further information within sixty (60) days after delivering a complete application to the ACC, Owner may proceed, provided Owner adheres to the Plans that accompanied his application. In exercising deemed approval, the burden is on the Owner to document the ACC's actual receipt of the Owner's complete application. Under no circumstances may approval of the ACC be deemed implied or presumed for an addition or modification that would require a variance from the requirements and construction specifications contained in this Declaration and in any design guidelines for the Property in effect at the time of application. The limited condition that must be met for deemed approval is as follows:

6.4.2. NO APPROVAL REQUIRED. No approval is required to repaint exteriors in accordance with the color scheme approved by the ACC, or to rebuild a dwelling in accordance with its original plans and specifications. Nor is approval required for an Owner to remodel or repaint the interior of a dwelling.

6.4.3. BUILDING PERMIT. If the application is for work that requires a building permit from a governmental body, the ACC's approval is automatically and implicitly conditioned on the issuance of the appropriate permit. The ACC's approval of plans and specifications does not mean that they comply with the requirements of the governmental body. Alternatively, issuance of a building permit does not ensure ACC approval.

6.4.4. NEIGHBOR INPUT. The ACC may solicit comments on the application, such as from owners or residents of Lots that may be affected by the proposed change, or from which the proposed change may be visible. Whether to solicit comments, from whom to solicit comments, and whether to make the comments available to the applicant are solely at the discretion of the ACC. The ACC is not required to respond to the commenters in ruling on the application.

6.5 ASSOCIATION'S RIGHT TO PROMULGATE RULES. The Association has the right to adopt, amend, repeal, and enforce reasonable rules, and penalties for infractions thereof, regarding the occupancy, use, disposition, maintenance, appearance, and enjoyment of the Property. The right to make rules, or to regulate, includes the right to prohibit or to restrict. In addition to the restrictions contained in this Article, each Lot is owned and occupied subject to the right of the Board to establish rules, and penalties for infractions thereof, governing:

(a) Use of Common Area.

(b) Hazardous, illegal, or annoying materials or activities on the Property.

(c) The use of Property wide services provided through the Association.

(d) The consumption of utilities billed to the Association.

(e) The use, maintenance, and appearance of exteriors of dwellings and Lots.

(f) Landscaping and maintenance of Lots.

(g) The occupancy and leasing of dwellings.

(h) Animals.

(i) Vehicles.

(j) Disposition of trash and control of vermin, termites, and pests.

(k) Anything that interferes with maintenance of the Property, operation of the Association, or the quality of life for residents.

6.6. SUBJECTIVE STANDARDS. Standards for some rules and restrictions are inherently subjective, such as what is unattractive or offensive. The Association is not required to honor every resident's individual tolerances. The use restrictions set forth herein, in particular, are not intended to shield a hypersensitive resident from actions or circumstances that would be tolerable to a typical resident of the Property. On lifestyle related rules, the Association may refrain from acting on a perceived violation unless the Board determines the violation to be significant or a community wide problem. The Association may not be compelled by one resident to enforce rules and restrictions against another resident. Residents are expected to deal directly and peaceably with each other about their differences.

6.7 LIMITS TO OWNER'S RIGHTS. No right granted to an Owner by this Article or any provision of any Governing Document is absolute. The Governing Documents grant rights with the expectation that the rights will be exercised in ways, places, and times that are customary for the neighborhood. This Article and the other Governing Documents as a whole do not try to anticipate and address every creative interpretation of the restrictions. For example, an Owners right to have a sign advertising the home for sale is not the right to mount the sign on the chimney and illuminate it with pulsating neon lights. The rights granted by this Article and the Governing Documents are at all times subject to the Board's determination that a particular interpretation and exercise of a right

is significantly inappropriate, unattractive, or otherwise unsuitable for the neighborhood, and thus constitutes a violation of the Governing Documents. In other words, the exercise of a right or restriction must comply with the spirit of the restriction as well as with the letter of the restriction.

6.8 ACC DISCRETION. The ACC will approve or disapprove all Plans in accordance with this Declaration. The ACC shall have full right and authority to utilize its sole discretion in approving or disapproving any Plans which are submitted. Approval may be withheld if the construction or architectural design of any improvement is deemed, on any grounds, including purely aesthetic grounds, necessary to protect the continuity of design or value of the Property, or to preserve the serenity and natural beauty of any surroundings. The ACC may exercise discretion with respect to taste, design, and all standards specified by this Declaration. Prior approvals or disapprovals of the ACC pertaining to any improvement activities or regarding matters of design or aesthetics shall not be deemed binding upon the ACC for later requests for approval if the ACC feels that the repetition of such matters will have an adverse effect on the Property. The ACC shall have the express power to construe and interpret any covenant herein that may be capable of more than one construction, and to grant variances for certain requirements when, in its discretion, it is appropriate to do so (but no variance will be effective unless in writing and signed by the ACC). All approvals or disapprovals by the ACC are for the sole benefit of the Association and the Owner to whom the approval or disapproval is addressed, and no other Owner or any third party is or shall be deemed to be a third party beneficiary of such approval or disapproval.

6.9 ACC RIGHT TO INSPECT. During reasonable hours and, if the Residence is occupied, after reasonable advance notice, Declarant, members of the ACC, any member of the Board, or any authorized representative of any of them, shall have the right (but not the obligation) to enter upon and inspect any Lot, and any structure thereon, for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with, and said persons shall not be deemed guilty of trespass by reason of such entry. All inspections by the ACC are for the sole benefit of the Association and no Owner or other third party is or shall be deemed to be a third party beneficiary of such inspections.

6.10 ACC VARIANCES. The Board and/or the ACC may grant a variance or waiver to a restriction or rule on a case-by-case basis when unique circumstances dictate and may limit or condition its grant and such variance will not impair or detract from the high quality development of the Property. To be effective, a variance must be in writing. The grant of a variance does not effect a waiver or estoppel of the Association's right to deny a variance in other circumstances. Approval of a variance or waiver may not be deemed, implied, or presumed under any circumstance.

6.11 APPEAL OF ACC DECISION. An Owner may appeal to the Board any decision by the ACC if the Owner submits a written application for appeal to the Board, with a copy to the ACC, within sixty (60) days of the Owner's receipt of the ACC's decision. The Board may affirm, overrule, or modify the ACC's decision. The decision of the Board shall be final and unappealable. An Owner waives its right of appeal if it fails to submit a written appeal to the Board within sixty days after the Owner's receipt of the ACC's decision.

6.12 DESIGN GUIDELINES. The Design Guidelines are incorporated into this Declaration by this reference. A copy of the Design Guidelines will be furnished to any Owner on request. The Design Guidelines will supplement this Declaration and may make other and further provisions as to the approval and disapproval of Plans, suggested or prohibited materials, and other matters relating to the appearance, design, quality, and construction of improvements. The Design Guidelines may be more restrictive than the Restrictions. The Design Guidelines may be amended from time to time by the Association or upon the affirmative vote of two-thirds of the members of the ACC and the consent of the Association. The Design Guidelines may include or incorporate any Rules and Regulations promulgated by Declarant or the Board.

6.13 MOST RESTRICTIVE INSTRUMENT APPLIES. To the extent of any conflict between this Declaration, the Design Guidelines, or the Plat, the most restrictive instrument shall control. Accordingly, each Owner must obtain and study all three instruments and provide them to their architects, builders, contractors, and other appropriate parties prior to purchasing a Lot or commencing the construction of any improvements thereon.

6.14 NO LIABILITY. Neither the Association, Board, ACC, its members, nor Declarant shall be liable to any person (including Owners) for any damage or injury to property arising out of their acts hereunder, except in the case of gross negligence or willful misconduct. Further, neither the Association, Board, ACC, its members, nor

Declarant shall be deemed to have made any warranty or representation to any Owner or other third party about any matter whatsoever arising out of any approvals or inspections. Without limiting the foregoing, it is expressly agreed that no approval of Plans by the ACC and no construction inspection approvals shall be deemed a representation or warranty by the ACC that any Residence has been or will be completed in a good and workmanlike manner or pursuant to the applicable building code. No discretionary acts by the ACC (such as approval or disapproval of Plans) shall give rise to any liability of the ACC, its members, Declarant, the Association, or the Board. The ACC, Association, and Board shall not be liable for (1) errors in or omissions from the Plans and specifications submitted to the ACC, (2) supervising construction for the Owner's compliance with the approved Plans, or (3) the compliance of the Owner's Plans with governmental codes, ordinances, and public laws.

ARTICLE 7 - RESTRICTIONS

7.1 SINGLE FAMILY RESIDENTIAL USES ONLY. No part of a Lot or improvements thereon, shall be used for any purpose other than one Residence on each Lot and certain accessory improvements, to the extent accessory improvements are specifically authorized elsewhere in this Declaration. It is the intent of Declarant that Laurenwood be a single family residential community. Without limiting the foregoing, the construction of any duplex, triplex, quadplex apartment house, or other multi-tenant building is expressly prohibited. No garage may be used as living quarters, and no garage apartment for rental purposes shall be permitted. However, Declarant or a builder approved by Declarant, in Declarant's sole discretion, shall have the right, in connection with construction and sales operations on the Property, to use a garage as a sales office.

7.2 NO COMMERCIAL USE. An Owner may maintain an office in a Residence for business purposes so long as: (a) the business does not involve any employee, customer, client, co-worker, or other party being present at the Residence; and (b) there is no sign or other visible evidence of the business on the Lot. No other business or commercial activity of any kind shall be conducted on a Lot, whether for profit or non-profit. Private orchards and gardens shall not be deemed to be commercial or business activity. No hobby may be conducted on any Lot which attracts vehicular or pedestrian traffic to the Lot. Notwithstanding the foregoing, Declarant or a builder approved by Declarant, in Declarant's sole discretion, shall have the right to construct a model home on a Lot, and may, in connection with construction and sales operations on the Property, operate a sales office out of the model home.

7.3 LEASE RESTRICTIONS. A Residence may be leased for a period of no less than one (1) year. All leases must be in writing and a copy of the lease delivered to the Association within ten (10) days after its execution. All tenants shall be bound by the Restrictions, but the lease of a Residence shall not discharge the Owner from compliance with any of the obligations and duties of the Owner. All leases shall make reference to the Restrictions and Owners shall provide tenants with a copy of this Declaration. All leases shall be subject to this Declaration and the other documents of the Association, regardless of whether the lease makes specific reference to them or whether the Owner delivers this Declaration to the tenant.

7.4 NO MOBILE HOMES. Except as otherwise specifically set forth herein, no mobile home, trailer home, manufactured home, modular home (single or double wide), or pre-fabricated home of any kind, whether or not it has wheels or the wheels have been removed, shall be allowed on any Lot.

7.5 NO TEMPORARY STRUCTURES. Except for the benefit of Declarant or as otherwise allowed herein, no structure of a temporary character (whether trailer, tent, shack, etc.) shall be used on any Lot at any time for storage or as an office or residence, either temporarily or permanently. With prior ACC approval, a job site trailer may be placed on the Lot during construction of the Residence thereon.

7.6 NO SUBDIVIDING. No Lot may be subdivided by any Owner other than Declarant, and no Owner other than Declarant may sell or transfer less than 100% of any Lot (other than the sale or transfer of undivided interests).

7.7 PARKING. Vehicles shall not be parked overnight within any building set back. No tractor trailer rigs may be parked on any part of the Property. No travel trailer, motor home, camper, boat, aircraft, recreational vehicle, motorcycle, four wheeler, tractor, or truck larger than one (1) ton, or similar vehicle or trailer shall at any time be parked overnight in front of any Residence or within any building setback area. No such vehicles or trailers that are stripped down, wrecked, junked, or inoperable shall be kept, parked, stored or maintained on any Lot unless in an enclosed structure or in a screened area which prevents the view thereof from any other Lot or Road. No more than

two (2) vehicles bearing commercial insignia or names shall be parked on any Lot, and then only if the vehicle is utilized by the Owner as transportation to and from the Owner's place of employment. No vehicle of any size which transports flammable or explosive cargo may be kept on a Lot at any time other than the temporary parking of a properly licensed fuel truck that dispenses propane to an Owner's approved on-site propane tank. No dismantling or assembling of any such vehicle or trailer or any other machinery or equipment shall be permitted unless in an enclosed structure or in a screened area which prevents the view thereof from any other Lot or Road. The ACC shall have the absolute authority to determine from time to time whether a vehicle is operable and, if not, adequately screened from public view. Upon an adverse determination by the ACC, the vehicle shall be removed or otherwise brought into compliance with these Restrictions.

7.8 No DRILLING OPERATIONS BY OWNER OTHER THAN DECLARANT. No Owner, other than Declarant, may authorize any oil or gas exploration or drilling, oil or gas development operations, oil refining, quarrying, or mineral operations of any kind on any Lot, nor may any Owner, other than Declarant, authorize oil or gas wells, storage tanks, tunnels, mineral excavation, or shafts on any Lot. No derrick or other structure designed for use in boring for oil or natural gas will be erected on any Lot by any Owner, other than Declarant. EACH MEMBER UNDERSTANDS AND AGREES THAT TO THE EXTENT THE MINERALS ASSOCIATED WITH THE PROPERTY HAVE BEEN RESERVED BY OTHERS, DECLARANT HAS NO CONTROL OVER THE LEASING ACTIVITIES OF THESE MINERAL OWNERS OR THE OIL AND GAS EXPLORATION OR PRODUCTION ACTIVITIES OF THEIR LESSEES. THERE MAY BE OIL AND GAS EXPLORATION OR PRODUCTION ON THE PROPERTY BY OTHERS OVER WHOM NEITHER DECLARANT NOR ANY OWNER HAS CONTROL. Declarant may, in its sole discretion, convey any Lot or Lots to any mineral owner or mineral lessee for purposes of oil and gas drilling, exploration and production. To the extent there is any conflict between this section and any other section of the Declaration, this section shall control.

7.9 TRASH. No trash, garbage, debris, or other refuse maybe burned, stored, disposed of, or allowed to remain upon any Lot or road, whether the Lot is vacant or otherwise. No Lot will be used or maintained as a dumping ground for rubbish, rocks, brush, grass clippings, garbage, or trash. Garbage and other waste will be kept in sealed, sanitary containers prior to disposal. Declarant or the Association may, but is not obligated to, contract with a garbage collection service for the pickup and dispose of all household garbage on the Property and, in such event, the cost thereof will be an expense of the Association, which shall be paid by the Owners though the assessments provided for in this Declaration. Rubbish, trash, garbage or other waste material to be disposed of shall be placed at all times in an appropriate varmint resistant receptacle. If receptacles are not provided by the garbage selection service with whom the Declarant or an Owner contracts, then each Owner shall be responsible for purchasing and maintaining its own garbage receptacles. Each receptacle must be approved by the Declarant or the Association. No such receptacle shall be placed for collection in a location visible from any road more than twenty-four (24) hours prior to the scheduled collection time or allowed to remain in a location visible from any road more than twenty-four 24 hours after the scheduled collection time.

7.10 NO NUISANCE OR NOXIOUS ACTIVITY. No noxious or offensive activity shall be carried on upon any Lot or road by any Owner, construction workers hired by any Owner, or an Owner's guest, nor shall anything be done upon any Lot or road which may be or become an annoyance or nuisance to the neighbors (such as, but not limited to, the noise created by the operation of an excessive or unreasonable number of off-road vehicles or motorcycles on a Lot. No junk, railroad cars, buses, inoperative cars or other vehicles, or other noxious, offensive, or unsafe equipment or materials may be stored on the Property.

7.11 ANIMALS. No livestock of any kind may be kept on a Lot. Domestic pets, in reasonable number as determined by the Association, may be kept on a Lot, but no Owner shall allow a pet to run loose or become a nuisance to the other residents. No pets may be raised for sale, and commercial kennels of any kind are expressly prohibited. Hogs, swine, chickens, and other poultry are prohibited. Exotic animals (such as lions or tigers) and dangerous pets of any other type (i.e. pit bulls) that may pose a safety or health threat to the community shall not be kept on any Lot. All animals shall be kept in strict accordance with all Applicable Laws and ordinances, and in accordance with the Rules and Regulations.

7.12 LAWNS. All grass, weeds, and vegetation within one hundred feet of each Residence shall be maintained at regular intervals as needed to maintain a neat and well maintained appearance; however, maintained turf lawns shall not exceed one acre. All landscaping, including lawns and shrubs, shall utilize native plants or hybrids to the extent

practicable. All swales and culverts shall be grassed and shall be regularly maintained as needed to maintain a neat appearance.

7.13 SIGNS. An Owner may erect an entrance sign to the Owner's Lot so long as the Owner first seeks and obtains approval of the Plans for such sign from the ACC. Signs are not otherwise allowed on any Lot except as set forth herein. One sign per Lot will be allowed, not more than four square feet, advertising a Lot for sale or lease. Declarant is permitted to use more signs and larger signs and to erect permanent signs at each entrance to the Property. Signs advertising contractors, subcontractors, or suppliers may be authorized by the Design Guidelines. Political signs may be erected upon a Lot by the Owner of the Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue, or proposal provided that such signs shall not exceed four square feet, shall be erected no more than ninety (90) days in advance of the election to which they pertain, and are removed within five (5) days after the election. Declarant or the Association shall have the right to remove any sign that does not comply with the above, and in doing so shall not be subject to any liability in connection with such removal.

7.14 NO ADVERSE CONDITIONS. No Owner or occupant shall construct any improvements or perform any work that will impair any easement or right-of-way, or do any act or allow any condition to exist which will adversely affect the other Lots or their owners or residents.

7.15 INSURANCE. Each Owner must carry all risk casualty insurance for the full insurable value of the Residence on the Lot. Each Owner must use all insurance proceeds required to properly rebuild in case of a partial loss or damage or, in the case of complete damage, to either rebuild or clear all debris and return the Lot to substantially the natural state, as it existed prior to destruction. Reconstruction must be promptly commenced and diligently pursued to completion (and in any event must be completed within eighteen (18) months. No damaged buildings, including the foundation, shall be allowed to remain on any Lot unless they are to be promptly repaired or restored.

7.16 PROPERTY TAXES. Each Owner shall be responsible for the payment of all ad valorem and other property taxes owing on the Owner's Lot.

