



Office of the Secretary of State

CERTIFICATE OF FILING OF

Trees Farm Homeowners' Association, Inc.
File Number: 803047128

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 06/18/2018

Effective: 06/18/2018



A handwritten signature in black ink, appearing to read "R. Pablos".

Rolando B. Pablos
Secretary of State

CERTIFICATE OF FORMATION

FILED
In the Office of the
Secretary of State of Texas

JUN 18 2018

OF

Corporations Section

TREES FARM HOMEOWNERS' ASSOCIATION, INC.

I, the undersigned, being of the age of eighteen years or more, acting as incorporator under the Texas Business Organizations Code, as it may be amended (the "**TBOC**"), does hereby adopt this Certificate of Formation (herein so called) for the Association (as hereinafter defined):

Article 1. Name. The name of the corporation for which this Certificate of Formation is being filed is **Trees Farm Homeowners' Association, Inc.** (hereinafter called the "**Association**").

Article 2. Type of Corporation. The Association is a nonprofit corporation organized pursuant to the TBOC and has no capital stock.

Article 3. Duration. The Association shall have perpetual duration.

Article 4. Definitions. Capitalized terms contained in this Certificate of Formation that are not defined herein shall have the meaning given to such terms in the Declaration of Covenants, Conditions and Restrictions for Trees Farm to be recorded in the public records of Dallas County, Texas, as it may be amended from time to time (the "**Declaration**"), which definitions are incorporated herein by this reference.

Article 5. Registered Office and Agent. The initial registered office of the Association is 10,000 North Central Expressway, Suite 900, Dallas Texas 75231, and the initial registered agent at such address is Glen A. Bellinger. The undersigned, as incorporator, affirms that the person designated herein as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute this instrument.

Article 6. Incorporator. The name and address of the incorporator is Glen A. Bellinger at 10,000 North Central Expressway, Suite 900, Dallas, Texas 75231.

Article 7. Purpose of Corporation. The Association does not contemplate pecuniary gain or benefit, direct or indirect, to its Members, and is organized for nonprofit purposes. The purposes for which the Association is formed are: (a) to be and constitute the Association to which reference is made in the Declaration, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified therein, in the Bylaws, and as provided by law; and (b) to provide an entity for the furtherance of the interests of the owners of property subject to the Declaration.

Article 8. Powers of the Corporation. In furtherance of its purposes, the Association shall have the following powers, which, unless indicated otherwise by the Declaration or the Bylaws, may be exercised by the Board of Directors (as hereinafter defined): (a) all of the

powers conferred upon nonprofit corporations by the laws of the State of Texas in effect from time to time; (b) all rights and powers conferred on property owners' associations by the laws of the State of Texas; and (c) all powers necessary, appropriate or advisable to perform any purpose or duty of the Association as set out in this Certificate of Formation, the Bylaws, the Declaration or the laws of the State of Texas.

Article 9. Membership. The Association shall be a membership corporation without certificates or shares of stock. All Owners, by virtue of their ownership of a Lot subject to the Declaration, are Members of the Association and such membership is appurtenant to, and inseparable from, ownership of the Lot. Every Member shall have the right at all reasonable times to inspect and copy the books of the Association as permitted by applicable law. The foregoing provisions of this Article are not intended to include persons or entities holding an interest in a Lot merely as security for the performance of an obligation.

Article 10. Voting. All Members shall have the voting rights as provided in the Declaration and the Bylaws. Cumulative voting is not allowed.

Article 11. Board of Directors. The business and affairs of the Association shall be conducted, managed and controlled by a Board of Directors (herein so called). The Board of Directors shall possess all powers granted to Boards of Directors for nonprofit corporations pursuant to the TBOC. The Board of Directors may delegate such operating authority to such companies, individuals or committees as it, in its discretion, may determine. The method of election (except for the initial Board of Directors named below), removal and filling of vacancies, and the term of office shall be as set forth in the Bylaws. The Board of Directors shall consist of 3, 5 or 7 members and all decisions of the Board of Directors shall be made by majority vote as provided in the Bylaws. The initial Board of Directors shall consist of the following 3 members:

<u>Name</u>	<u>Address</u>
Timothy M. Stewart	1050 East Highway 114, Southlake, Texas 76092
April L. Woods	1050 East Highway 114, Southlake, Texas 76092
Stephen J. Corradi	1050 East Highway 114, Southlake, Texas 76092

Article 12. Limitation on Directors' and Officers' Liability and Indemnification. (a) An officer, director or committee member of the Association shall not be liable to the Association or its Members for any act or omission that occurs in its capacity as such officer, director or committee member, except to the extent it is found liable for: (i) a breach of the officer's, director's or committee member's duty of loyalty to the Association or its Members; (ii) an act or omission not in good faith that constitutes a breach of duty of the officer, director or committee member to the Association; (iii) an act or omission that involves intentional misconduct or a knowing violation of the law; (iv) a transaction from which the officer, director or committee member receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of its office or position; or (v) an act or omission for which the liability of an officer, director or committee member is expressly provided by an applicable

statute. The liability of officers, directors and committee members of the Association may also be limited by the Charitable Immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended. The foregoing limitation on the liability of an officer, director or committee member does not eliminate or modify that officer's, director's or committee member's liability as a Member of the Association.

(b) Subject to the limitations and requirements of the TBOC, the Association shall indemnify, defend and hold harmless every officer, director and committee member from and against all damages, claims and expenses, including, without limitation, attorneys' fees, reasonably incurred in connection with any threatened, initiated or filed action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer, director or committee member may be a party by reason of being or having been an officer, director or committee member, except that such obligation to indemnify shall be limited to those actions for which a director's, officer's or committee member's liability is limited in this Article above. The obligations of the Association in this paragraph (b) will continue as to an officer, director or committee member who has ceased to hold such position and will inure to such officer's, director's or committee member's heirs, executors and administrators. Subject to the limitations and requirements of the TBOC, the Association may also voluntarily indemnify a person or party who is or was an employee, trustee, agent or attorney of the Association, against any liability asserted against such person or party in that capacity and arising out of that capacity. Furthermore, in the event the obligations of the Association set forth above are more restrictive than the provisions of indemnification allowed by the TBOC, then such persons and parties named above shall be indemnified, defended and held harmless to the full extent permitted by the TBOC.

Article 13. Dissolution. The Association may be dissolved by vote or the written approval of not less than 67% of all outstanding votes held by the Members as may be more specifically provided in the Bylaws or the Declaration and in accordance with the laws of the State of Texas. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association will be distributed and conveyed to either (a) an appropriate public agency to be used for purposes similar to those for which the Association was created, or (b) a nonprofit corporation, association, trust or other organization to be devoted to such similar purposes. Any dissolution is subject to the terms of Article 16 hereof, if applicable.

Article 14. Amendment. Amendment of this Certificate of Formation shall require approval of at least 67% of all outstanding votes (other than suspended votes) held by the Members.

Article 15. Action Without Meeting. Except as prohibited by applicable law, any action required by law to be taken or that may be taken, at any annual or special meeting of the Members of the Association, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the number of Members having the total number of votes of the Association necessary to enact the action taken, as determined under the Declaration or this Certificate of Formation.

Article 16. Conflict with Other Documents. In the event of a conflict between this Certificate of Formation and the Declaration, the Declaration shall control. In the event of a

conflict between this Certificate of Formation and the Bylaws, this Certificate of Formation shall control.

Article 17. Effectiveness of Filing. This document becomes effective as a certificate of filing for a nonprofit corporation when this document is filed by the Secretary of State.

IN WITNESS WHEREOF, the undersigned incorporator has executed this Certificate of Formation this 18th day of June, 2018. The undersigned, as incorporator, affirms that the person designated herein as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute this instrument.



Glen A. Bellinger, Incorporator

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Rolando B. Pablos
Secretary of State

Office of the Secretary of State

June 19, 2018

Attn: Kelly Latham

Bellinger & Suberg, LLP
10,000 N. Central Expressway, Suite 900
Dallas, TX 75231 USA

RE: Trees Farm Homeowners' Association, Inc.
File Number: 803047128

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at <http://window.state.tx.us/taxinfo/franchise/index.html>. For information on state tax exemption, including applications and publications, visit the Comptroller's Exempt Organizations web site at <http://window.state.tx.us/taxinfo/exempt/index.html>. Information on exemption from federal taxes is available from the Internal Revenue Service web site at www.irs.gov.