7.17 UNDERGROUND UTILITIES. All utility lines and other facilities installed by or for any Owner for electricity, water, cable, telephone, sewer, storm sewer, or other utilities must be installed underground; but this provision shall not apply to above-ground utilities existing on the date hereof and any replacement thereof by Declarant or those otherwise expressly authorized in writing by the ACC.

7.18 NO HUNTING/FIREARMS. No hunting or trapping (except the trapping of varmints) shall be allowed on any Lot. No firearms shall be discharged on any Lot.

7.19 FIRES. Only controlled fires, in compliance with all Applicable Laws, shall be allowed outdoors on any Lot. All fires must be supervised by an adult at all times, and each Owner bears the sole responsibility and risk of any such fires.

7.20 FIREWORKS. Unless prohibited by law, fireworks maybe discharged on a Lot only on July 4th or December 31st of each year, and not later than 11:59 p.m. Otherwise, fireworks are prohibited. The use of fireworks must be supervised by an adult, and each Owner bears the sole responsibility and risk of the use of fireworks.

ARTICLE 8 – CONSTRUCTION RELATED RESTRICTIONS

All construction related restrictions are attached hereto and incorporated as fully set forth herein as Exhibit C.

ARTICLE 9 - MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

9.1 THE ASSOCIATION. The existence and legitimacy of the Association are derived from this Declaration and the Bylaws of the Association. The Association must be a nonprofit organization, and may be unincorporated or incorporated, as the Association decides from time to time. If the Association is incorporated, the subsequent failure

of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association. The Association is subject to the Texas Business Organization Code ("TBOC"). Because provisions of this Declaration address issues covered by the TBOC, this Declaration is a "Governing Document" as defined by TBOC, and any such provision herein is a "Bylaw" as defined by TBOC. When incorporated, the Association is subject to TBOC Chapter 22 – the Nonprofit Corporation Law. When unincorporated, the Association is subject to TBOC Chapter 252 – the Unincorporated Nonprofit Association Act.

9.2. NAME. A name is not the defining feature of the Association. Although the initial name of the Association is Laurenwood Homeowners' Association, the Association may operate under any name that is approved by the Board and (1) registered by the Board with the County Clerk of County in which the Property is located as an assumed name, or (2) filed by the Association with the Secretary of State as the name of the filing entity. The Association may also change its name by amending the Governing Documents. Another legal entity with the same name as the Association or with a name based on the name of the Property is not the Association, which derives its authority from this Declaration.

9.3 DUTIES. The duties and powers of the Association are those set forth in the Governing Documents, together with the general and implied powers of a property owners association and, as applicable, an unincorporated nonprofit association or a nonprofit corporation organized under the laws of the State of Texas. Generally, the Association may do any and all things that are lawful and necessary, proper, or desirable in operating for the peace, health, comfort, and general benefit of its members, subject only to the limitations on the exercise of such powers as stated in the Governing Documents.

9.4 CONTROL BY DECLARANT. Except as otherwise required by law, during the Declarant Control Period and notwithstanding any provision of the Bylaws to the contrary, Declarant shall, at Declarant's option, have exclusive and complete control of the Association and Board of Directors by being the sole voting Owner. Declarant may, at any time and at Declarant's option, turn over control of the Association to the Owners by filing an instrument to that effect in the Real Property Records of County Clerk for the county in which the Property is located. At the point in time that Declarant no longer owns any Lots, control shall be delivered to the Owners without the need for any further act or action on the part of Declarant. At such time as Declarant cedes control of the Association to the Owners, or at such earlier time as Declarant may choose, Declarant shall also deed to the Association title to the Common Area.

9.5 MEMBERSHIP IN ASSOCIATION. Ownership is automatic, mandatory, appurtenant to ownership of a Lot, and terminates when the member is divested of his ownership interest in the Lot to which it is tied and from which it may not be separated. The foregoing is not intended to include persons or entities that hold an interest in a Lot merely as security, unless such persons or entities acquire title to a Lot through judicial or non-judicial foreclosure, or deed in lieu of foreclosure. If a Lot is owned by more than one person, the co-owners share the membership and decided for themselves how it will be exercised. The Board may require satisfactory evidence of transfer of ownership before a purported owner is recognized by the Association as an Owner. Ownership of such Lot shall be the sole qualification for membership in the Association.

9.6 VOTING RIGHTS. Subject to section 9.4 above, all Owners shall be entitled to cast one vote per Lot. When more than one Owner holds an interest in any Lot, all such Owners shall be Members. The vote for such Lot shall be exercised as they may determine, but in no event shall more than one vote be cast with respect to any Lot. The one vote appurtenant to each Lot is indivisible. All votes are uniform in weight, regardless of the value, size, or location of the Lot or its improvements. Cumulative voting is not allowed.

9.7 QUORUM OF MEETING OF OWNERS. Unless the Governing Documents or Applicable Law provide otherwise, any action requiring approval of the Owners may be approved (1) at a meeting by owners of at least a majority of the Lots that are represented at the meeting, provided notice of the meeting was given to an owner of each Lot, or (2) in writing by owners of at least a majority of all Lots, provided the opportunity to approve or disapprove was given to an owner of each Lot.

9.8 SUSPENSION OF VOTING RIGHTS. All voting rights of an Owner may be suspended by the Association during any period in which such Owner is delinquent in the payment of any duly established assessment or is

otherwise in default and/or violation of these Restrictions, under the Bylaws of the Association, and/or the Rules and Regulations.

9.9 REGISTRATION WITH THE ASSOCIATION. Such that Declarant and the Association can properly determine voting rights and acquaint every Lot purchaser and every Owner with these Restrictions and the day-to-day matters of the Association, each Owner shall have an affirmative duty and obligation to originally provide, and thereafter revise and update, within fifteen (15) days after a material change has occurred, various items of information to the Association such as: (a) the full name and address of each Owner; (b) the business address, occupation and telephone number of each Owner; (c) the description and license plate number of each automobile owned or used by a Owner and brought within the Property; (d) the name, address and telephone numbers of other local individuals who can be contacted (in the event the Owner cannot be located) in case of an emergency; and (e) such other information as may be reasonably requested from time to time by the Association. If any Owner fails, neglects or refuses to so provide, revise and update such information, then the Association may, but is not required to, use whatever means it deems reasonable and appropriate to obtain such information and the offending Owner shall become automatically jointly and severally liable to promptly reimburse the Association for all reasonable costs and expenses incurred in so doing.

9.10 DETERMINATION OF PERCENTAGES. A reference in a Governing Document or Applicable Law to a percentage or share of owners or Owners means owners of at least that percentage or share of the Lots, unless a different meaning is specified. For example, "a majority of owners" mean owners of at least a majority of the Lots. In a different context, to make a point, a representative of the Association who appears before a tribunal on behalf of the Association may properly refer to Owners of the Association as "citizens" and "voters" in the jurisdiction in which the Property is located, without evidence of citizenship or voter registrations to substantiate the reference. In that context, the actual number of individual owners may be used.

9.11 COMMUNICATIONS. Drafted in an era of rapidly changing communications technologies, this Declaration does not intend to limit the methods by which the Association, owners, and residents communicate with each other. Such communications may be by any method or methods that are available and customary. For example, if the Association is required by the Governing Documents or Applicable Law to make information available to owners of all Lots, that requirement may be satisfied by posting the information on the Association's website or by using electronic means of disseminating the information, unless Applicable Law requires a specific method of communication. It is foreseeable that meetings of the Association and voting on issues may eventually be conducted via technology that is not widely available on the date of this Declaration. As communication technologies change, the Association may adopt as its universal standard any technology that is reasonably believed to be used by owners of at least 85 percent of the Lots. Also, the Association may employ multiple methods of communicating with Owners.

9.12 BOOKS AND RECORDS. The Association will maintain copies of the Governing Documents and the Association's books, records, and financial statements. The Association will make its books and records available to Owners, on request, for inspection and copying pursuant to the requirements of Applicable Law.

ARTICLE 10 – MANAGEMENT OF THE ASSOCIATION

10.1 BOARD. Subject to section 9.4 above, the Association is governed by a board of directors. The Board shall have the exclusive right to contract for all goods, services, and insurance, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein. Unless the Governing Documents expressly reserve a right, action, or decision to another party, such as the Owners or Declarant, the Board acts in all instances on behalf of the Association. Unless the context indicates otherwise, references in the Governing Documents to the "Association" may be construed to mean "the Association acting through its board of directors." The board of directors may authorize or direct officers of the Association, who serve at the pleasure of the board, to implement its decisions.

10.2 ACTION BY THE ASSOCIATION. Unless otherwise specifically set forth herein, all actions required to be taken by the Association shall be taken by the Association through the actions of the Board, and all action which may be taken by the Association, within its discretion, may be taken through the action of the Board.

10.3 MANAGERS. The Board may delegate the performance of certain functions to one or more managers or managing agents for the Association. Notwithstanding a delegation of its functions, the Board is ultimately responsible to the members for governance of the Association.

10.4 ARRANGEMENTS WITH OTHER ASSOCIATIONS. The Association may participate in contractual arrangements with other property owners associations or with owners or operators of nearby property for products, services, or opportunities that the Association deems to be in the best interests of the Association's members, such as to consolidate similar maintenance programs while providing consistency and economy of scale. Common funds of the Association may be used to pay the Association's pro rata share of the contractual arrangements.

10.5 POWERS AND DUTIES OF BOARD.

(a) By example and not by limitation, the Board shall have the right, power and duty to provide, and shall payout on behalf of the Association, from the assessments provided for herein, the following:

(1) Maintenance, care, preservation, and repair of the Common Area and the furnishing and upkeep of any desired personal property for use in the Common Area;

(2) Any private trash and garbage collection service provided by the Association;

(3) Taxes, insurance and utilities (including, without limitation, electricity, gas, water and sewer charges) which pertain to the Common Area only;

(4) Any security arrangements;

(5) The services of a person or firm (including Declarant and any affiliates of Declarant) to manage the Association or a 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, whether such personnel are employed directly by the Board or by a manager designed by the Board;

(6) Legal and accounting services; and

(7) Any other materials, supplies, furniture, labor, service, maintenance, repairs, structural alteration, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration 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.

(b) Without limiting the foregoing, the Board shall have the following additional rights, powers and duties:

(1) To execute all declarations of ownership for tax assessment purposes with regard to any of the Common Area owned by the Association;

(2) To enter into agreements or contracts with insurance companies, taxing authorities and the holders of first mortgage liens on the individual Lots with respect to: (i) taxes on the Common Area; (ii) insurance coverage (if any) on Common Area, as they relate to the assessment, collection and disbursement process envisioned herein; and (iii) utility installation, consumption and service matters;

(3) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit or secured by such assets of the Association as deemed appropriate by the lender and the Association;

(4) 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;

(5) To protect or defend the Common Area 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;

(6) To make available to each Owner within ninety (90) days after the end of each year an annual report;

(7) To adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property; and if proceeds are insufficient to repair damage or replace lost property, to assess the Owners in proportionate amounts to cover the deficiency;

(8) To enforce the provisions of this Declaration and any rules made hereunder and to fine, enjoin and/or seek damages from any Owner for violation of such provisions or rules.

10.6 RULES AND REGULATIONS. The Board may promulgate the Rules and Regulations. The Rules and Regulations, as promulgated and amended from time to time, are incorporated into this Declaration by this reference. A copy of the Rules and Regulations will be furnished to any Owner on request. The Rules and Regulations will supplement this Declaration and may make other and further provisions as to the activities of Owners or their Lots and within the Property. The Rules and Regulations may be amended from time to time by the Board. The Rules and Regulations may, at the discretion of Declarant or the Board, be incorporated into and made a part of the Design Guidelines.

10.7 INDEMNIFICATION. The Association shall indemnify each Board member, officer, director, committee chair, and committee member (for purposes of this Section, "Leaders") against expenses, including attorney's fees, reasonably incurred by or imposed on the Leader in connection with an action, suit, or proceeding to which the Leader is a party by reason of being or having been a Leader. A Leader is not liable for a mistake of judgment, negligence or otherwise. A Leader is liable for his willful misfeasance, malfeasance, misconduct, or bad faith and the Association shall have no duty to indemnify the Leader for such acts. This right to indemnification does not exclude any other rights to which present or former Leaders may be entitled. The Association may maintain general liability and directors and officer's liability insurance to fund this obligation. Additionally, the Association may indemnify a person who is or was an employee, trustee, agent, or attorney of the Association, against any liability asserted against him and incurred by him in that capacity and arising out of that capacity. Additionally, the Association may indemnify a person who is or was an employee, trustee, agent, or attorney of the Association, against any liability asserted against him and incurred by him in that capacity and arising out of that capacity.

10.8 CONTRACTS WITH OWNERS. The Board, on behalf of the Association, shall have full power and authority to Contract with any Owner (including, without limitation, Declarant) for the performance, on behalf of the Association, of services which the Board is 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.

10.9 RESERVE FUNDS. The Board may establish reserve funds that may be maintained and accounted for separately from other funds maintained for annual operating expenses and may establish separate, irrevocable trust accounts to better demonstrate that the amounts deposited therein are capital contributions and not net income to the Association.

ARTICLE 11 – COVENANT FOR ASSESSMENT

11.1 CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENT. Each Owner, other than Declarant, by acceptance of the deed therefore, whether or not it shall be so expressed in the deed, hereby covenants and agrees to pay to the Association regular assessments and special assessments as provided for in this Declaration, and covenants to the enforcement of payment of the assessments and the lien of the Association as hereinafter provided. Such assessments shall be fixed, established, and collected from time to time as provided by the Association. The regular and special assessments, together with any interest thereon and costs of collection thereof, including reasonable attorney's fees, shall be a charge upon the Lot and a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with any interest and costs of collection thereof, including reasonable attorney's fees, shall also be a personal obligation of the Owner at the time when the assessment became

due. Such personal obligation shall not pass to the Owner's successors in title unless expressly assumed by them, but shall pass as a lien upon the applicable Lot. No Lot shall be assessed until conveyed by Declarant to an Owner. The following real property, being otherwise subject to this Declaration, shall be exempted from all assessments, charges, and liens created herein: (a) all Lots and/or other real property Owned by Declarant, (b) all property dedicated to and accepted by any public authority and devoted to public use; (c) all Common Area; and (d) all property exempted from taxation by the laws of the State of Texas upon the terms and to the extent to such legal exemption.

11.2 PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety, enjoyment and welfare of the residents in the Property, for the improvement and maintenance of any capital improvements owned or controlled by the Association, establishing and maintaining repair and replacement reserves as determined by Declarant or the Association, and any other purpose reasonable, necessary, or incidental to such purposes as determined by the Association. The Association shall not be obligated to spend all monies collected in a year, and may carry forward, as surplus, any balances remaining. The Association shall not be obligated to apply such surplus to the reduction of the amount of the Annual Assessments in any later year, but may carry forward a surplus, as the Board deems desirable for the greater financial security of the Association.

11.3 ANNUAL ASSESSMENTS. The regular assessments shall be based upon the cash requirements, as the Association shall determine necessary to provide for the payment of all estimated expenses arising out of or connected with the purposes described above. The regular assessments may be due monthly, quarterly, or annually, as determined by the Board. Until and unless otherwise determined by the Association and/or Declarant, the maximum annual assessment shall be $1,500.00 per Lot per year. The Annual Assessment may not be increased more than twenty-five percent (25%) above the maximum annual assessment of the previous year. The assessments described in this section shall be referred to as the "Annual Assessments." The Board shall prescribe the applicable due date(s) for each Annual Assessment and the Board shall prepare a roster of the Lots and assessments applicable thereto, which shall be kept in the office of the Declarant and/or the Association.

11.4 SPECIAL ASSESSMENTS. The Association may levy, in addition to the Annual Assessments, one or more special assessments in any calendar year applicable to that year only: (a) applicable to all Owners, for the purpose of defraying in whole or in part the costs of construction, reconstruction, repair or replacement of a capital improvement, including necessary fixtures and personal property related thereto, or for such other lawful purposes related to the use and maintenance of the Property as the Association may determine; (b) applicable only to a particular Owner(s), for the purpose of defraying the costs of reconstruction, repair or replacement of a capital improvement, including necessary fixtures and personal property related thereto, in the event a particular Owner (or Owners) has taken any action or has failed to take action which has resulted in damage to, or extraordinary wear and tear of, a capital improvement; and (c) applicable only to a particular Owner (or Owners), to reimburse the Association as otherwise provided for herein.

11.5 THE EFFECT OF NON-PAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION. Each Owner shall be deemed to covenant and agree to pay to the Association the assessments provided for herein, and each agrees to the enforcement of the assessments in the manner herein specified. In the event the Association employs attorneys for collection of any assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, each Owner against whom collection or enforcement or other action is taken agrees to pay reasonable attorney's fees and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against said Owner. In the event of a default in payment of any such assessment when due, the assessment shall be deemed delinquent, and in addition to any other remedies herein or by law provided, the Association may enforce each such obligation in any manner provided by law or in equity, specifically including:

(a) ENFORCEMENT BY SUIT. The Association may cause a suit at law to be commenced and maintained in the name of the Association against an Owner to enforce each such assessment obligation. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon at the highest legal rate from the data of delinquency, plus court cost, and reasonable attorney's fees.

(b) ENFORCEMENT BY LIEN. There is, to the full extent permitted by law, hereby created and granted a lien, with power of sale, on each Lot to secure payment to the Association of any and all assessments levied against all Owners of such Lots under these Restrictions and all damages owed by any Owner to the Association, however incurred, together with interest thereon at the highest legal rate from the date of delinquency, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorney's fees. At any time after the occurrence of any default in payment of any such assessment, the Association, or any authorized representative, may, but shall not be required to, make a written demand for payment to the defaulting Owner, on behalf of the Association. The demand shall state the date and the amount of the delinquency. Each default shall constitute a separate basis for a demand or claim of lien, but any number of defaults may be included within a single demand or claim of lien. If such delinquency is not paid after delivery of such demand, or even without such a written demand being made, the Board may elect to file a claim of lien on behalf of the Association against the defaulting Owner. Such a claim of lien shall be executed and acknowledged by any officer of the Association, and shall contain substantially the following information:

(1) The name of the delinquent Owner;

(2) The legal description and, if applicable, street address of the Lot against which the claim of lien is made;

(3) The total amount claimed to be due and owing for the amount of the delinquency, interest thereon, collection costs, and reasonable attorney's fees; and

(4) That the claim of lien is made by the Association pursuant to the Restrictions.