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation. If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555
Enclosure

Come visit us on the internet at <http://www.sos.state.tx.us/>

Phone: (512) 463-5555

Fax: (512) 463-5709

Dial: 7-1-1 for Relay Services

Prepared by: Elizabeth "Annie" Denton

TID: 10286

Document: 819831490002

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Rolando B. F
Secretary of

Office of the Secretary of State
Packing Slip

June 19, 2018

Page 1 of 1

Attn: Kelly Latham
Bellinger & Suberg, LLP
10,000 N. Central Expressway
Suite 900
Dallas, TX 75231

Batch Number: 81983149

Batch Date: 06-18-2018

Client ID: 302636020

Return Method: Fax and Mail 214-954-9541

Document Number	Document Detail	Number / Name	Page Count	Fee
819831490002	Expedited	Trees Farm Homeowners' Association, Inc.	0	\$25.00
819831490002	Certificate of Formation	Trees Farm Homeowners' Association, Inc.	0	\$25.00
			Total Fees:	\$50.00

Payment Type	Payment Status	Payment Reference	Amount
Credit Card	Received	*****4834	\$50.00
			Total: \$50.00

Total Amount Charged to Client Account: \$0.00
(Applies to documents or orders where Client Account is the payment method)

Note to Customers Paying by Client Account: This is not a bill. Payments to your client account should be based on the monthly statement and not this packing slip. Amounts credited to your client account may be refunded upon request. Refunds (if applicable) will be processed within 10 business days.

There is a 2.7% convenience fee on credit card payments. This additional amount will be computed and shown on your credit card statement when the credit card transaction is settled.

User ID: EDENTON

Come visit us on the Internet @ <http://www.sos.state.tx.us/>

Phone: (512) 463-5555

FAX: (512) 463-5709

Dial: 7-1-1 for Relay Services

BYLAWS
OF
TREES FARM HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I
NAME, PRINCIPAL OFFICE AND DEFINITIONS

1.1 **Name.** The name of the corporation is Trees Farm Homeowners' Association, Inc. (the "**Association**").

1.2 **Principal Office.** The principal office of the Association shall be located in Dallas County, Texas, or in such other county in Texas as the Board of Directors determines. The Association may have such other offices, either within or outside the State of Texas, as the Board of Directors may determine.

1.3 **Definitions.** Capitalized terms contained in these Bylaws (herein so called) that are not defined herein shall have the meaning given to such terms in the Declaration of Covenants, Conditions and Restrictions for Trees Farm Homeowners' Association, Inc., dated as of November 6, 2019, and recorded as Document #201900299092 in the public land records of Dallas County, Texas, as it may be amended from time to time (the "**Declaration**"), which definitions are incorporated herein by this reference.

ARTICLE II
ASSOCIATION; MEMBERSHIP AND MEETINGS

2.1 **Membership.** The Owners shall be the Members of the Association.

2.2 **Place of Meetings.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors.

2.3 **Annual Meetings.** The first meeting of the Association, whether regular or special meeting, shall be held within one year from the date of incorporation of the Association. Subsequent regular annual meetings shall be held in the same month as the date of incorporation at any time determined by the Board of Directors. If the date for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following such day which is not a legal holiday.

2.4 **Special Meetings.** The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board of Directors or upon a petition signed by Members representing at least 10% of the total votes of all Members. No business except as stated in the notice shall be transacted at a special meeting of the Members.

2.5 **Notice of Meetings.** Written, printed or electronic notice stating the place, day and hour of any meeting of the Members shall be delivered, either personally, by mail or posted

electronically, to an Owner of each Lot entitled to vote at such meeting, not less than 10 nor more than 60 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

2.6 Voting. The voting rights of the Members shall be as set forth in the Declaration and in these Bylaws, and such voting rights provisions are specifically incorporated herein by this reference.