Notwithstanding the foregoing, it is expressly intended that the lien herein described shall immediately attach and become effective in favor of the Association as a lien upon any Lot against which an assessment is levied regardless of whether any demand is made or claim of lien filed. Such a lien shall have priority over all liens or claims created subsequent to the recordation of the claim of lien thereof, except only tax liens for real property taxes on any Lot assessments in favor of any municipal or other governmental assessing unit, and the liens which are hereinafter specifically described below. To the extent permitted by law, any such lien may be foreclosed by judicial or non-judicial methods. A nonjudicial foreclosure sale must be conducted in accordance with the provisions applicable to the exercise of powers of sale as set forth in Texas Property Code § 51.002 or in any manner permitted or not prohibited by Applicable Law and must comply with prerequisites required by Applicable Law. In any foreclosure, Owner is required to pay the Association's costs and expenses for the proceedings, including reasonable attorneys' fees, subject to any limitations of Applicable Law. The Association has the power to bid on the Lot at the foreclosure sale and to acquire, hold, lease, mortgage, and convey same. The lien provided for herein shall be in favor of the Association and all other Lot Owners. The Association shall have the power to bid in at any foreclosure sale and to purchase, acquire, hold, lease, mortgage, and convey any Lot. If such foreclosure is by action in court, reasonable attorney's fees, court costs, title search fees, interest, and all other costs and expenses shall be allowed to the extent permitted by law. Each Owner, by becoming an Owner of a Lot, hereby expressly waives any objection to the enforcement and foreclosure of this lien in this manner.

11.6 SUBORDINATION OF THE LIEN TO MORTGAGES. The lien described herein shall be subordinate to any first deed of trust lien on the Property or a Lot which was recorded before the delinquent assessment became due and any deed of trust home equity lien or lien for improvements on a Lot which was recorded before the delinquent assessment became due.

11.7 CERTIFICATES. The Declarant and/or the Board shall upon demand at any time furnish to any Owner liable for said assessment, a certificate in writing signed by Declarant and/or an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificate.

11.8 ALTERNATIVE PAYMENT SCHEDULE GUIDELINES. It is the policy of the Association that any agreement entered into by and between the Association and any Owner shall comply with Section 209.0062, Texas Property Code and the following terms and conditions:

(a) Upon the request of an Owner, the Board shall approve a plan whereby the Owner shall be authorized to enter into an "Alternative Payment Schedule Plan" ("Payment Plan"), and make partial payments of any regular assessment, special assessments, and/or any other amount owed to the Association over such period of time as may be agreed upon between the Association and the Owner, but in no event shall the Payment Plan be for a period of time of less than three months.

(b) Any Payment Plan entered into by the Association shall not extend more than 18 months from the date of the Owner's request for a payment plan.

(c) The association is not required to enter into a payment plan with an Owner who failed to honor the terms of a previous payment plan.

(d) The Payment Plan shall be in writing, in such form as set forth by Exhibit D, shall be acknowledged before a notary public and capable of filing in the Official Public Records of Johnson County, Texas. The Payment Plan shall be an enforceable contract and shall confirm the amounts due to the Association, including a breakdown of assessments, penalties, late fees, and interest, if applicable.

(e) During the existence of the Payment Plan, and provided that all payments are timely paid by the Owner, no additional "monetary penalties" shall be charged to the Owner. For the purpose of this Resolution, "monetary penalties" does not include reasonable costs association with administering the payment plan or interest. Should the Owner become delinquent in the payments under the Payment Plan, then the Payment Plan may be, at the discretion of the Association, filed in the Official Public Records of Johnson County, Texas. For the purpose of this Resolution "delinquent" means that payment was not received by the Association on or before 5:00 o'clock p.m. Central Time on the date the payment is due.

(f) The Owner shall be responsible to pay a flat fee of $50.00 for preparation of the Payment Plan, which shall be due upon the execution and return to the Association by the Owner with Owner's first payment under the Payment Plan. Should the Owner become delinquent in payment under the Payment Plan, then the Association shall send a letter to the Owner, by first class mail and certified mail, return receipt requested, giving notice of the delinquency and making demand for Owner to pay, in full, within thirty (30) days of the date of the letter, all amounts due under the Payment Plan. If the Owner has not paid all amounts due in such time, then the Association will, at its discretion, take further legal action to enforce its rights and seek judicial foreclosure of the maintenance fee lien provided by the deed restrictions.

ARTICLE 12 - ADMINISTRATION AND MANAGEMENT

12.1 GOVERNING DOCUMENTS. The administration of the Property shall be governed by these Restrictions, the Bylaws, and any Design Guidelines or the Rules and Regulations of the Association as promulgated and published from time to time.

12.2 EVIDENCE OF COMPLIANCE WITH DECLARATION. Records of Declarant or the Association with respect to compliance with this Declaration shall be conclusive evidence as to all matters shown by such records. A certificate of completion and compliance issued by Declarant or the secretary of the Association stating that the improvements to a Lot were made in accordance with this Declaration, or a certificate as to any matters relating to this Declaration issued by Declarant or the secretary of the Association, shall be conclusive evidence that shall justify and protect any title company insuring title to any portion of the Property and shall fully protect any purchaser or lender in connection therewith.

12.3 PERSONAL PROPERTY FOR COMMON USE. The Association may acquire and hold property, tangible and intangible, real and personal, in the name of the Association, for the use and benefit of all Owners and may dispose

of the same by sale or otherwise. The beneficial interest in any such property shall be owned by the Owners, and their interest therein shall not be transferable; however, the interest of an Owner shall be deemed to be transferred upon the transfer of title to the Owner's Lot, including foreclosure.

ARTICLE 13 – RIGHTS OF DECLARANT

During the Development Period, Declarant hereby specifically excepts, excludes, and reserves the following rights and interests in the Property:

13.1 AMENDMENTS. Declarant shall have the right to amend this Declaration and each amendment shall apply to all of the Property, whether owned by Declarant or not.

13.2 PLAT REVISION. Declarant reserves the right to replat the Property and revise the acreage and configuration of Lots owned by Declarant, to change any building lines or setback lines, or change the course or size of easements so long as Declarant holds legal title to the affected Lots.

13.3 SALES AND CONSTRUCTION ACTIVITIES. Declarant shall have the right to maintain sales and administrative offices, construction offices or trailers, model homes, and parking facilities, storage facilities, and signs on the Property and to conduct sales activities on the Property as long as Declarant owns at least one (1) Lot.

13.4 CONSTRUCTION WORK BY DECLARANT. Declarant shall have the right to construct and complete the construction of Roads and any common improvements on the Property. In connection therewith, Declarant reserves the right to use, occupy, and excavate the surface and subsurface of the ground for the erection, construction, and installation of said improvements including, but not limited to, the right to locate, install, maintain, and repair all utilities and utility lines, whether temporary or permanent, necessary for Declarant's construction, reconstruction, maintenance, and operation. Declarant also reserves the right to extend the Roads located or to be located on the Property to other property. Declarant, in addition, reserves the right to convey to any county, water district, sanitary sewer district, or other municipal or quasi municipal corporation all sewer lines and mains, water lines and mains, and any other utilities constructed or to be constructed on the Property, together with suitable rights-of-way over said lands for the required maintenance, repair, replacement, and operation thereof. The foregoing rights reserved by Declarant do not impose on Declarant the obligation to construct or install any improvements of any kind.

13.5 DECLARANT REIMBURSEMENT. Out-of-pocket expenses of Declarant incurred on behalf of the Association shall be reimbursed to Declarant upon request. Without limiting the generality of the foregoing, the assessments levied by the Association may be used to reimburse Declarant for all out of pocket costs and expenses incurred by Declarant in organizing and conducting affairs on behalf of the Association, including, but not limited to, organization costs of the Association, creation and modification of the Declaration and any amendments thereto, legal and accounting fees, and other costs.

13.6 DEVELOPMENT OF PROPERTY. Declarant reserves the right to facilitate the development, construction, and marketing of the Property and the right to direct the size, shape, and composition of the Property. Notwithstanding Applicable Laws that link a declarant's control of real property development with its control of the governing body, Declarant and this Declaration recognize the independent of those realms and functions. Declarant may terminate its reserved right to appoint officers and directors of the Association without affecting any of Declarant's other rights and reservations under this Declaration or Applicable Law.

13.7 INDEPENDENT OF RESERVATION PERIODS. This Declaration creates a number of periods of time for the exercise by Declarant of certain reserved rights, such as the Declarant Control Period and Development Period, for example. Each reservation period is independent of the others. Each reservation period is for a term of years or until a stated status is attained and does not require that Declarant own a Lot or any other land in the Property. No act, statement, or omission by the Association, a Builder, or any other party may effect a change or termination of any reservation period. Declarant, however, may unilaterally change any reservation period by amending this Declaration. To document the end of a reservation period, Declarant may (but is not required to) execute and publicly record a notice of termination of the period.

ARTICLE 14 - INSURANCE AND INDEMNIFICATION

14.1 ASSOCIATION INSURANCE.

(a) The Association is vested with the authority to and shall obtain and maintain in full force and effect commercial general liability insurance and such other insurance, as it deems necessary or desirable. All such insurance shall be obtained from responsible companies duly authorized and licensed to do business in the State of Texas. To the extent possible, the insurance shall provide for a waiver of subrogation by the insurer as to claims against the Association, its directors, officers, employees, agents and Owners and provide that the policy of insurance shall not be terminated, canceled, or substantially modified without at least thirty (30) days prior written notice to the Board. Any insurance policy may contain such deductible provisions, as the Board deems consistent with good business practice. The cost and expense of all insurance obtained by the Association shall be paid out of Association funds.

(b) The Association will not carry any insurance pertaining to, nor does it assume any liability or responsibility for, the real or personal property of the Owners (and their respective family members and guests). Each Owner expressly understands, covenants and agrees with Declaration and the Association that neither Declarant nor the Association has any responsibility or liability of any kind or character whatsoever regarding or pertaining to the real and personal property of each Owner and each Owner shall, from time to time and at various times, consult with reputable insurance industry representatives of each Owner's own selection to select, purchase, obtain and maintain appropriate insurance providing the amount, type and kind of insurance deemed satisfactory to each Owner covering his or her real and personal property. If a loss is due wholly or partly to an act or omission of an Owner or their invitees, the Owner shall reimburse the Association for the amount of the deductible that is attributable to the act or omission upon demand from the Association.

14.2 APPOINTMENT OF ASSOCIATION AS TRUSTEE. Each Owner irrevocably appoints the Association as his trustee to negotiate, receive, administer, and distribute the proceeds of any claim against an insurance policy maintained by the Association

14.3 COMMON AREA INSURANCE. To the extent it is reasonably available; the Association will obtain blanket all-risk insurance for insurable Common Areas. If blanket all risk insurance is not reasonably available, then the Association will obtain an insurance policy providing fire and extended coverage. Also, the Association will insure the improvements on any Lot owned by the Association.

14.4 GENERAL LIABILITY. To the extent it is reasonably available, the Association will maintain a commercial general liability insurance policy over the Common Areas – expressly excluding the liability of each Owner and resident within his Lot for bodily injury and property damage resulting from the operation, maintenance, or use of the Common Areas. If the policy does not contain a severability of interest provision, it should contain an endorsement to preclude the insurer's denial of an Owner's claim because of negligent acts of the Association or other Owners.

14.5 DIRECTORS & OFFICERS LIABILITY. The Association shall maintain directors and officer's liability insurance, errors and omissions insurance, indemnity bonds, or other insurance the Board deems advisable to insure the Association's directors, officers, committee members, and managers against liability for an act or omission in carrying out their duties in those capacities.

14.6 OTHER COVERAGES. The Association may maintain any insurance policies and bonds deemed by the board to be necessary or desirable for the benefit of the Association, including but not limited to worker's compensation insurance, fidelity coverage, and any insurance and bond requested and required by a national institutional underwriting lending for planned unit developments as long as the underwriting lender is a mortgagee or an owner.

14.7 INDEMNIFICATION. **EACH BOARD MEMBER, OFFICER, DIRECTOR, ACC OR OTHER COMMITTEE MEMBER, OR AGENT OF THE ASSOCIATION SHALL BE INDEMNIFIED BY THE**

ASSOCIATION AGAINST ALL EXPENSES AND LIABILITIES, INCLUDING ATTORNEY'S FEES, REASONABLY INCURRED BY OR IMPOSED UPON HIM IN ANY PROCEEDING TO WHICH HE MAYBE A PARTY, OR IN WHICH HE MAY BECOME INVOLVED, BY REASON OF HIS BEING OR HAVING BEEN A BOARD MEMBER, OFFICER, DIRECTOR, COMMITTEE MEMBER, OR AGENT OF THE ASSOCIATION; PROVIDED, HOWEVER, THAT (A) IN THE CASE OF DECLARANT OR ANY AFFILIATE ENTITY OF DECLARANT, OR ANY OFFICER, DIRECTOR, OR EMPLOYEE OF DECLARANT OR ANY AFFILIATE, THIS INDEMNIFICATION SHALL NOT APPLY IF DECLARANT OR ANY AFFILIATE OR THE INDEMNIFIED OFFICER, DIRECTOR, OR EMPLOYEE OF DECLARANT OR ANY AFFILIATE IS ADJUDGED GUILTY OF GROSS NEGLIGENCE OR MALFEASANCE IN THE PERFORMANCE OF ITS OR HIS OBLIGATIONS HEREUNDER, AND (B) IN THE CASE OF ANY OTHER INDEMNIFIED PARTY, THIS INDEMNIFICATION SHALL BE APPLICABLE ONLY AS SET FORTH IN THE BYLAWS OF THE ASSOCIATION.

ARTICLE 15 – OWNER ACKNOWLEDGMENTS

15.1. ADJACENT LAND USE. By acquiring an ownership interest in a Lot, each owner acknowledges that the uses, platting, and development of land within, adjacent to, or near the Property may change over time, and from time to time, and that such a change may affect the value of owner's Lot. Whether an Owner is consulted about a proposed change to real property within the vicinity of the Owner's Lot is a function of local government, and not a function of the Association. Nothing in this Declaration or the other Governing Documents may be construed as a representation of any kind by the Association, Builders, or Declarant as to current or future uses, actual or permitted, of any land that is adjacent to or near the Property, regardless of what the Plat shows as potential uses of adjoining land. The Association, Builders, and Declarant cannot and do not guaranty scenic views, volumes of traffic on streets around and through the Property, availability of schools or shopping, or any other aspect of the Property that is affected by the uses or conditions of adjacent or nearby land, water, or air.

15.2 SITE INSPECTION. A prospective owner or resident must make his own inspection of the Property, its location, and adjoining land uses, and make inquiries of anything that concerns him. Although the Plat and this Declaration may contain a limited number of disclosures about the Property and its location of the date of the Declaration, neither the Association nor Declarant makes any representation that these are the only noteworthy features of the Property or its location.

15.3 NOTICE OF IMPRECISE TERMINOLOGY. Words, acronyms, labels, and legends used on a Plat to describe land uses are imprecise terms which may be modified by subsequent acts and decisions by public or quasi-public authorities without the formality of amending the Plat.

15.4 STREETS WITHIN PROPERTY. Because streets within the Property may be capable of being converted from publicity dedicated to privately owned, and vice versa, this Section addresses both conditions. Private streets, if any, are part of the Common Area which is governed by the Association. Public streets are part of the Common Area only to the extent a public or quasi-public body, such as the City, county, or a special district, authorizes or delegates to the Association.

15.4.1 PUBLIC STREETS. As to public streets, the Association is specifically authorized (1) to accept from a public or quasi-public body any delegation of street-related duties, and (2) to act as attorney in fact for the owners in executing instruments required by Applicable Law to impose, modify, enforce, or remove restrictions or traffic devices (such as speed bumps) on public streets in the Property.

15.4.2 PRIVATE STREETS. **Only if and when the Property has private streets**, the Association is specifically authorized to adopt, amend, repeal, and enforce rules, regulations, and procedures for use of the Property's private streets, such as, without limitation, (1) establishing and enforcing speed limits, (2) location, use, and appearance of traffic control devices, such as signs and speed bumps, (15) designation of parking or no-parking areas, (4) limitations or prohibitions on curbside parking, (5) removal or prohibition of vehicles that violate applicable rules and regulations, (6) fines for violations of applicable rules and regulations, and (7) programs for controlling access through entrance and emergency access gates, if any.

15.5 RIGHTS OF COUNTY/CITY. The City and County, including their agents and employees, have the right of immediate access to the Common Areas at all times, if necessary, for the welfare or protection of the public, to enforce City/County ordinances, or to improve the appearance of or to preserve public property, public easements, or public rights of way. If the Association fails to maintain the Common Areas to a standard acceptable to the County or City, the County or City may give the Association a written demand for maintenance. If the Association fails or refuses to perform the maintenance within a reasonable period of time after receiving the County's/City's written demand (at least 90 days), the County or City may maintain the Common Areas at the expense of the Association after giving written notice of its intent to do so to the Association. The County or City may give its notices and demands to any officer, director, or agent of the Association, or alternatively, to each owner of a Lot as shown on the County's tax rolls. To fund the County's or City's cost of maintaining the Common Areas, the County or City may levy assessments against the lots and owners in the same manner as if the Association levied a special assessment. The rights of the County or City under this Section are in addition to other rights and remedies provided by law.

15.6 MINERAL INTERESTS. In the era in which this Declaration is written, there is renewed interest in oil and gas exploration.

15.6.1 MINERAL INTERESTS RESERVED. On the date of this Declaration, it is expected that all mineral interests and water rights will have been reserved by a prior owner of the Property or conveyed pursuant to one or more deeds or other instruments recorded in the Real Property Records of the County Clerk of the county in which the Property is located, including but not limited to rights to all oil, gas, or other minerals and water lying on, in, or under the Property and surface rights of ingress and egress. Because the instruments conveying or reserving mineral interests and water rights were recorded prior to this Declaration, those interests in the Property are superior and are not affected by any provision to the contrary in this Declaration. By accepting title to or interest in a Lot, every Owner acknowledges the existence of the mineral and water rights and/or reservations referenced in this Section and the attendant rights in favor of the owner or owners of the mineral interests.