2.7 Manner of Voting. At all meetings of Members, each Member may vote: (i) in person (or if a corporation, partnership or trust, through any officer, director, partner or trustee duly authorized to act on behalf of the Member); (ii) by proxy; (iii) by absentee ballot; or (iv) by electronic ballot (to the extent electronic voting is offered for a given matter submitted to a vote of the Members), subject to the requirements and limitations of Texas law regarding each such method of voting, including those set forth in Section 209.00592 of the Texas Property Code or any successor statute. All proxies shall be in writing specifying the Lot(s) for which it is given, signed by the Member or its duly authorized attorney-in-fact, dated and filed with the Secretary of the Association prior to any meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon conveyance of any Lot for which it is given, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a Member who is a natural person, or of written revocation, or 11 months from the date of the proxy, unless a shorter or longer period is specified in the proxy.

2.8 Quorum - Adjournment. Except as provided in these Bylaws or in the Declaration, the presence, in person or by proxy, absentee ballot or electronic voting of Members representing 20% or greater of the total votes in the Association shall constitute a quorum at all meetings of the Association. If, however, such quorum shall not be present or represented at any meeting, the Members present at the meeting that are entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as stated above is present or represented.

2.9 Action Without a Meeting. To the fullest extent permitted under applicable law, any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without notice and without a vote, if written consent specifically authorizing the proposed action is signed by Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote thereon were present. Such consents shall be signed within 90 days of the earliest date that a notice regarding such consent is delivered by the Association, which date shall be designated in the notices. Such consents shall be filed with the minutes of the Association, and shall have the same force and effect as a vote of the Members at a meeting. For votes taken by written consent as provided above, the date specified in the notice as the ownership date, which date shall not be more than 20 days prior to the date the notices are sent, shall be the date used for determining the ownership of the Lot for the written consent voting purposes. Within 10 days after receiving authorization for any action by written

consent, the Secretary shall give written notice to all Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

ARTICLE III BOARD OF DIRECTORS

3.1 **Governing Body; Composition.** The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one equal vote. Except with respect to directors appointed by Declarant, the directors shall be Members. In the case of a Member which is not a natural person, any officer, director, partner, employee or trust officer of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member, provided that no Member may have more than one such representative on the Board of Directors at a time, except for the Declarant.

3.2 **Number of Directors.** The Board of Directors shall consist of 3, 5 or 7 directors, as provided herein and as determined by the Board of Directors. The initial Board of Directors shall consist of 5 directors as identified in the Certificate of Formation.

3.3 **Directors - During Development Period.** During the Development Period, except as otherwise expressly provided by Section 209.00591(c) of the Texas Property Code or any successor statute, all directors shall be selected and removed by Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant.

3.4 **Directors - After Development Period.** Following expiration of the Development Period, the directors shall be nominated and elected as follows:

(a) **Nomination Procedures.** Prior to each election, the Board of Directors shall prescribe the opening date and the closing date of a reasonable filing period in which each and every eligible person who has a bona-fide interest in serving as a director may file as a candidate for any position. The Board of Directors shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of directors in a fair, efficient and cost-effective manner. Nominations from the floor shall also be permitted.

(b) **Nominating Committee.** Nominations for election to the Board of Directors may also be made by a nominating committee. The nominating committee, if any, shall consist of a Chairperson, who shall be a member of the Board of Directors, and 3 or more Members or representatives of Members. The Board of Directors shall appoint the members of the nominating committee not less than 30 days prior to each annual meeting to serve a term of one year and until their successors are appointed, and such appointment shall be announced at each annual meeting. The nominating committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine. In making the nominations, the nominating committee shall use reasonable efforts to nominate candidates representing the diversity which exists within the pool of potential candidates. Each candidate shall be given a reasonable, uniform opportunity to communicate his or her qualifications to the Members and to solicit votes.

(c) **Election and Term.** At the first annual meeting after the expiration of the Development Period, all directors shall be elected by the Members to a term of 1 year. The number of directors to be elected at such meeting shall be determined by the then current Board of Directors. Upon the expiration of the term of office of each director elected by the Members, a successor shall be elected to serve a term of 1 year, unless the Board of Directors decides to allow one or more of the directors to be elected to serve for a term of 2 years. Unless removed as provided herein, the directors shall hold office until their respective successors shall be elected.