15.6.2 MINERAL RESERVATION BY DECLARANT. In the event (1) a mineral interest or water right for any part of the Property has not been reserved or conveyed prior to Declarant's conveyance of the Property, or (2) a reservation or conveyance of mineral interests and water rights is determine to be invalid or to have terminated, Declarant hereby reserves for itself all right, title, and interest in and to the oil, gas, and other minerals and water in, on, and under and that may be produced from the Property, to have and to hold forever.

15.6.3 ASSOCIATION AS TRUSTEE. By accepting title to or interest in a Lot, each owner acknowledges that any oil, gas, mineral, water, or other natural element in, on, under, or over any part of the Property that has not previously been reserved or conveyed is owned by the Association for the collective and undivided benefit of all owners of the Property. In support of that purpose, each Owner, by accepting title to or interest in a Lot, irrevocably appoints the Association as his trustee to negotiate, receive, administer, and distribute the proceeds of any interest in oil, gas, mineral, water, or other natural element in, on, under, or over the owner's Lot and that may be produced from the owner's Lot for the collective and undivided benefit of all owners of the Property.

15.7 NOTICE OF LIMITATION ON LIABILITY. **THE DEVELOPMENT OF THE PROPERTY OCCURS DURING A PERIOD WHEN MANY LOCAL GOVERNMENTS ARE TRYING TO BE ABSOLVED OF LIABILITY FOR FLOOD DAMAGE TO PRIVATE PROPERTY. AS A CONDITION OF PLAT APPROVAL, A GOVERNMENTAL ENTITY MAY REQUIRE A PLAT NOTE THAT NOT ONLY DISAVOWS THE ENTITY'S LIABILITY FOR FLOOD DAMAGE, BUT CONVEYANCE IS REQUIRED BY THE DISTRICT OR ENTITY, OR IF THE BOARD DEEMS SUCH A CONVEYANCE TO BE IN THE BEST INTEREST OF THE ASSOCIATION. THE ASSOCIATION MAY ACCEPT OR CONVEY A REAL PROPERTY INTEREST IN A COMMON AREA FROM OR TO, AS THE CASE MAY BE, A PRIVATE PERSON IF THE CHANGE OF OWNERSHIP DOES NOT RESULT IN A SIGNIFICANT CHANGE OF LAND USE AND IF THE CONVEYANCE IS APPROVED BY OWNERS REPRESENTING AT LEAST A MAJORITY OF VOTES IN THE ASSOCIATION. ANY OTHER CONVEYANCE OF COMMON AREAS, EXCEPT TO AND FROM DECLARANT, OR FROM A BUILDER, MUST BE APPROVED BY OWNERS OF AT LEAST TWO-THIRDS OF THE LOTS. PROPERTY INTERESTS CAPABLE OF CONVEYANCE INCLUDE, WITHOUT LIMITATIONS, FEE TITLE TO ALL OR PART OF A COMMON AREA, AN EASEMENT ACROSS REAL PROPERTY, AND A LEASE OR LICENSE OF REAL PROPERTY.**

ARTICLE 16 -- GENERAL PROVISIONS

16.1 TERM OF RESTRICTIONS. Unless amended as provided herein, the provisions of this Declaration run with and bind the Property and will remain in effect perpetually to the extent permitted by Law.

16.2 AMENDMENT BY DECLARANT. So long as Declarant owns at least one (1) Lot, the Declaration and the Restrictions may be amended or revoked only by Declarant, and no other Owner shall have a vote regarding amendment or revocation. Nor may this Declaration or any other Government Document be amended to increase the liabilities or responsibilities of Declarant without Declarant's written and acknowledged consent, which must be part of the recorded amended instrument.

16.3 AMENDMENT BY BOARD. The Board may not unilaterally amend the Declaration, Restrictions, or Governing Documents, except for the following limited purposes, which must be clearly identified in the instrument of amendment, and then only to the extent necessary to achieve the permitted goal, and only with the unanimous written consent of all directors, there being no vacancy on the Board:

(a) To qualify the Property or the Association for mortgage underwriting, tax exemption, insurance coverage, or any public or quasi-public program or benefit, if doing so is in the best interests of the Association and its members.

(b) To correct an obvious error that affects the validity or enforceability of the document, if doing so is in the best interests of the Association and its members.

(c) To comply with a requirement of Applicable Law that requires a specific provision to be included in or removed from a document.

16.4 AMENDMENT BY OWNERS. Except for certain amendments of this Declaration that may be executed by Declarant alone, or by the Board alone, amendments to this Declaration must be approved with the consent of seventy-five percent (75%) of the Owners, with each Lot being entitled to one (1) vote. Cumulative voting will not be permitted. For an amendment of this Declaration that requires the approval of the Owners, the consents may be solicited by any method selected by the Board from time-to-time pursuant to the Bylaws and Applicable Law, provided the method gives an Owner the exact wording of the proposed amendment, a description of the effect of the proposed amendment, and an opportunity to vote for or against the proposed amendment. To be effective, an amendment approved by the requisite number of Owners or directors must be in the form of a written instrument (a) referencing the name of the Property, the name of the Association, and the recording data of this Declaration and any amendments hereto; (b) signed and acknowledged by an officer of the Association, certifying the requisite approval of Owners or directors, and (c) recorded in the Real Property Records of Johnson County, Texas. An amendment to terminate the Declaration and Restrictions must be approved by Owners of at least eighty (80) percent of the Lots.

(a) AMENDMENT BY LAW. If the Board determines that the significance of the provision that is changed by operation of law should be brought to the attention of the Owners and the public, the Board, without a vote of the Owners, may issue a Notice of Change that references the provision of a Governing Document and how it was affected by Applicable Law. The Notice may be recorded in the Real Property records and does not constitute an amendment of the Governing Document. If such a Notice is issued, the Association will notify Owners of its existence and will make it available to Owners as a record of the Association. This provision may not be construed to give the Board unilateral amendment Powers, nor to prevent an amendment of a Governing Document to achieve the same purpose.

16.5 COMPLAINTS BY OWNER. If any Owner believes any other Owner is in violation of this Declaration, he or she may so notify such Owner in writing, explaining the reasons for such complaint. If the Owner fails to remedy the alleged violation in ten (10) days after delivery of such notice, a complaint may be transmitted in writing to the President of the Association, who shall thereupon notify the Board. The Board shall have the right (but not the obligation or duty) to institute appropriate legal action, at law or in equity, to enforce this Declaration, and may

recover its reasonable expenses, including attorney's fees. Without limiting the foregoing, the Association may take such other action as it deems necessary to cure the Owner's violation and the cost expended by the Association in doing so shall be a charge and lien upon the subject Lot.

16.6 COMPLAINTS BY ASSOCIATION. If an Owner is in violation of this Declaration, the Association may so notify such Owner in writing. If the Owner fails to remedy the violation within ten (10) days following delivery of such notice, then the Association shall have the right (but not the obligation or duty) to institute appropriate legal action, at law or in equity, including, but not limited to, obtaining a temporary restraining order and subsequent injunction, to enforce this Declaration, and may recover the damages owed by such Owner pursuant to the section below, any other damages incurred by the Association, and its reasonable expenses, including attorney's fees. Without limiting the foregoing, the Association may take such other action as it deems necessary to cure the Owner's violation and the cost expended by the Association in doing so shall be a charge and lien upon the subject Lot.

16.7 PER DAY DAMAGES FOR VIOLATIONS. Any Owner in breach or violation of the Restrictions shall incur a penalty of $100 per day per breach or violation until the breach or violation is remedied or cured. Such sum shall be payable to the Association as damages.

16.8 WAIVER OF ENFORCEMENT. Waiver of enforcement of any provision of this Declaration shall be limited to that particular provision which is waived, in writing, as to a particular matter as it relates to a particular Lot, and shall not be construed to be a waiver of any other provision of this Declaration. A variance granted by Declarant or the Association is not a waiver.

16.9 EFFECT OF ORDINANCES. Police, fire, and other public safety ordinances of any governmental corporation or unit having jurisdiction over any portion of the Property shall govern where more restrictive than this Declaration.

16.10 BYLAWS. To the extent of any conflict between this Declaration and the Bylaws, this Declaration shall control.

16.11 SEVERABILITY. Invalidation of any provision of this Declaration by judgment or court decree shall in no way affect any other provisions which shall remain in full force and effect. Nothing herein shall be in conflict with Texas homestead law. Should a provision herein be in conflict, Texas homestead law shall apply. All other provisions shall remain in full force and effect.

16.12 DISPUTE RESOLUTION BETWEEN OWNERS. Each Owner agrees that if any dispute arises between such Owner and Declarant, the Association, or the ACC as to any matter arising out of or related to this Declaration, then before proceeding with any legal action the parties shall, with reasonable promptness, arrange a mutually agreeable time for a face-to-face meeting between fully authorized representatives to seek to resolve the dispute in a mutually acceptable manner. If the negotiations fail to resolve the dispute or fails to occur, then said parties shall agree to promptly submit the dispute to mediation in Johnson County, Texas before a single attorney mediator practicing law in Johnson County, Texas (or any surrounding county) mutually agreeable to Owner, Declarant, and/or the Association. If mediation is unsuccessful, then, upon demand by either party, the parties shall submit to binding arbitration all disputes between or among them arising out of or relating to this Agreement. Any arbitration proceeding will proceed in a location in Johnson County, Texas (or any surrounding county) selected by the American Arbitration Association ("AAA"); (ii) be governed by the Federal Arbitration Action (Title 9 of the United States Code), notwithstanding any conflicting choice of law provision in any of the documents between the parties; and (iii) be conducted by the AAA, or such other administrator as the parties shall mutually agree upon, in accordance with the AAA's commercial dispute resolution procedures (the commercial dispute resolution procedures to be referred to as the "Rules"). If there is any inconsistency between the terms hereof and the Rules, the terms and procedures set forth herein shall control. Any party who fails or refuses to submit to arbitration following a proper demand by any other party shall bear all costs and expenses incurred by such other party in compelling arbitration of any dispute. The arbitrator will determine whether or not an issue is arbitrable and will give effect to the statutes of limitation in determining any claim. In any arbitration proceeding the arbitrator will decide (by documents only or with a hearing at the arbitrator's discretion) any prehearing motions which are similar to motions to dismiss for failure to state a claim or motions for summary adjudication. The arbitrator shall resolve all disputes in accordance with the substantive law of Texas and may grant any remedy or relief that a court of such

state could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award. The arbitrator shall also have the power to award recovery of all costs and fees, to impose sanctions and to take such other action, as the arbitrator deems necessary to the same extent a judge could pursuant to the Texas Rules of Civil Procedure or other Applicable Law. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief by Declarant or the Association or pursuit of a provisional or ancillary remedy by Declarant or the Association shall not constitute a waiver of the right to submit the controversy or claim to arbitration if any other party contests such action for judicial relief. The arbitrator shall award all costs and expenses of the arbitration proceeding to the prevailing party. Notwithstanding the foregoing, this section shall not preclude the Declarant or the Association from exercising its rights to seek, in an appropriate court of law, an injunction or temporary restraining order otherwise designed to enforce against any Owner any such compliance with, and prohibit any further violation(s) of this Declaration.

16.13 ANNEXATION. Declarant, or the Association, upon an affirmative vote of two-thirds of the Lots in the Property, may at any time subject additional land to this Declaration and the Restrictions by filing an amendment or supplement to this Declaration covering the additional land and declaring it to be subject hereto. Unless the additional land is an easement interest or Common Area, the land covered by the amendment to this Declaration shall be deemed to be a Lot or Lots, as described in the amendment or supplement, and part of the Property and each Owner of the additional land shall be deemed an Owner, and entitled to membership in the Association, in accordance with the terms of this Declaration.

16.14 POWER OF ATTORNEY. Each Owner hereby makes, constitutes, and appoints Declarant as his/her true and lawful attorney-in-fact to do the following:

(a) To exercise, do, or perform any act, right, power, duty or obligation whatsoever in connection with, arising out of, or relating to any matter whatsoever involving this Declaration, the Association, the Board, and/or the Property.

(b) To sign, execute, acknowledge, deliver, and record any and all instruments which modify, amend, change, enlarge, contract, or abandon the terms within this Declaration, or any part hereof, with such clause(s), recital(s), covenant(s), agreement(s) and restriction(s) as Declarant shall deem necessary, proper, and expedient under the circumstances and conditions as may be then existing; and

(c) To sign, execute, acknowledge, deliver, and record any and all instruments, which modify, amend, change, enlarge, contract, or abandon the subdivision Plat(s) of the Property, or any part thereof with any easements and rights-of-way to be therein contained as the Declarant shall deem necessary, proper, and expedient under the conditions as may then be existing.

The rights, powers, and authority of said attorney-in-fact to exercise any and all of the rights and powers herein granted shall commence and be in full force upon recordation of this Declaration and shall remain in full force and effect thereafter until the fifteenth (15^{th}) anniversary of the recordation of this Declaration.

16.15 GENDER AND GRAMMAR. The singular wherever used herein shall be construed to mean the plural when applicable and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, in all cases shall be assumed though fully expressed in each case.

16.16 NOTICES. Any notice required to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the Owner at the Lot or such other address and Owner has registered with the ACC.

16.17 LIBERAL INTERPRETATION. The terms and provisions of each Governing Document are to be liberally construed to give effect to the purposes and intent of the Governing Document. All doubts regarding a provision in any Governing Document or Applicable Law, including restrictions on the use or alienability of property, will be resolved in the following order of preferences, regardless which party seeks enforcement: first to give effect to **Declarant's intent to protect** Declarant's interests in the Property; second to give effect to Declarant's intent to direct the expansion, build-out, and sell-out of the Property; third to give effect to Declarant's intent to control governance

of the Association for the maximum permitted period; then in favor of the operation of the Association and its enforcement of the Governing Documents for the benefit of owners collectively; and finally to protect the rights of individual owns.

16.18 RESERVATION OF RIGHTS. Declarant hereby reserves for itself each and every right, reservation, privilege, and exception available or permissible under Applicable Law for declarants and developers of residential subdivisions, if and to the full extent that such right, privilege, or exception is beneficial to or protective of Declarant or Builders. If the benefit or protection of Applicable Law is predicated on an express provision being in this Declaration or other Governing Document, such provision is hereby incorporated by reference unless Declarant executes an instrument to disavow such benefit or protection.

16.19 INCORPORATED DOCUMENTS. The following documents are attached hereto and incorporated as if fully set forth herein:

Exhibit A – Legal Description
Exhibit B – Plat of the Property
Exhibit C – Construction Related Restrictions
Exhibit D – Collections Policy Schedule

ARTICLE 17 – POLICY REGARDING DISPLAY OF CERTAIN RELIGIOUS ITEMS

17.1 DISPLAY OF CERTAIN RELIGIOUS ITEMS PERMITTED. An Owner or resident is permitted to display or affix to the entry of the Owner's or resident's dwelling one or more religious items, the display of which is motivated by the Owner's or resident's sincere religious belief. This policy outlines the standards that shall apply with respect to the display or affixing of certain religious items on the entry to the Owner's dwelling.

(a) GENERAL GUIDELINES. Religious items may be displayed or affixed to an owner or resident's entry door or door frame of the Owner or resident's dwelling; provided, however, that individually or in combination with each other, the total size of the display is no greater than twenty-five square inches (5"x5"= 25 square inches).

(b) PROHIBITIONS. No religious item may be displayed or affixed to an Owner's dwelling that: (i) threatens the public health or safety; (ii) violates applicable law; or (iii) contains language, graphics, or any display that is patently offensive. No religious item may be displayed or affixed in any location other than the entry door or door frame and in no event may extend past the outer edge of the door frame of the owner's residence. Nothing in this policy may be construed in any manner to authorize an Owner to use a material or color for an entry door or door frame of the Owner's Residence or make an alteration not the entry door or door frame that is not otherwise permitted pursuant to the Governing Documents.

(c) REMOVAL. The Association may remove any item which is in violation of the terms and conditions of this section.

(d) COVENANTS IN CONFLICT WITH STATUTES. To the extent that any provision of the Association's Restrictions restrict or prohibit an Owner from displaying or affixing a religious item in violation of the controlling provisions Texas Property Code § 202.018, the Association shall have no authority to enforce such provisions and the provisions of this policy shall hereafter control.

ARTICLE 18 – EMAIL REGISTRATION POLICY

The Declarant hereby adopts this policy to establish a means by which members of the Association might register and maintain their email addresses for the purpose of receiving certain required communications from the Association. Should the Association maintain a community website capable of allowing Owners to register and maintain an email address with the Association then the Owner is responsible for registering and updating whenever necessary such email address so that the Owner can receive email notifications of certain required communications form the Association. Should the Association not maintain a community website, and then the Association shall

provide each Owner with an Official Email Registration Form so that the Owner might provide to the Association an email address for the purpose of receiving email notifications of certain required communications from the Association. It shall be the Owner's responsibility to complete and submit the form to the Association, as well as updating the Association with changes to their email address whenever necessary.

ARTICLE 19 – RAINWATER HARVESTING SYSTEM POLICY

19.1 RAINWATER HARVESTING SYSTEM POLICY. Texas statutes presently render null and void any restriction in the Declarations which prohibits the installation of rain barrels or a rainwater harvesting system on a residential lot. The Declarant has adopted this policy in lieu of any express prohibition against rain barrels or rainwater harvesting systems, or any provision regulation such matters which conflict with Texas law, as set forth in the Restrictions.

19.2 ACC APPROVAL REQUIRED. Approval by the ACC is required prior to installing rain barrels or a rainwater harvesting system on a Lot ("Rainwater Harvesting System"). The ACC is not responsible for (a) errors in or omissions in the application submitted to the ACC for approval; (b) supervising installation or construction to confirm compliance with an approved application; or (c) the compliance of an approved application with governmental codes and ordinances and state and federal laws.

19.3 PROCEDURES AND REQUIREMENTS.

(a) APPROVAL APPLICATION. To obtain ACC approval of a rainwater Harvesting System, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Rainwater Harvesting System; and (ii) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction ("Rain System Application"). A Rain System Application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Rain System Application.