(d) **Election Procedures.** Each Owner may cast the entire vote assigned to his or her Lot for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

(e) **Removal.** Any director elected by the Members may be removed, with or without cause, by a 40% or greater vote of all outstanding votes entitled to be cast. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such director. Any director who has 3 or more consecutive unexcused absences from the Board of Directors meetings, or who is more than 60 days delinquent (or is the representative of a Member who is delinquent more than 60 days) in the payment of any assessment or other charge due the Association, or who after notice and hearing is held to be in violation of the Declaration, may be removed by a majority of the other directors present at a regular or special meeting at which a quorum is present, in which event a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such director. In the event of death, disability or resignation of a director, the Board of Directors may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members shall elect a successor for the remainder of the term.

3.5 **Compensation.** Directors shall not receive any compensation from the Association for acting as such unless approved by Members representing a 67% or greater vote at a regular or special meeting of the Association. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board of the Directors prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested director.

3.6 **Meetings of the Board of Directors.**

(a) **Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as a majority of the directors shall determine, but at least 1 such meeting shall be held during each fiscal year. Notice of each regular meeting of the Board of Directors shall be provided to all Members the extent required by, and in accordance with the provisions of, Section 209.0051 of the Texas Property Code or any successor statute.

(b) **Special Meetings.** Special meetings of the Board of Directors shall be held when called by the President or Vice President or by any 2 directors. Notice of each special meeting of the Board of Directors shall be provided to all Members the extent required by, and in accordance with the provisions of, Section 209.0051 of the Texas Property Code or any successor statute.

(c) **Notice of Board Meetings.** When notice of a meeting of the Board of Directors is required hereby or by applicable law, such notice shall be given in accordance with the requirements set forth in Section 209.0051(e) of the Texas Property Code or any successor statute.

(d) **Alternative Methods of Meeting (Including Action by Written Consent) Without Prior Notice to Members; Board Action During Development Period.** Notwithstanding subsection 3.6(c) above, and to the fullest extent permitted under Section 209.0051(h) of the Texas Property Code or any successor statute (but subject to the limitations set forth therein), the Board of Directors may meet by any method of communication, including electronic or telephonic, without prior notice to owners, if each director may hear and be heard by every other director, or the Board of Directors may take action by unanimous written consent, to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate action by the Board of Directors. Any action taken without notice to owners must be summarized orally, including an explanation of any actual or known expenditures approved at the meeting, and documented in the minutes of the next regular or special meeting of the Board of Directors. Additionally, to the extent that, during the Development Period, the Board of Directors would be permitted pursuant to the terms of Section 209.0051(i) of the Texas Property Code or any successor statute to take action without a meeting and/or without notice to Members, or by unanimous written consent, the Board of Directors shall be permitted to take such action in such manner as the Board may deem advisable in accordance with the requirements of applicable law.

(e) **Quorum of Board of Directors.** At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors, unless otherwise specified in these Bylaws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

(f) **Open Meetings.** All meetings of the Board of Directors shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board of Directors and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of Members, or matters that are to remain confidential at the request of the affected parties and agreement

of the Board of Directors, and as otherwise permitted under applicable law. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Members, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

3.7 Powers of Directors. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs and operation of the Association and for the operation and maintenance of the Property as may be required or permitted by the Declaration, these Bylaws, the Certificate of Formation and Texas law. The Association, acting through the Board of Directors, may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Declaration, the Certificate of Formation or these Bylaws.

3.8 Duties of Directors. The powers and duties of the Board of Directors shall include, without limitation:

- (a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the Common Expenses, and determining the amount(s) of all assessments;
- (b) levying and collecting such assessments from the Owners;
- (c) providing for the operation, care, upkeep and maintenance of the Common Maintenance Areas;
- (d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;
- (e) depositing all funds received on behalf of the Association in appropriate bank accounts or in other accounts approved by the Board of Directors, and using such funds to operate the Association; provided, any reserve funds may be deposited, in the Board of Directors' good faith best business judgment, in depositories other than banks;
- (f) making, amending and enforcing policies, resolutions, rules and regulations governing the administration and operation of the Association, including but not limited to, policies and procedures regarding the application of payments for assessments, late charges, interest, costs of collection (including, but not limited to, attorneys' fees), fines and any and all other charges received from Owners;
- (g) opening the bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Maintenance Areas in accordance with the Declaration and these Bylaws;

(i) enforcing the provisions of the Declaration and any rules or standards developed pursuant to the Declaration, the Certificate of Formation and/or these Bylaws, and bringing any legal proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association's obligation in this regard shall be conditioned in the manner provided in the Declaration;

(j) obtaining and carrying insurance as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

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

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

(m) taking such actions as contemplated by the Board of Directors in the Declaration, these Bylaws and/or the Certificate of Formation;

(n) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Property; and

(o) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association or any agent, contractor or management company of the Association to the extent such indemnity is required or permitted under Texas law, the Certificate of Formation or the Declaration.