(b) APPROVAL PROCESS. The decision of the ACC will be made within a reasonable time, or within the time period otherwise required by the Restrictions. A rain System Application submitted to install a Rainwater Harvesting System on property owned by the Association will not be approved. A proposal to install a Rainwater Harvesting System on property owned by the Association must be approved in advance and in writing by the Board and the Board need not adhere to this policy when considering any such request. Each Owner is advised that if the Rain System Application is approved by the ACC, installation of the Rainwater Harvesting System must: (i) strictly comply with the Rain System Application; (ii) commence within thirty (30) days of approval; and (iii) be diligently prosecuted to completion. IF the Owner fails to cause the Rain System Application to be installed in accordance with the approved Rain System Application, the ACC may require the Owner to: (i) modify the Rain System Application to accurately reflect the Rain System Device installed on the Lot; or (ii) remove the Rain System Device and reinstall the device in accordance with the approved Rain System Application. Failure to install a rain System Device in accordance with the approved Rain System Application or an Owner's failure to comply with the post-approval requirements constitutes a violation of this policy and may subject the Owner to fines and penalties. Any requirement imposed by the ACC to resubmit a Rain System Application or remove and relocate a rain System Device in accordance with the approved Rain System shall be at the Owner's sole cost and expense.

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

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

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

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

(iv) There is sufficient area on the Owner's lot to install the Rain System Device, as reasonably determined by the ACC.

(v) If the Rain System Device will be installed on or within the side yard of a lot, or would otherwise be visible from a street, common area, or another Owner's property, the ACC may regulate the size, type, shielding of, and materials used in the construction of the Rain System Device. See below for additional guidance.

(d) GUIDELINES FOR CERTAIN RAIN SYSTEM DEVICES. If the Rain System Device will be installed on or within the side yard of a lot, or would otherwise be visible from a street, common area, or another Owner's property, the ACC may regulate the size, type, shielding of, and materials used in the construction of the Rain System Device. Accordingly, when submitting a Rain Device Application, the application should describe methods proposed by the Owner to shield the Rain System Device from the view of any street, common area, or another Owner's property. When reviewing a Rain System Application for a Rain System Device that will be installed on or within the side yard of a lot, or would otherwise be visible from a street, common area, or another Owner's property, any additional regulations imposed by the ACC to regulate the size, type, shielding of, and materials used in the construction of the Rain System Device may not prohibit the economic installation of the Rain System Device, as reasonably determined by the ACC.

ARTICLE 20 - FLAG DISPLAY AND FLAGPOLE INSTALLATION POLICY

Note: Texas statutes presently render null and void any restriction that restricts or prohibits the display of certain flags or the installation of certain flagpoles on a residential lot in violation of the controlling provisions of Texas Property Code § 202.011 or any federal or other applicable state law. The Declarant has adopted this policy in lieu of any express prohibition against certain flags and flagpoles, or any provision regulating such matters which conflict with Texas law, as set forth in the Restrictions.

20.1 ARCHITECTURAL REVIEW APPROVAL.

(a) APPROVAL REQUIRED. Approval by the ACC is required prior to installing a flagpole no more than five feet (5') in length affixed to the front of a residence near the principal entry or affixed to the rear of a residence ("Mounted Flagpole"). A Mounted Flag or Mounted Flagpole need to be approved in advance by the ACC. The ACC is not responsible for: (i) errors in or omissions in the application submitted to the ACC for approval; (ii) supervising installation or construction to confirm compliance with an approved application; or (iii) the compliance of an approved application with governmental codes and ordinances, state and federal laws.

(b) APPROVAL REQUIRED. Approval by the ACC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any residential lot ("Freestanding Flagpole"). The ACC is not responsible for: (i) errors in or omissions in the application submitted to the ACC for approval; (ii) supervising installation or construction to confirm compliance with an approved application; or (iii) the compliance of an approved application with governmental codes and ordinances, state and federal laws.

20.2 PROCEDURES AND REQUIREMENTS

(a) APPROVAL APPLICATION. To obtain ACC approval of any Freestanding Flagpole, the Owner shall provide the ACC with the following information: (a) the location of the flagpole to be installed on the Property; (b) the type of flagpole to be installed; (c) the dimensions of the flagpole; and (d) the proposed materials of the flagpole ("Flagpole Application"). A Flagpole Application may only be submitted by an Owner UNLESS the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Flagpole Application.

(b) APPROVAL PROCESS. The decision of the ACC will be made within a reasonable time, or within the time period otherwise required herein, which govern the review and approval of improvements. A Flagpole Application submitted to install a Freestanding Flagpole on property owned by the Association or property owned in common by members of the Association will not be approved. Any proposal to install a Freestanding Flagpole on property owned by the Association or property owned in common by members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request.

(c) Each Owner is advised that if the Flagpole Application is approved by the ACC, installation of the Freestanding Flagpole must: (i) strictly comply with the Flagpole Application; (ii) commence within thirty (30) days of approval; and (iii) be diligently prosecuted to completion. If the Owner fails to cause the Freestanding Flagpole to be installed in accordance with the approved Flagpole Application, the ACC may require the Owner to: (i) modify the Flagpole Application to accurately reflect the Freestanding Flagpole installed on the property; or (ii) remove the Freestanding Flagpole and reinstall the flagpole in accordance with the approved Flagpole Application. Failure to install a Freestanding Flagpole in accordance with the approved Flagpole Application or an Owner's failure to comply with the post approval requirements constitutes a violation of this policy and may subject the Owner to fines and penalties. Any requirement imposed by the ACC to resubmit a Flagpole Application or remove and relocate a Freestanding Flagpole in accordance with the approved Flagpole Application shall be at the Owner's sole cost and expense.

20.3. INSTALLATION, DISPLAY, AND APPROVAL CONDITIONS. Unless otherwise approved in advance and in writing by the ACC, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, must comply with the following:

(a) No more than one (1) Freestanding Flagpole or no more than two (2) Mounted Flagpoles are permitted per residential lot, on which only Mounted Flags may be displayed;

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

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

(d) With the exception of flags displayed on common area owned and/or maintained by the Association and any lot which is being used for marketing purposes by a builder, the flag of the United States of America must be displayed in accordance with 4 U.S.C. §§ 5-10 and the flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code;

(e) The display of a flag, or the location and construction of the flagpole must comply with all applicable zoning ordinances, easements and setbacks of record;

(f) Any flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling;

(g) A flag or a flagpole must be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must be repaired, replaced, or removed;

(h) Any flag may be illuminated by no more than one (1) halogen landscaping light of low beam intensity which shall not be aimed towards or directly affect any neighboring property; and

(i) Any external halyard of a flagpole must be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

ARTICLE 21 - SOLAR DEVICE & ENERGY EFFICIENT ROOFING POLICY

Note: Texas statutes presently render null and void any restriction that prohibits the installation of solar devices or energy efficient roofing on a residential lot. The Declarant has adopted this policy in lieu of any express prohibition against solar devices or energy efficient roofing, or any provision regulating such matters which conflict with Texas law.

21.1 DEFINITIONS AND GENERAL PROVISIONS.

(a) SOLAR ENERGY DEVICE DEFINED. A "Solar Energy Device" means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term includes a mechanical or chemical device that has the ability to store solar-generated energy for Use in heating or cooling or in the production of power.

(b) ENERGY EFFICIENCY ROOFING DEFINED. As used in this Policy, "Energy Efficiency Roofing" means shingles that are designed primarily to: (a) be wind and hail resistant; (b) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (c) provide solar generation capabilities.

(c) ARCHITECTURAL REVIEW APPROVAL REQUIRED. Approval by the ACC is required prior to installing a Solar Energy Device or Energy Efficient Roofing. The ACC is not responsible for: (i) errors in or omissions in the application submitted to the ACC for approval; (ii) supervising the installation or construction to confirm compliance with an approved application; or (iii) the compliance of approved application with governmental codes and ordinances, state and federal laws.

21.2 SOLAR ENERGY DEVICE PROCEDURES AND REQUIREMENTS. During the Development Period, the ACC need not adhere to the terms and provisions of this Solar Device Policy and may approve, deny, or further restrict the installation of any Solar Device.

(a) APPROVAL APPLICATION. To obtain ACC approval of a Solar Energy Device, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Solar Energy Device; and (ii) a description of the Solar Energy Device, including the dimensions, manufacturer, and photograph or other accurate depiction ("Solar Application"). A Solar Application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Solar Application.

(b) APPROVAL PROCESS. The decision of the ACC will be made within a reasonable time, or within the time period otherwise required by the Restrictions. The ACC will approve a Solar Energy Device if the Solar Application complies with this Section UNLESS the ACC makes a written determination that placement of the Solar Energy Device, despite compliance with this Section will create a condition that substantially interferes with the use and enjoyment of the property within the community by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The ACC right to make a written determination in accordance with the foregoing sentence is negated if all Owners of property immediately adjacent to the Owner/applicant provide written approval of the proposed placement. Notwithstanding the foregoing provision, a Solar Application submitted to install a Solar Energy Device on property owned or maintained by the Association or property owned in common by members of the Association will not be approved despite compliance with this Section. Any proposal to install a Solar Energy Device on property owned or maintained by the Association or property owned in common by members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request. Each Owner is advised that if the Solar Application is approved by the ACC, installation of the Solar Energy Device must (i) strictly comply with the Solar Application; (ii) commence within thirty *(30)* days of approval; and (iii) be diligently prosecuted to completion. If the Owner fails to cause the Solar Energy Device to **be installed in accordance with the approved Solar** Application, the ACC may require the Owner to: (i) modify the Solar Application to accurately reflect the Solar Energy Device installed on the property; or

(ii) remove the Solar Energy Device and reinstall the device in accordance with the approved Solar Application. Failure to install a Solar Energy Device in accordance with the approved Solar Application or an Owner's failure to comply with the post-approval requirements constitutes a violation of this policy and may subject the Owner to fines and penalties. Any requirement imposed by the Ace to resubmit a Solar Application or remove and relocate a Solar Energy Device in accordance with the approved Solar Application shall be at the Owners sole cost and expense.

21.3. APPROVAL CONDITIONS. Unless otherwise approved in advance and in writing by the ACC, each Solar Application and each Solar Energy Device to be installed in accordance therewith must comply with the following:

(a) The Solar Energy Device must be located on the roof of the residence located on the Owner's lot, entirely within a fenced area of the Owner's lot, or entirely within a fenced patio located on the Owner's lot. If the Solar Energy Device will be located on the roof of the residence, the ACC may designate the location for placement unless the location proposed by the Owner increases the estimated annual energy production of the Solar Energy Device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than 10 percent above the energy production of the Solar Energy Device if installed in the location designated by the ACC. If the Owner desires to contest the alternate location proposed by the ACC, the Owner should submit information to the ACC which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device will be located in the fenced area of the Owner's lot or patio, no portion of the Solar Energy Device may extend above the fence line.

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

21.4 ENERGY EFFICIENT ROOFING. The ACC will not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (i) resemble the shingles used or otherwise authorized for use within the community; (ii) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (iii) match the aesthetics of adjacent property. An Owner who desires to install Energy Efficient Roofing win be required to comply with the architectural review and approval procedures set forth in the Covenant. In conjunction with any such approval process, the Owner should submit information which will enable the ACC to confirm the criteria set forth in the previous paragraph.

ARTICLE 22 - ASSESSMENT COLLECTION POLICY

22.1 DELINQUENCIES, LATE CHARGES & INTEREST.

(a) DUE DATE. An Owner will timely and fully pay Assessments. Regular Assessments are assessed annually and are due and payable on the first calendar day of the month at the beginning of the fiscal year, or in such other manner as the Board may designate in its sole and absolute discretion.

(b) DELINQUENT. Any Assessment that is not fully paid when due is delinquent. When the account of an Owner becomes delinquent, it remains delinquent until paid in full -including collection costs, interest, and late fees.

(c) LATE FEES AND INTEREST. If the Association does not receive full payment of an Assessment by 5:00 p.m. after the late date established by the Board, the Association may levy a late fee per month and/or interest at the highest rate allowed by applicable usury laws then in effect or what is specified in the Restrictions on the amount of the Assessment from the late date therefore (or if there is no such highest rate, then at the rate of 1 and 1/2% per month) until paid in full.

(d) LIABILITY FOR COLLECTION COSTS. The defaulting Owner is liable to the Association for the cost of title reports, assessment liens, credit reports, certified mail, long distance calls, court costs,

filing fees, and other reasonable costs and attorney's fees incurred by the Association in collecting the delinquency.

(e) INSUFFICIENT FUNDS. The Association or managing agent may levy a reasonable fee for any check returned to the Association marked "not sufficient funds" or the equivalent.

(f) WAIVER. Properly levied collection costs, late fees, and interest may only be waived by a majority of the Board.

22.2 INSTALLMENTS & ACCELERATION. If an Assessment, other than an Annual Assessment, is payable in installments, and if an Owner defaults in the payment of any installment, the Association may declare the entire Assessment in default and accelerate the due date on all remaining installments of the Assessment. An Assessment other than an Annual Assessment, payable in installments may be accelerated only after the Association gives the Owner at least fifteen (15) days prior notice of the default and the Association's intent to accelerate the unpaid balance if the default is not timely cured. Following acceleration of the indebtedness, the Association has no duty to reinstate the installment program upon partial payment by the Owner.

22.3 PAYMENTS.

(a) APPLICATION OF PAYMENTS. After the Association notifies the Owner of a delinquency and the Owner's liability for late fees or interest, and collection costs, any payment received by the Association shall be applied in the following order, starling with the oldest charge in each category, until that category is fully paid, regardless of the amount of payment, notations on checks, and the date the obligations arose: first to delinquent assessments, then to current assessments, then to attorney fees and costs associated with delinquent assessments, then to other attorney's fees, then to fines, then to any other amount.

(b) PAYMENT PLANS. The Association shall offer a payment plan to a delinquent Owner with a minimum term of at least three (3) months and a maximum term of eighteen (18) months from the date the payment plan is requested for which the Owner may be charged reasonable administrative costs and interest. The Association will determine the actual terms of each payment plan offered to an Owner. An Owner is not entitled to a payment plan if the Owner has defaulted on a previous payment plan in the last two (2) years. If an Owner is in default at the time the Owner submits a payment, the Association is not required to follow the application of payments schedule set forth in Paragraph 3-A.

(c) NOTICE OF PAYMENT. If the Association receives full payment of the delinquency after recording a notice of lien, the Association will cause a release of notice of lien to be publicly recorded. The Association may require the Owner to prepay the cost of preparing and recording the release.

(d) CORRECTION OF CREDIT REPORT. If the Association receives full payment of the delinquency after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of payment to the credit reporting service.

22.4 LIABILITY FOR COLLECTION COSTS. The defaulting Owner may be liable to the Association for the cost of the reports, credit reports, assessment lien, certified mail, long distance calls, filing fees, and other reasonable costs and attorney's fees incurred in the collection of the delinquency.

22.5 COLLECTION PROCEDURES.

(a) DELEGATION OF COLLECTION PROCEDURES. From time to time, the Association may delegate some or all of the collection procedures, as the Board in its sole discretion deems appropriate, to the Association's managing agent an attorney, or a debt collector.

(b) DELINQUENCY NOTICES. If the Association has not received full payment of an Assessment by the due date, the Association may send written notice of nonpayment to the defaulting Owner, by hand delivery, first class mail, and/or by certified mail, stating the amount delinquent. The Association's

delinquency-related correspondence may state that if full payment is not timely received, the Association may pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.

(c) VERIFICATION OF OWNER INFORMATION. The Association may obtain a title report to determine the names of the Owners.

(d) NOTIFICATION OF CREDIT BUREAU. The Association may report the defaulting Owner to one or more credit reporting services.

(e) COLLECTION BY ATTORNEY. If the Owner's account remains delinquent the Association may refer the delinquent account to the Association's attorney for collection. In the event an account is referred to the Association's attorney, the Owner will be liable to the Association for its legal fees and expenses. Upon referral of a delinquent account to the Association's attorney, the Association's attorney will provide the following notices and take the following actions unless otherwise directed by the Board:

(1) INITIAL NOTICE: Preparation of the Initial Notice of Demand for Payment Letter. If the account is not paid in full within 30 days (unless such notice has previously been provided by the Association, then

(2) LIEN NOTICE. Preparation of the Lien Notice of Demand for Payment Letter and record a Notice of Unpaid Assessment Lien (unless such notice has previously been provided by the Association). If the account is not paid in full within 30 days, then

(3) FINAL NOTICE: Preparation of the Final Notice of Demand for Payment Letter and Intent to Foreclose and Notice of Intent to Foreclose. If the account is not paid in full within 30 days, then

(4) FORECLOSURE OF LIEN: Only upon specific approval by a majority of the Board.

(f) NOTICE OF LIEN. The Association's attorney may cause a notice of the Association's Assessment lien against the Owner's home to be publicly recorded. In that event, a copy of the notice will be sent to the defaulting Owner, and may also be sent to the Owner's mortgagee.

(g) CANCELLATION OF DEBT. If the Board deems the debt to be uncollectible, the Board may elect to cancel the debt on the books of the Association, in which case the Association may report the full amount of the forgiven indebtedness to the Internal Revenue Service as income to the defaulting Owner.

(h) SUSPENSION OF USE OF CERTAIN FACILITIES OR SERVICES. The Board may suspend the use of the Common Area amenities by an Owner, or his tenant, whose account with the Association is delinquent for at least thirty (30) days.

22.6 GENERAL PROVISIONS.

(a) INDEPENDENT JUDGMENT. Notwithstanding the contents of this detailed policy, the officers, directors, manager, and attorney of the Association may exercise their independent, collective, and respective judgment in applying this policy.

(b) OTHER RIGHTS. This policy is in addition to and does not detract from the rights of the Association to collect Assessments under the Association's Restrictions and the laws of the State of Texas.

(c) LIMITATIONS OF INTEREST. The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Restrictions or any other document or agreement executed or made in connection with this policy, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances

whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by law, the excess amount will be applied to the reduction of unpaid Assessments, or reimbursed to the Owner if those Assessments are paid in full.

(d) NOTICES. Unless the Restrictions, applicable law, or this policy provide otherwise, any notice or other written communication given to an Owner pursuant to this policy will be deemed, delivered to the Owner upon depositing same with the U.S. Postal Service, addressed to the Owner at the most recent address shown on the Association's records, or on personal delivery to the Owner. If the Association's records show that an Owner's property is owned by two (2) or more persons, notice to one co-Owner is deemed notice to all co-Owners. Similarly, notice to one resident is deemed notice to all residents. Written communications to the Association, pursuant to this policy, will be deemed given on actual receipt by the Association's president, secretary, managing agent, or attorney.

(e) AMENDMENT OF POLICY. This policy may be amended from time to time by the Board and/or Declarant.

(f) COLLECTIONS POLICY SCHEDULE. The Association collections policy schedule attached hereto as Exhibit

ARTICLE 23 - RECORDS INSPECTION, COPYING AND RETENTION POLICY

Note: Texas statutes presently render null and void any restriction which restricts or prohibits the inspection, copying, and/or retention of association records and files in violation of the controlling provisions of the Texas Property Code or any other applicable state law. The Declarant has adopted this policy in lieu of any express prohibition or any provision regulating such matters which conflict with Texas law.

23.1 WRITTEN FORM. The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

23.2 REQUEST IN WRITING; PAY ESTIMATED COSTS IN ADVANCE. An Owner (or an individual identified as an Owner's agent, attorney, or certified public accountant, provided the designation is in writing and delivered to the Association) may submit a written request via certified mail to the Association's mailing address or authorized representative listed in the management certificate to access the Association's records. The written request must include sufficient detail describing the books and records requested and whether the Owner desires to inspect or copy the records. Upon receipt of a written request, the Association may estimate the costs associated with responding to each request, which costs may not exceed the costs allowed pursuant to Texas Administrative Code § 70.3, as may be amended from time to time (a current copy of which is attached hereto). Before providing the requested records, the Association will require that the Owner remit such estimated amount to the Association. The Association will provide a final invoice to the Owner on or before the 30th business day after the records are provided by the Association. If the final invoice includes additional amounts due from the requesting party, the additional amounts, if not reimbursed to the Association before the 30th business day after the date the invoice is sent to the Owner, may be added to the Owner's account as an assessment. If the estimated costs exceeded the final invoice amount the Owner is entitled to a refund, and the refund shall be issued to the Owner not later than the 30th business day after the date the final invoice is sent to the Owner.

23.3 PERIOD OF INSPECTION. Within ten (10) business days from receipt of the written request, the Association must either: (1) provide the copies to the Owner; (2) provide available inspection dates; or (3) provide written notice that the Association cannot produce the documents within the ten (10) days along with either: (i) another date within an additional fifteen (15) days on which the records may either be inspected or by which the copies will be sent to the Owner; or (ii) after a diligent search, the requested records are missing and cannot be located.

23.4 RECORDS RETENTION. The Association shall keep the following records for at least the times periods stated below:

(a) PERMANENT: The Articles of incorporation or the Certificate of Formation, the Bylaws and the Restrictions, any and all other governing documents, guidelines, rules, regulations and policies and all

amendments thereto recorded in the property records to be effective against any Owner of the Association.

(b) FOUR (4) YEARS: Contracts with a term of more than one (1) year between the Association and a third party. The four (4) year retention term begins upon expiration of the contract term.

(c) FIVE (5) YEARS. Account records of each Owner. Account records include debit and credit entries associated with amounts due and payable by the Owner to the Association and written or electronic records related to the Owner and produced by the Association in the ordinary course of business.

(d) SEVEN (7) YEARS: Minutes of all meetings of the Board and the Owners. Financial books and records produced in the ordinary course of business, tax returns, and audits of the Association.

(e) GENERAL RETENTION INSTRUCTIONS: "Permanent" means records which are not to be destroyed. Except for contracts with a term of one (1) year or more, a retention period starts on the last day of the year in which the record is created and ends on the last day of the year of the retention period. For example, if a record is created on June 14, 2012, and the retention period is five (5) years, the retention period begins on December 31, 2012 and ends on December 31, 2017. If the retention period for a record has elapsed and the record will be destroyed, the record should be shredded or otherwise safely and completely destroyed. Electronic files should be destroyed to ensure that data cannot be reconstructed from the storage mechanism on which the record resides.

23.5. CONFIDENTIAL RECORDS. As determined in the discretion of the Board, certain Association records may be kept confidential such as personnel files, Owner account or other personal information (except addresses) unless the Owner requesting the records provides a court order or written authorization from the person whose records are sought.

23.6 ATTORNEY FILES. Attorney's files and records relating to the Association (excluding invoices requested by an Owner pursuant to Texas Property Code § 209.008(d)), are not records of the Association and are not: (a) subject to inspection by the Owner; or (b) subject to production in a legal proceeding. If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document shall be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. The Association is not required under any circumstance to produce a document for inspection or copying that constitutes attorney work product or that is privileged as an attorney-client communication.

23.7 PRESENCE OF BOARD MEMBER OR MANAGER; NO REMOVAL. At the discretion of the Board or the Association's manager, certain records may only be inspected in the presence of a Board member or employee of the Association's manager. No original records may be removed from the office without the express written consent of the Board.

DECLARANT:

LAURENWOOD/CHISHOLM TRAIL, LLC,
a Texas limited liability company

By: _____
Lee Hughes, its Manager

Date: 02/19/2015

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF TARRANT §

This instrument was acknowledged before me on this the 19th day of February 2015 by Lee Hughes, Manager of Laurenwood Chisholm Trail, LLC, on behalf of said entity.

LESLIE ANNE CONNOR
Notary Public, State of Texas
My Commission Expires
June 08, 2018

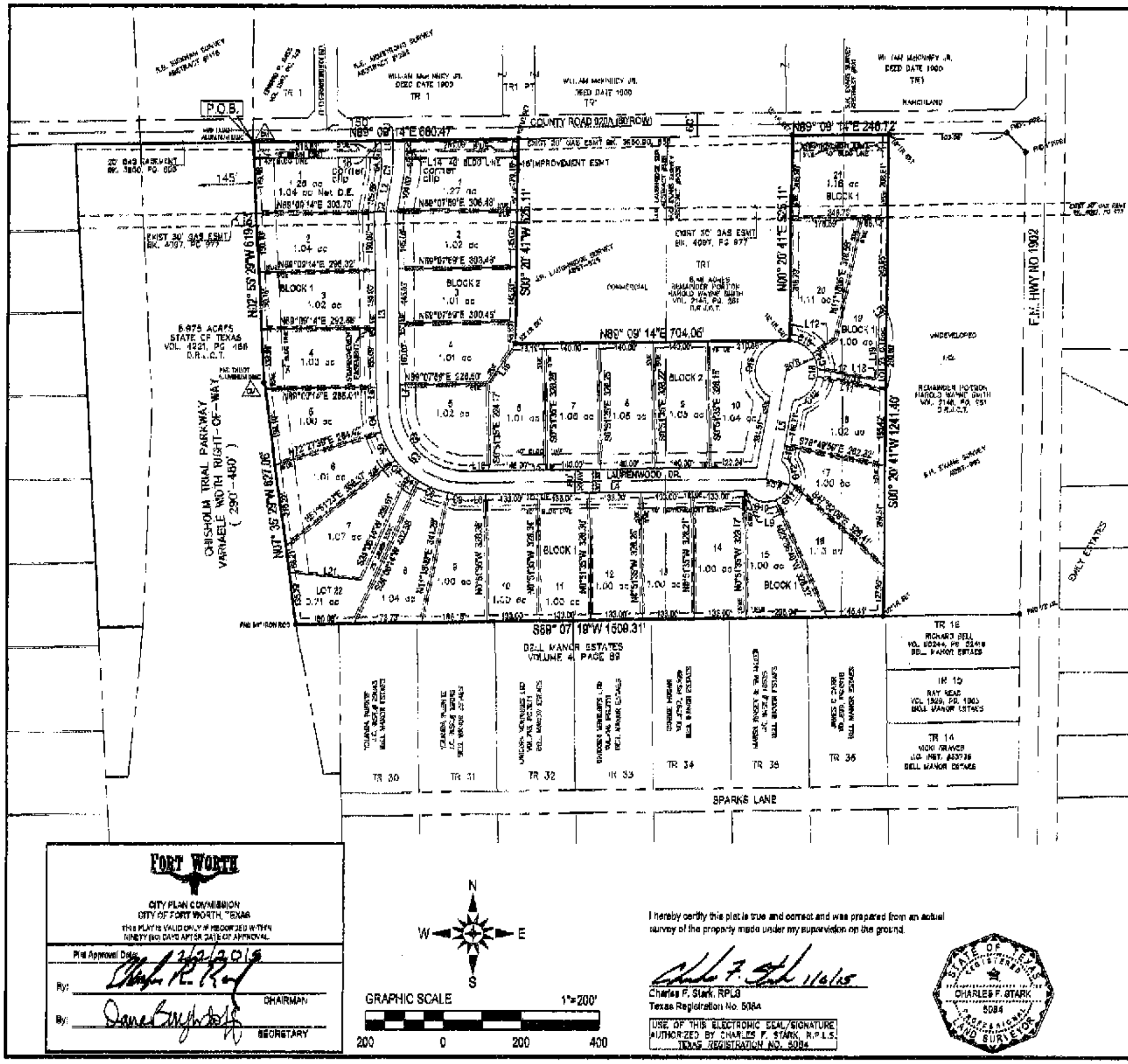
Leslie Anne Connor
Notary Public, State of Texas

RETURN TO:
Laurenwood Chisholm Trail, LLC.
Attn: Kelly Millikan
5320 Camp Bowie
Fort Worth, Texas 76107

EXHIBIT A -- LEGAL DESCRIPTION OF THE PROPERTY

Lots 1-23, Block 1, Lots 1-10, Block 2, an addition to Johnson County, Texas, being 36.638 acres situated in the J.R. Laughridge Survey, Abstract No. 528, HC Evans Survey, Abstract No. 1030, SH Evans Survey, Abstract No. 991, Johnson County, Texas and as evidenced in that Final Plat recorded in volume 10, page 740, Slide D-203 of the Plat Records of Johnson County, Texas

EXHIBIT B -- PLAT OF THE PROPERTY



STATE OF TEXAS }
COUNTY OF JOHNSON }

WHEREAS, Laurenwood Chisholm Trail, LLC, are the owners of the herein described property to wit:

Being a 36.838 acre tract of land situated in the J.R. Laughridge Survey, Abstract number 528, H.C. Evans Survey, Abstract number 1030 and the S.H. Evans Survey, Abstract number 991 and being a tract of land conveyed to Laurenwood Chisholm Trail, LLC by deed Instrument No. 1334, pages 1-5 Johnson County Deed Records and being more particularly described by metes and bounds as follows:

Beginning at the northwest corner of said tract of land, said point being a TXDOT Brass Disc on the south right-of-way line of County Road 920A (30' ROW) and the east right of way line of Chisholm Trail Parkway a tract of land conveyed to State of Texas as recorded in Volume 4221, page 466, Deed Records Johnson County, Texas;

Thence Northeast along said south right-of-way line of county road 920A North 89° 09' 14" East of 660.47 feet to a 1/2" iron rod set; said point being Tract 1 an 8.48 acre remaining portion of land conveyed to Harold Wayne Smith as recorded in Volume 2148 Page 261 Deed Records, Johnson County, Texas;

Thence South 00° 20' 41" West a distance of 525.11 feet to a 1/2" iron rod set;

Thence North 89° 09' 14" East a distance of 704.05 feet to a 1/2" iron rod set;

Thence North 00° 20' 41" East a distance of 525.11 feet to a 1/2" iron rod set; said point being the south right-of-way line of said County Road 920A;

Thence North 89° 09' 14" East a distance of 240.72 feet to a 1/2" iron rod set; said point being the northwest corner of Tract 2 a 10.00 acre remaining portion of land conveyed to aforementioned Harold Wayne Smith as recorded in Volume 2148, Page 261, Deed Records, Johnson County, Texas;

Thence South 00° 20' 41" West a distance of 1,241.40 feet to a 1/2" iron rod set, said point being the southwest corner of a tract of land conveyed to Harold Wayne Smith as recorded in Vol. 2148, Page 261 and the north line of Bell Manor Estates as recorded in Volume 4, Page 89, Deed Records, Johnson County, Texas;

Thence along the north line of said Bell Manor Estates South 89°07' 19" West a distance of 1,509.31 feet to a 5/8" iron rod found, said point being on the west line of said Chisholm Trail Parkway right-of-way;

Thence along the east right of way line of said Chisholm Trail Parkway right-of-way the following calls:
North 07° 35' 29" West a distance of 627.06 feet to a TXDOT brass disc;

North 02° 55' 29" West a distance of 619.63 feet, To the Point of Beginning and containing 36.836 acres of land more or less.

NOW THEREFORE KNOWN TO ALL MEN BY THESE PRESENTS That Laurenwood Chisholm Trail, LLC, owner of the above described tract of land, do hereby adopt this plat designating the herein described property as Lots 1-23, Block 1 and Lots 1-10, Block 2 Laurenwood an addition to Johnson County, Texas, and hereby dedicate to the public use, without reservation, the streets, easements, right-of-ways and any other public area shown hereon.

Witness our Hands this the 6th Day of January 2015

Laurenwood Chisholm Trail, LLC. [signature] Co-mgr.

Printed Name Lee A. Hughes Title Co-Mgr.

NOTARY

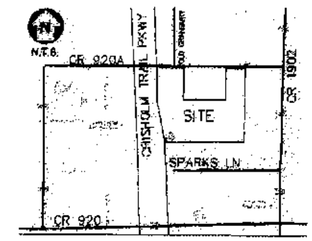
STATE OF TEXAS }
COUNTY OF TARRANT }

Before me the undersigned authority, in and for the State of Texas, on this day personally appeared Mr. Lee Hughes known by me to be the person whose name is subscribed to the above and forgoing instrument, and acknowledged to me that executed the same for the purposes and consideration expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF THE OFFICE on this the 6th Day of January 2015

[signature]
Notary Public in and for the State of Texas

CYNTHIA KAY SCOGGIN
My Commission Expires
September 6, 2016



LOCATION MAP

GENERAL NOTES:

1. ALL LOTS ARE 1.0 ACRE MINIMUM (NET FLOOD PLAIN AND DRAINAGE EASEMENTS)
2. WATER TO BE SERVED BY PRIVATE WATER WELLS PROPERTY LOCATED IN JOHNSON CO. SUD CCN# 10081
3. SANITARY SEWER INDIVIDUAL ON-SITE AEROBIC SYSTEMS
4. PROPOSED RURAL RESIDENTIAL LOTS 1.0 ACRE MIN.
5. TOTAL NUMBER LOTS = 33
   TOTAL NUMBER OF RESIDENTIAL LOTS = 31
   ESTIMATED POPULATION: 58 PERSONS
6. AREA = 36.836 ACRES
7. BUILDING SETBACK LINES ADJACENT TO CHISHOLM TRAIL PARKWAY = 50', ALL OTHERS = 40'
8. TYPICAL LOT SIZE = 140'X328'
9. PROPOSED STREET RIGHT-OF-WAY = 60'
10. PROPOSED 15' UTILITY EASEMENT ADJACENT TO ALL PROPOSED RIGHT OF WAY
11. 1/2 INCH IRON ROD CAPPED "R.P.L.S. 5504" SET AT ALL PROPERTY CORNERS UPON COMPLETION OF CONSTRUCTION (UNLESS OTHERWISE SPECIFIED ON PLAT)
12. 15' UTILITY EASEMENTS ALONG FRONT AND BACK OF ALL LOTS. 5' UTILITY EASEMENTS ON THE SIDES OF ALL LOTS PER JOHNSON COUNTY REGULATIONS.
13. SEE SHEET 2 OF 2 FOR ADDITIONAL NOTES AND DATA.
14. STREETS DESIGNED AND CONSTRUCTED TO CITY OF FORT WORTH STANDARDS PER JOHNSON COUNTY AGREEMENT.
15. BASIS OF BEARING FOR THIS PLAT IS THE TEXAS STATE PLAIN COORDINATE SYSTEM, NORTH CENTRAL TEXAS ZONE, NAD 83

CM — CONTROL MONUMENT

FINAL PLAT
OF
LAURENWOOD

LOTS 1-23, BLOCK 1
LOTS 1-10, BLOCK 2
AN ADDITION TO THE JOHNSON COUNTY, TEXAS
Being 36.836 acres situated in the
J.R. LAUGHRIDGE SURVEY, ABSTRACT NO. 528
H.C. EVANS SURVEY, ABSTRACT NO. 1030
S.H. EVANS SURVEY, ABSTRACT NO. 991
JOHNSON COUNTY, TEXAS

FORT WORTH
CITY PLAN COMMISSION
CITY OF FORT WORTH, TEXAS
This PLAT is VALID ONLY IF RECORDED WITHIN NINETY (90) DAYS AFTER DATE OF APPROVAL.
Plat Approval Date: 1/2/2015
By: [signature] CHAIRMAN
By: [signature] SECRETARY

I hereby certify this plat is true and correct and was prepared from an actual survey of the property made under my supervision on the ground.

[signature] 1/6/15
Charles F. Stark, RPLS
Texas Registration No. 5084

USE OF THIS ELECTRONIC SEAL/SIGNATURE AUTHORIZED BY CHARLES F. STARK, R.P.L.S. TEXAS REGISTRATION NO. 5084

STATE OF TEXAS — REGISTERED PROFESSIONAL LAND SURVEYOR — CHARLES F. STARK — 5084

CITY OF FORT WORTH REFERENCE FILE NO. PP-14-026 — CITY OF FORT WORTH FILE NO. FP-14-073 — SEPTEMBER 2014

Barron·Stark·Swift
Consulting Engineers
6221 Southwest Boulevard, Suite 100
Fort Worth, Texas 76132
(O) 817.231.8100 (F) 817.231.8144
Texas Registered Engineering Firm F-10998
www.barronstark.com

LAND USE TABLE

LAND USE	LOTS	DWELLING UNITS	ACRES	D.U./ACRE	POPULATION
SINGLE FAMILY	31	31	1.0 MIN	.84/ACRE	58 PERSONS
H.O.A.	2		0.87		

BLOCK LENGTH TABLE

STREET	LENGTH	ACRES
LAURENWOOD	2,080 LF	3.27

OWNER:
LAURENWOOD CHISHOLM TRAIL, LLC
CONTACT: MR. LEE HUGHES
5320 CAMP BOWIE BLVD., SUITE D
FORT WORTH, TX 76107
TEL: 817-439-3334

JOB No.	233-6080
DATE	Sept 2014
REV DATE	11-24-2014

SHEET 1 of 2

FILED FOR RECORD
JOHNSON COUNTY, TEXAS
VOLUME 10 PAGE 240 SLIDE D-203
DATE 2-3-15
BY: [signature]
COUNTY CLERK
Deputy Clerk [signature]

UTILITY EASEMENTS
ANY PUBLIC FRANCHISED UTILITY, INCLUDING THE CITY OF FORT WORTH, SHALL HAVE THE RIGHT TO MOVE AND KEEP MOVED ALL OR PART OF ANY BUILDING, FENCE, TREE, SHRUB, OTHER GROWTH OR IMPROVEMENT WHICH IN ANY WAY ENDANGERS OR INTERFERES WITH THE CONSTRUCTION, MAINTENANCE, OR EFFICIENCY OF ITS RESPECTIVE SYSTEMS ON ANY OF THE EASEMENTS SHOWN ON THE PLAT; AND THEY SHALL HAVE THE RIGHT AT ALL TIMES TO INGRESS AND EGRESS UPON SAID EASEMENTS FOR THE PURPOSE OF CONSTRUCTION, RECONSTRUCTION, INSPECTION, PATROLLING, MAINTAINING, AND ADDING TO OR REMOVING ALL OR PART OF ITS RESPECTIVE SYSTEMS WITHOUT THE NECESSITY AT ANY TIME OF PROCURING THE PERMISSION OF ANYONE.

CONSTRUCTION PROHIBITED OVER EASEMENTS
NO PERMANENT BUILDING OR STRUCTURES SHALL BE CONSTRUCTED OVER ANY EXISTING OR PLATTED WATER, SANITARY SEWER, DRAINAGE, GAS, ELECTRIC, OR OTHER UTILITY EASEMENT OF ANY TYPE.

PRIVATE COMMON AREA AND FACILITIES:
THE CITY OF FORT WORTH AND COUNTY OF JOHNSON SHALL NOT BE HELD RESPONSIBLE FOR THE CONSTRUCTION, MAINTENANCE OR OPERATION OF ANY LOTS CONTAINING PRIVATE COMMON AREAS OR FACILITIES IDENTIFIED AS SUCH ON THIS PLAT. SAID AREAS SHALL INCLUDE, BUT NOT BE LIMITED TO: PRIVATE STREETS, EMERGENCY ACCESS EASEMENTS, AND GATED SECURITY ENTRANCES; RECREATION AREAS, GREENBELT EASEMENTS, LANDSCAPED AREAS AND OPEN SPACES; WATER AND WASTEWATER DISTRIBUTION SYSTEMS AND TREATMENT FACILITIES; AND RECREATION/CLUBHOUSE/EXERCISE/BUILDINGS AND FACILITIES. THE LAND OWNERS AND SUBSEQUENT OWNERS OF THE LOTS AND PARCELS IN THIS SUBDIVISION, ACTING JOINTLY AND SEVERALLY AS A HOME OWNERS ASSOCIATION, SHALL BE RESPONSIBLE FOR SUCH CONSTRUCTION, RECONSTRUCTION, MAINTENANCE AND OPERATION OF THE SUBDIVISION'S PRIVATE COMMON AREAS AND FACILITIES, AND SHALL AGREE TO INDEMNIFY AND HOLD HARMLESS THE CITY OF FORT WORTH AND COUNTY OF JOHNSON, TEXAS FROM ALL CLAIMS, DAMAGES AND LOSSES ARISING OUT OF, OR RESULTING FROM THE PERFORMANCE OF THE OBLIGATIONS OF SAID OWNERS ASSOCIATION, AS SET FORTH HEREIN.

STORM WATER OVERFLOW
THE DRAINAGE WAYS ARE OCCASIONALLY SUBJECT TO STORM WATER OVERFLOW DAMAGES RESULTING FROM THE STORM WATER OVERFLOW AND/OR BANK EROSION THAT CANNOT BE DEFINED. THE COUNTY SHALL NOT BE LIABLE FOR ANY DAMAGES RESULTING FROM THE OCCURENCE OF THESE PHENOMENA, NOR THE FAILURE OF ANY STRUCTURES WITHIN THE DRAINAGE WAYS. THE DRAINAGE WAY CROSSING EACH LOT IS CONTAINED WITH THE FLOODPLAIN/DRAINAGE EASEMENT LINE AS SHOWN ON THE FINAL PLAT.

THE HOMEOWNERS
SHALL KEEP THE ADJACENT DRAINAGE WAYS TRAVERSING THEIR PROPERTY CLEAN AND FREE OF DEBRIS, SILT OR OTHER SUBSTANCES, WHICH WOULD RESULT IN UNSANITARY CONDITIONS AND THE COUNTY SHALL HAVE THE RIGHT OF ENTRY FOR THE PURPOSES OF INSPECTING THE MAINTENANCE WORK BY THE PROPERTY OWNERS.

DRAINAGE NOTE:
ALL DRAINAGE EASEMENTS SHALL BE KEPT CLEAR OF FENCES, BUILDINGS, FOUNDATIONS, PLANTINGS AND OTHER OBSTRUCTIONS TO THE OPERATION AND MAINTENANCE OF THE DRAINAGE FACILITY. THE EXISTING CREEK, STREAM, RIVER OR DRAINAGE CHANNEL TRAVERSING ALONG OR ACROSS PORTIONS OF THIS ADDITION WILL REMAIN UNOBSTRUCTED AT ALL TIMES AND WILL BE MAINTAINED BY THE ADJACENT PROPERTY OWNER, OR THE HOME OWNERS ASSOCIATION, IF APPLICABLE.

NOTE:
ACCORDING TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FEDERAL INSURANCE ADMINISTRATION FLOOD INSURANCE RATE MAP COMMUNITY PANEL NO. 48251C0050J EFFECTIVE DATE: DECEMBER 4, 2012 THIS PROPERTY DOES NOT LIE IN ZONE X AND DOES NOT LIE WITHIN A 100 YEAR FLOOD HAZARD AREA.

FLOODPLAIN RESTRICTION
NO CONSTRUCTION SHALL BE ALLOWED WITHIN THE FLOODPLAIN EASEMENT, WITHOUT THE WRITTEN APPROVAL OF THE DIRECTOR OF TRANSPORTATION OF PUBLIC WORKS. IN ORDER TO SECURE APPROVAL, DETAILED ENGINEERING PLANS AND/OR STUDIES FOR THE IMPROVEMENTS SATISFACTORY TO THE DIRECTOR SHALL BE PREPARED AND SUBMITTED BY THE PARTY(S) WISHING TO CONSTRUCT WITHIN THE FLOOD-PLAIN. WHERE CONSTRUCTION IS PERMITTED, ALL FINISHED FLOOR ELEVATIONS SHALL BE A MINIMUM OF (2) TWO FEET ABOVE THE FLOODPLAIN BASE FLOOD ELEVATION RESULTING FROM ULTIMATE DEVELOPMENT OF THE WATERSHED

FLOOD PLAIN/DRAINAGE-WAY MAINTENANCE
THE EXISTING CREEK, STREAM, RIVER, OR DRAINAGE CHANNEL TRAVERSING ALONG OR ACROSS PORTIONS OF THIS ADDITION, WILL REMAIN UNOBSTRUCTED AT ALL TIMES AND WILL BE MAINTAINED BY THE INDIVIDUAL LOT OWNERS WHOSE LOTS ARE TRAVERSED BY, OR ADJACENT TO THE DRAINAGE-WAYS. THE CITY OF FORT WORTH WILL NOT BE RESPONSIBLE FOR THE MAINTENANCE, EROSION CONTROL, AND/OR OPERATION OF SAID DRAINAGE-WAYS. PROPERTY OWNERS SHALL KEEP THE ADJACENT DRAINAGE-WAYS TRAVERSING THEIR PROPERTY CLEAN AND FREE OF DEBRIS, SILT OR OTHER SUBSTANCES WHICH WOULD RESULT IN USANITARY CONDITIONS, AND THE CITY SHALL HAVE THE RIGHT OF ENTRY FOR PURPOSE OF INSPECTING THE MAINTENANCE WORK BY THE PROPERTY OWNERS. THE DRAINAGE-WAYS ARE OCCASIONALLY SUBJECT TO STORM WATER OVERFLOW AND/OR BANK EROSION THAT CANNOT BE DEFINED. THE CITY OF FORT WORTH SHALL NOT BE LIABLE FOR ANY DAMAGES RESULTING FROM THE OCCURENCE OF THOSE PHENOMENA, NOR THE FAILURE OF ANY STRUCTURE(S) WITHIN THE DRAINAGE WAYS. THE DRAINAGE-WAY CROSSING EACH LOT IS CONTAINED WITHIN THE FLOODPLAIN EASEMENT LINE AS SHOWN ON THE PLAT.

ULTIMATE CONDITIONS
DRIVEWAY CULVERT CALCULATIONS

LOT/BLK	AREA (cumulative)	"C"	TC	I-1	Q1	I-5	Q-5	I-10	Q-10	I-100	Q-100	Q-100 PROVIDED(cfs)	DRIVEWAY CULVERT	STREET
LOT 1, BLK 1	1.24	0.51	15.00	3.32	2.10	4.86	3.07	5.53	3.50	7.98	5.0	15.50	18" RCP	LAURENWOOD LN
LOT 2, BLK 1	0.84	0.51	15.00	3.32	1.42	4.86	2.08	5.53	2.37	7.98	3.4	15.50	18" RCP	LAURENWOOD LN
LOT 3, BLK 1	0.57	0.51	15.00	3.32	0.97	4.86	1.41	5.53	1.61	7.98	2.3	15.50	18" RCP	LAURENWOOD LN
LOT 4, BLK 1	0.27	0.51	15.00	3.32	0.46	4.86	0.67	5.53	0.76	7.98	1.1	15.50	18" RCP	LAURENWOOD LN
LOT 5, BLK 1	0.19	0.51	15.00	3.32	0.32	4.86	0.47	5.53	0.54	7.98	0.8	15.50	18" RCP	LAURENWOOD LN
LOT 6, BLK 1	0.33	0.51	15.00	3.32	0.56	4.86	0.82	5.53	0.93	7.98	1.3	15.50	18" RCP	LAURENWOOD LN
LOT 7, BLK 1	0.43	0.51	15.00	3.32	0.73	4.86	1.07	5.53	1.21	7.98	1.8	15.50	18" RCP	LAURENWOOD LN
LOT 8, BLK 1	0.93	0.51	15.00	3.32	1.57	4.86	2.31	5.53	2.62	7.98	3.8	15.50	18" RCP	LAURENWOOD LN
LOT 9, BLK 1	0.80	0.51	15.00	3.32	1.35	4.86	1.98	5.53	2.28	7.98	3.3	15.50	18" RCP	LAURENWOOD LN
LOT 10, BLK 1	0.63	0.51	15.00	3.32	1.07	4.86	1.56	5.53	1.78	7.98	2.8	15.50	21" RCP	LAURENWOOD LN
LOT 11, BLK 1	0.40	0.51	15.00	3.32	0.68	4.86	0.99	5.53	1.13	7.98	1.6	15.50	18" RCP	LAURENWOOD LN
LOT 12, BLK 1	0.16	0.51	15.00	3.32	0.27	4.86	0.40	5.53	0.45	7.98	0.7	15.50	18" RCP	LAURENWOOD LN
LOT 13, BLK 1	0.45	0.51	15.00	3.32	0.76	4.86	1.12	5.53	1.27	7.98	1.8	15.50	18" RCP	LAURENWOOD LN
LOT 14, BLK 1	1.24	0.51	15.00	3.32	2.10	4.86	3.07	5.53	3.50	7.98	5.0	15.50	24" RCP	LAURENWOOD LN
LOT 15, BLK 1	1.83	0.51	15.00	3.32	3.10	4.86	4.54	5.53	5.16	7.98	7.4	15.50	24" RCP	LAURENWOOD LN
LOT 16, BLK 1	1.96	0.51	15.00	3.32	3.32	4.86	4.86	5.53	5.53	7.98	8.0	15.50	24" RCP	LAURENWOOD LN
LOT 17, BLK 1	2.17	0.51	15.00	3.32	3.67	4.86	5.38	5.53	6.12	7.98	8.8	15.50	24" RCP	LAURENWOOD LN
LOT 18, BLK 1	2.58	0.51	15.00	3.32	4.37	4.86	6.39	5.53	7.28	7.98	10.5	15.50	18" RCP	LAURENWOOD LN
LOT 19, BLK 1	2.71	0.51	15.00	3.32	4.59	4.86	6.72	5.53	7.64	7.98	11.0	15.50	18" RCP	LAURENWOOD LN
LOT 20, BLK 1	4.70	0.51	15.00	3.32	7.96	4.86	11.65	5.53	13.26	7.98	19.1	15.50	24" RCP	LAURENWOOD LN
LOT 1, BLK 2	8.16	0.51	15.00	3.32	13.82	4.86	20.23	5.53	23.01	7.98	33.2	36.50	27" RCP	LAURENWOOD LN
LOT 2, BLK 2	6.30	0.51	15.00	3.32	10.67	4.86	15.62	5.53	17.77	7.98	25.6	28.50	24" RCP	LAURENWOOD LN
LOT 3, BLK 2	5.13	0.51	15.00	3.32	8.69	4.86	12.72	5.53	14.47	7.98	20.9	28.50	24" RCP	LAURENWOOD LN
LOT 4, BLK 2	3.67	0.51	15.00	3.32	6.21	4.86	9.10	5.53	10.35	7.98	14.9	15.50	18" RCP	LAURENWOOD LN
LOT 5, BLK 2	2.69	0.51	15.00	3.32	4.55	4.86	6.67	5.53	7.59	7.98	10.9	15.50	18" RCP	LAURENWOOD LN
LOT 6, BLK 2	1.44	0.51	15.00	3.32	2.44	4.86	3.57	5.53	4.06	7.98	5.9	15.50	18" RCP	LAURENWOOD LN
LOT 7, BLK 2	0.58	0.51	15.00	3.32	0.98	4.86	1.44	5.53	1.64	7.98	2.4	15.50	18" RCP	LAURENWOOD LN
LOT 8, BLK 2	0.21	0.51	15.00	3.32	0.36	4.86	0.52	5.53	0.59	7.98	0.9	15.50	18" RCP	LAURENWOOD LN
LOT 9, BLK 2	0.52	0.51	15.00	3.32	0.88	4.86	1.29	5.53	1.47	7.98	2.1	15.50	18" RCP	LAURENWOOD LN
LOT 10, BLK 2	1.81	0.51	15.00	3.32	3.06	4.86	4.49	5.53	5.10	7.98	7.4	15.50	18" RCP	LAURENWOOD LN
LOT 10, BLK 2	4.59	0.51	15.00	3.32	7.77	4.86	11.38	5.53	12.95	7.98	18.7	28.50	24" RCP	LAURENWOOD LN

Line Table

Line #	Length	Direction
L1	47.18	N0° 50' 46"W
L2	49.97	N9° 26' 47"E
L3	479.78	N0° 50' 46"W
L4	768.45	S89° 08' 25"W
L5	283.38	S10° 11' 58"W
L6	45.97	N0° 50' 49"W
L7	54.10	N0° 50' 46"W
L8	47.68	N89° 08' 25"E
L9	4.80	N80° 08' 25"E
L10	40.55	S10° 11' 58"W
L11	178.86	N79° 11' 18"W
L12	73.00	N55° 37' 55"E
L13	56.51	N89° 08' 25"E
L14	14.89	N44° 09' 14"E
L15	14.46	N45° 50' 46"W
L16	127.06	S34° 06' 13"W
L17	147.38	N79° 11' 18"W
L18	12.80	S50° 38' 52"W
L19	154.93	N0° 23' 01"E
L20	22.73	N61° 17' 07"E
L21	156.19	S83° 59' 12"E

Curve Table

Curve #	Length	Radius	Delta	Chord Direction	Chord Length
C1	53.89	300.00	10.29	N4° 18' 00"E	53.82
C2	53.89	300.00	10.29	S4° 18' 00"W	53.82
C3	314.21	200.00	90.01	S45° 51' 11"E	282.88
C4	67.01	230.00	16.69	S9° 11' 34"E	66.77
C5	267.08	170.00	90.01	S45° 51' 11"E	240.44
C6	82.71	230.00	20.60	S27° 50' 29"E	82.27
C7	49.66	230.00	12.37	S44° 19' 46"E	49.57
C8	82.44	230.00	20.54	S68° 20' 04"E	82.00
C9	48.87	230.00	12.17	S84° 46' 23"E	48.78
C10	86.66	60.00	82.75	S72° 14' 07"E	79.32
C11	62.83	60.00	60.00	N36° 23' 20"E	60.00
C12	58.84	60.00	56.19	N21° 42' 21"W	56.51
C13	94.36	60.00	87.36	N44° 29' 38"E	85.73
C14	42.87	80.00	30.70	N19° 01' 01"W	42.36
C15	69.36	60.00	49.67	N59° 12' 18"W	67.21
C16	214.66	80.00	153.73	S19° 05' 27"W	155.82
C17	30.64	230.00	7.63	S54° 19' 57"E	30.62
C18	20.21	80.00	14.48	N3° 34' 23"E	20.16

FORT WORTH FIRE DEPARTMENT
Capt. [signature]
02-02-15

STATE OF TEXAS
REGISTERED
CHARLES F. STARK
5084
PROFESSIONAL LAND SURVEYOR

I hereby certify this plat is true and correct and was prepared from an actual survey of the property made under my supervision on the ground.

[signature] 1/6/15
Charles F. Stark, RPLS
Texas Registration No. 5084

USE OF THIS ELECTRONIC SEAL/SIGNATURE AUTHORIZED BY CHARLES F. STARK, R.P.L.S. TEXAS REGISTRATION NO. 5084

FORT WORTH
CITY PLAN COMMISSION
CITY OF FORT WORTH, TEXAS
THIS PLAT IS VALID ONLY IF RECORDED WITHIN NINETY (90) DAYS AFTER DATE OF APPROVAL.

Plat Approval Date: 2/2/2015
By: [signature] CHAIRMAN
By: [signature] SECRETARY

FINAL PLAT OF LAURENWOOD

LOTS 1-23, BLOCK 1
LOTS 1-10, BLOCK 2
AN ADDITION TO JOHNSON COUNTY, TEXAS
Being 36.638 acres situated in the
J.R. LAUGHRIDGE SURVEY, ABSTRACT NO. 526
H.C. EVANS SURVEY, ABSTRACT NO. 1030
S.H. EVANS SURVEY, ABSTRACT NO. 991
JOHNSON COUNTY, TEXAS

CITY OF FORT WORTH REFERENCE FILE NO. PP-14-026 CITY OF FORT WORTH FILE NO. FF-14-073 SEPTEMBER 2014

Barron•Stark•Swift
Consulting Engineers
Together

6221 Southwest Boulevard, Suite 100
Fort Worth, Texas 76132
(O) 817.231.8100 (F) 817.231.8144
Texas Registered Engineering Firm F-10998
www.barronstark.com

LAND USE TABLE

LAND USE	LOTS	DWELLING UNITS	ACRES	D.U./ACRE	POPULATION
SINGLE FAMILY	31	31	1.0 MIN	.84/ACRE	98 PERSONS
H.O.A.	2	-	0.87		

BLOCK LENGTH TABLE

STREET	LENGTH	ACRES
LAURENWOOD	2,050 LF	3.27

OWNER:
LAURENWOOD CHISHOLM TRAIL, LLC
CONTACT: MR. LEE HUGHES
5320 CAMP BOWIE BLVD., SUITE D
FORT WORTH, TX 76107
TEL: 817-439-3334

JOB No. 233-6060
DATE SEPT 2014
REV DATE 11-24-2014

SHEET 2 of 2

FILED FOR RECORD
JOHNSON COUNTY, TEXAS
VOLUME 10 PAGE 741 SLIDE D-204
DATE 2-2-15
BY: [signature]
COUNTY CLERK
Deputy Clerk [signature]

EXHIBIT C -- CONSTRUCTION RELATED RESTRICTIONS

The Declarant has used its best efforts to promote and ensure a high level of taste, design, quality, harmony, and conformity throughout the Property, consistent with the standards specified herein and in the Restrictions, provided, however, that Declarant shall have sole discretion with respect to taste, design, and all standards specified herein so long as Declarant owns a Lot. In this regard, Declarant promulgates the following construction related restrictions:

1. APPROVED BUILDERS. No Owner, builder, or general contractor shall construct a Residence on a Lot without first obtaining the written approval of the proposed builder from the ACC, with such decision to lie in the sole and absolute discretion of the ACC.

2. MINIMUM CONSTRUCTION REQUIREMENTS. Each residence shall have a minimum contiguous interior living area of 2,300 air conditioned square feet for a one story residence and for a two-story residence, the first floor shall contain a minimum of 1,925 air conditioned square feet and the second floor shall contain a minimum of 400 air conditioned square feet, exclusive of garages, porches, or patios. At least eighty-five percent (85%) of the exterior of each Residence and one hundred percent (100%) of the first floor of the Residence, exclusive of glass and doors, shall be in masonry, brick, brick veneer, stone, or stone veneer materials approved by the ACC. All exterior construction shall be of new materials and shall be natural or ACC-approved natural-appearing materials. No Residence or other structure shall exceed two (2) stories in height, excluding basements, unless approved by the ACC or the maximum height permitted by the applicable municipality.

3. GARAGES. Each Residence shall have a garage capable of housing at least two (2) vehicles and the interior garage space shall be finished out. No garage or accessory improvements shall exceed in height the residence or dwelling unit to which it is appurtenant. No garage shall have a vehicular access door or opening which faces any public right-of-way except for corner lots and side entrance garages, unless (a) set back at least 25 feet from the front corner of the house closest to the front building set back line or (b) approved by the ACC which has absolute discretion on such matter. If Owner desires an attached, single-car garage in addition to a two-car garage, the single-car garage must be set back behind the front elevation of the Residence. Garage doors shall be closed at all times except to allow the entry and exit of vehicles and persons and except when the garage is being cleaned or items are being stored in the garage. No carport is permitted on any Lot. All garages shall correspond in style, architecture, and exterior building materials with the Residence to which it is appurtenant.

4. ROOFING. Except as otherwise permitted at law, All roofs shall be constructed of concrete tile, clay tile, Hardie slate, standing seam metal roof (allowed only if composed of either copper, "paint grip galvanized" unpainted or microzinc (pre-painted or factory painted metal roofing is not allowed) and composition roofs which meet or exceed at least a minimum thirty (30) year warranty, 300 lb. felt, laminated shingle or equivalent. Wood shake shingles are not permitted. All roofs must be approved in writing by Declarant and/or the ACC for color and material. The roof pitch elevation of any structure shall be a minimum of 8/12 pitch unless otherwise approved by the ACC. A lesser pitch may be approved for a tile or slate roof provided the design and Lot lend themselves to such slope. All vents penetrating the roof shall be painted the same color as the roof. Three tab shingles are not permitted.

5. ACCESSORY IMPROVEMENTS.

(a) A building that is immediately accessory to the Residence and other similar improvements to the Residence, such as a detached garage, maid's quarters, guest house, or cabana may be allowed, provided it conforms to the same style and architecture, is constructed of the same materials as the Residence, and is approved by the ACC. No such accessory building to the Residence shall exceed 30% of the interior living area of the Residence, unless otherwise approved by the ACC.

(b) Storage buildings, shops, and other similar buildings and improvements constructed on a Lot that are at least twenty-five (25) feet behind the rear plane of the Residence, shall be allowed and (i) need not conform to the size limitations described in (a) above, (ii) shall conform to the same style and architecture and be constructed of the same materials as the Residence provided the Plans are approved by the ACC, (iii) the portion of the building facing a public right-of-way, which in the event of a corner lot could include two sides of the building, shall be constructed of masonry materials, and (iv)

the size and harmony of such buildings with existing structures on or adjacent to the Lot where same is constructed shall be determined at the sole discretion of the ACC.

6. RECREATIONAL IMPROVEMENTS. Basketball goals, batting cages, tennis courts, swimming pools, or any other similar sporting or recreational equipment or improvement shall be placed behind the Residence unless otherwise approved by the ACC. All children's play equipment, including, but not limited to, sand boxes and wading pools shall be kept in good repair and shall not be placed so as to be visible from a public right-of-way.

7. MINIMUM SETBACK. No improvements of any kind (other than approved fences) may be placed closer than forty (40) feet from the front line of any Lot or twenty-five feet (25') from any side property line, or twenty-five feet (25') from any rear property line. In cases where rugged terrain is encountered, thus necessitating or making highly desirable the use of such space, a variance to this restriction may be granted by written approval of the ACC, within its sole discretion. However, Lots 1-7, Block 1 will have a fifty (50) foot rear setback for outbuildings and accessory improvements.

8. STORAGE OF BUILDING MATERIALS. No building materials of any kind may be stored on any Lot for longer than one week prior to the commencement of work for which the materials were purchased unless they are stored in an enclosed building or located such that they cannot be viewed from any other Lot.

9. CONSTRUCTION CLEAN-UP. From time to time during construction as required to maintain a neat and orderly appearance, and upon completion of construction, the Owner of the Lot will be responsible for the removal of any trash or debris that may have been thrown, placed, or discarded on any part of the Lot or on any other Lot if the trash or debris originated at the Owner's Lot.

10. COMPLETION OF CONSTRUCTION. To promote the marketing of Laurenwood and to maintain the aesthetics of the development, once construction of a Residence is commenced on a Lot it shall be diligently continued to completion. No Residence shall remain incomplete for more than twelve (12) months after construction has commenced, except due to a casualty loss in which case construction shall be completed as soon as possible thereafter. An Owner who breaches this section shall pay to Declarant, as liquidated damages; the sum of $100 per day for each day construction remains incomplete beyond this twelve (12) months, in addition to any other damages owed by such Owner to the Association.

11. AIR CONDITIONING. No air conditioning apparatus shall be used, placed, or maintained on any Residence except on the ground of the side or back of the Residence. No air conditioning apparatus shall be installed at or on the front of a Residence.

12. LIGHTING. In general, exterior lighting used in connection with the occupancy of a Residence shall be kept to the minimum required for safety and security. Landscape lighting is allowed. All exterior lights must have a bonnet or shield preventing the light from traveling in an upward direction and limiting its vertical travel. No mercury vapor or neon lights shall be used to illuminate the outside areas of a Lot. No exterior lighting of any sort shall be installed or maintained on a Lot where the light source is offensive or a nuisance to other Owners or Lots as determined by the ACC. Lighting for tennis courts is permitted with the approval of the ACC.

13. SOUND DEVICES. No exterior horns, whistles, bells, or other unusually sound devices (except reasonable security devices) audible from any adjoining Lot shall be placed or used upon any Lot.

14. FENCES. No fence, wall, or hedge shall be erected, placed, or altered on any Lot without the ACC's prior written approval. Any fence or wall shall comply with the applicable municipality's requirements and the following:

(a) Unless otherwise approved by Declarant, all fences and walls facing a public right of way shall not extend nearer to the front street than ten (10) feet behind the front of the Residence.
(b) All fences and walls facing a public right-of-way shall be constructed of brick, natural stone, or six (6) foot high wrought iron style metal with picket tops;
(c) All fences shall not be less than six (6) feet nor more than eight (8) feet in height, as measured from existing ground level;

Each Owner is responsible for maintaining the fence on the Owner's Lot, regardless of whether such fence is the perimeter fence to Laurenwood. Without limiting the foregoing, no wood privacy fences will be permitted. No fence or gate may be erected across or into any Road. Each Owner shall maintain in a safe and neat manner all fences on the Owner's Lot. To facilitate the use of all easements described herein, fences erected across any utility easement shall contain either: (1) a twelve foot (12') wide gate or (2) two (2) six foot (6') wide gates or (3) a twelve foot (12') section of fence that is susceptible to reasonably easy removal (without damage to the balance of the fence) and replacement.

15. LOT ENTRIES AND DRIVEWAYS. Each Lot must be accessible to the adjoining public right-of-way by a driveway suitable for such purposes and approved as to design, materials, and location by the ACC prior to any residence being occupied or used. Unless otherwise approved by the ACC, no circular driveways shall be permitted. All driveways shall have a sufficient culvert installed and the drainage ditch shall be lined with rock or concrete bags within five (5) feet of either side of the culvert opening.

16. SEWAGE DISPOSAL. Each Owner must install an aerobic septic system for sewage disposal or any other system that complies with Applicable Law. All septic systems must be installed by a state certified licensed installer and must be permitted and inspected by authorized representatives of Johnson County. Septic Systems must be inspected by a state certified licensed installer every three years and must be regularly maintained so as to remain fully functional. No outside toilets or cesspools will be permitted.

17. WATER WELLS.

(a) The Owner of each Lot shall have the right, subject to the approval of and permitting by all appropriate governmental authorities, to have and maintain no more than one (1) producing water well on the Lot for the Owner's personal and domestic consumption in connection with the ownership of that Lot. In the event the well authorized by this section does not provide sufficient amounts of water for the Owner's personal and domestic consumption, the Association may allow an additional well or wells as reasonably required. Each Owner is strictly prohibited from selling any water commercially from any well. The drilling and operation of any well shall meet the approval of all federal, state, county, or municipal regulatory authorities entitled by law to approve, regulate, or supervise same, and obtaining such approval and the cost thereof shall be the sole responsibility of the Owner.

(b) Declarant makes no representation or warranty of any kind, express or implied, with respect to: (1) whether the Owner will be allowed by appropriate governmental authorities to drill a water well, (2) whether water will be found on any Lot, (3) the quantity of water available to any Lot now or in the future, (4) whether any water found on any Lot will be potable (safe to drink). Each Owner acknowledges that the topography of any given Lot may affect the availability, quality, or quantity of any water.

18. DRAINAGE/IMPOUNDMENT OF SURFACE WATER. The existing creeks, ponds, and drainage channels traversing along or across portions of the Property will remain as open channels at all times and will be maintained by the Owners of the Lot or Lots that are traversed by or adjacent to the drainage courses along or across said Lots. Each Owner shall keep the natural drainage channels traversing or adjacent to his Lot clean and free of debris, silt or any substance which would result in unsanitary conditions or any obstruction of the natural flow of water. No party may dam any creek or seasonal creek. No party may impound water without ACC approval or in any setback or in a manner which would violate any Applicable Law or could affect the safety or do harm to life and property downstream should the impoundment break. A small pond may be allowed if approved by the ACC.

19. ANTENNA. No microwave dishes, radio, citizen band or otherwise, or television axial wires or antennas shall be maintained on any portion of any Lot, or in the Common Area, except direct broadcast satellite (DBS) antennae no more than 18" in diameter, multichannel multipoint distribution system (MMES) antennae no more than 18" in diameter, or television broadcast antennae, all of which Owner shall screen from view as much as possible without impairing the installation, maintenance or use. All matters set forth in this provision require the express approval, in advance, of the ACC, which shall be exercised in conformity with the rules of the Federal Communications Commission.

20. BUILDING CODES. All construction will comply with the Building Code, any other applicable local building codes or fire codes, and any other Applicable Laws, ordinances or regulations of any governmental body or agency.

21. STORAGE TANKS. Propane and other storage tanks shall be located behind the Owner's Residence and shall be screened from public view with stone, stucco, or shrubbery as required by the ACC. If shrubbery is used for screening purposes, the shrubbery, at the time it is planted, must be of adequate size to screen the propane or storage tanks.

22. MAILBOXES AND STREET ADDRESSES. Mailboxes must be constructed of masonry, match the primary material used to construct the Owner's Residence, and shall be installed in accordance with requirements of the ACC. The street address of the Lot shall appear on the front of the house in a pre-cast material inset into the brick.

23. SUBDIVISION. No Lot shall be subdivided into smaller lots. Unless otherwise approved by the ACC, none of the Lots shall be platted into larger Lots.

24. CHIMNEYS. The exterior of chimneys shall be of masonry material.

25. SIDEWALKS. All sidewalks shall, at a minimum, conform to the applicable municipality's specifications and regulations. Declarant and/or the ACC may, in their absolute and sole discretion, impose more restrictive standards than those required by the applicable municipality regarding placement and width.

26. SIGNS. No sign(s) shall be displayed to the public view on any Lot or public right-of-way, except that Owner (a) may place on each of Owner's Lot during the initial construction of the Residence a Builder's for sale sign, model home sign, and/or a Builder's temporary construction address sign, each of which shall be no larger than eight square feet in size and (b) a standard and/or customary "for sale" sign, as determined standard and/or customary in the ACC's absolute and sole discretion, when selling a completed Residence. Nothing herein shall preclude the display of signs otherwise permitted at law.

27. LANDSCAPING. Each residence shall be landscaped and sodded on the front and side yards within one hundred and twenty (120) days after the date on which the carpet has been installed in the Residence. The landscaping of each Lot shall be principally grass sod unless otherwise approved in writing by the ACC. Hydromulching is not accepted. The owner shall keep the yard sufficiently watered to ensure adequate growth of the grass. The yard shall contain an underground water sprinkling system for the purpose of producing sufficient water to preserve and maintain the landscape in a health and attractive condition.

28. TREES AND SHRUBS. At least two (2) three inch (3") caliber oak trees or other trees approved by the ACC shall be planted in the front yard area at the completion of construction of the Residence. This requirement will be waived by the ACC if, in the opinion of the ACC, adequate existing trees are retained. All other types of trees, other than oak which are approved, will be subject to the prior approval of the ACC. There shall be considerable shrubbery or flowers planted along the side of the house facing the street, as required by the ACC.

29. FLAG POLES. Except as otherwise permitted by law, no flag poles shall be installed without the prior approval of the ACC.

30. EXTERIOR HOME COLORS. Exterior home colors must be approved by the ACC. The ACC shall promulgate a swatch of acceptable home colors. Preferred color finishes include subdued earth or natural tones. For both new construction and changes to existing Residences, proposed masonry products and paint swatches must be submitted to the ACC for approval.

31. SOLAR DEVICES. Except as otherwise permitted at law, all solar devices must be approved by Declarant.

EXHIBIT D –COLLECTIONS POLICY SCHEDULE

COLLECTIONS POLICY SCHEDULE

THIS POLICY IS EFFECTIVE ON THE FILING OF THE RESTRICTIONS AND REPLACES ANY AND ALL PRIOR COLLECTION POLICIES. The following actions are performed to collect on delinquent accounts. The charges assessed to an owner's account for certain collection action noted below are subject to change without notice. Monthly late and handling fees are assessed to delinquent accounts according to the notification on the billing statement and a monthly past due letter with account analysis or a late statement is mailed.

Check Here	Collection Step	Approximate Day of Delinquency Each Step is Taken	Notes
	Past due letter with account analysis or a late statement	----10th-----	An initial letter with an account analysis is mailed after the first month of fees are charged to a past due account. Additional late statements are mailed monthly when late fees are charged.
	Utility cut-off notice	---N/A---	This action is taken only if the association has common meters and it is permitted in their documents.
	Initial collection letter	---30 to 45---	This letter is mailed by regular & certified mail & a $10.00 processing fee charged to the owners account. This letter allows the owner thirty (30) days to pay or dispute the balance & notifies of future action if payment is not received.
	Intent to report delinquent account to credit bureau	--6o to 75---	This letter allows the owner ten (10) days to pay prior to reporting their delinquent account to the credit bureau. It also informs the owner of the fee that will be charged to their account if reported to the credit bureau.
	Notification to owner of credit bureau reporting	--70 to 85---	This letter notifies the owner that their account has been charged $59.54 and is being reported to the credit bureau. It also informs them of future actions & the related fees that will be charged to their account.
	Order title search to determine legal owner	--80 to 105---	A title search is ordered and the owners account is charged $65.00. Upon receipt of the title search, a letter is mailed to the owner informing them of this action and the $65.00 charge assessed to their account. This letter also informs them if payment is not received within ten (10) days an assessment lien will be filed with the county and the associated cost charged back to their account.
	Notify owner of lien filing and file line with the county	--95 to 125---	If payment has not been received within ten (10) days a lien is prepared and the owners account is charged $178.61. A letter is mailed to the owner informing them of this action, that $178.61 has been charged to their account and that the lien is being filed in the county records. Upon payment in full a notice of release of lien will be processed and filed in the county at no additional charge.
	Forward owners file to the association attorney for small claims suit and/or foreclosure	--120 to 135---	This action must be allowed in the association documents. A fee of $25.00 will be charged to the owners account for preparing and forwarding the necessary documents to the association attorney.

LEE A. HUGHES
Signature – Authorized Board Member

02/19/2015
Date

BOARD MEMBER
Printed Name