3.9 **Borrowing.** The Association shall have the power to borrow money for any legal purpose; provided, however, that the Board of Directors shall obtain Member approval in the same manner provided for special assessment as specified in the Declaration if the total amount of such borrowing, together with all other debt incurred within the previous 12 month period, exceeds or would exceed 10% of the budgeted gross expenses of the Association for that fiscal year.

ARTICLE IV OFFICERS

4.1 **Officers.** The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The President and Secretary shall be elected from among the members of the Board of Directors; other officers may, but need not be members of the Board of Directors. Any two or more offices may be held by the same person, except for the offices of President and Secretary.

4.2 **Election of Officers.** The initial officers of the Association are identified on the signature page of these Bylaws. Hereafter, the election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

4.3 **Term.** The officers of the Association shall be elected annually by the Board of Directors and each shall hold office for 1 year, unless he or she shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

4.4 **Special Appointments.** The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors may, from time to time, determine.

4.5 **Resignation and Removal.** Any officer may be removed from office, with or without cause, by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6 **Vacancies.** A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

4.7 **Powers and Duties.** The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors, including, without limitation, the following:

(a) **President.** The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Board of Directors and the Members and shall see that orders and resolutions of the Board of Directors are carried out.

(b) **Vice President.** The Vice President shall act in place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board of Directors.

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board of Directors.

(d) **Treasurer.** The Treasurer shall receive and deposit, in appropriate bank accounts or in other accounts approved by the Board of Directors, all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; sign all checks of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the Members.

4.8 **Authorized Agents.** Except when the Declaration, these Bylaws or the Certificate of Formation require execution of certain instruments by certain individuals, the Board of Directors may authorize any person to execute instruments on behalf of the Association. In the absence of such Board of Directors' resolution, the President, Secretary and Treasurer are the only persons authorized to execute instruments on behalf of the Association. However, only the President and/or Secretary shall have the authority to sign a mortgage or deed of trust relating to the Common Area.

ARTICLE V ASSOCIATION MATTERS

5.1 **Committees.** The Board of Directors may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board of Directors may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

5.2 **Management.** The Board of Directors may employ for the Association a professional management agent or agents at such compensation as the Board of Directors may establish, to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policymaking authority. The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

5.3 **Right to Contract.** The Association shall have the right to contract with any person or entity for the performance of various duties and functions. This right shall include, without limitation, the right to enter into management, operational or other agreements with other persons or entities; provided, any such agreement shall require approval of the Board of Directors.

5.4 **Accounting Standards.** The following management standards of performance shall be followed unless the Board of Directors by resolution specifically determines otherwise: (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed; (b) accounting and controls should conform to generally accepted accounting principles; (c) cash accounts of the Association shall not be commingled with any other accounts; (d) no remuneration shall be accepted by the managing agent from vendors, independent contractors or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; anything of value received shall benefit the Association; and (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors.

5.5 **Accounting Reports.** Unless the Board of Directors by resolution specifically determines otherwise, the Board of Directors shall obtain the following reports:

(a) **Quarterly Reports.** Commencing at the end of the quarter in which the first Lot with a Dwelling thereon is conveyed, financial reports shall be prepared for the Association at least quarterly containing (i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis; (ii) a variance report

reflecting the status of all accounts in an actual versus approved budget format; (iii) a balance sheet as of the last day of the preceding period; and (iv) a delinquency report listing all Owners who are delinquent in paying any assessment at the time of the report and describing the status of any action to collect such assessments which remain delinquent.

(b) **Annual Reports.** An annual report consisting of at least the following, which shall be made available to all Members within 6 months after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report may be prepared on an audited, reviewed or compiled basis, as the Board of Directors determines, by an independent public accountant.

5.6 Enforcement of Declaration. The Association shall have the power, as provided in the Declaration and in accordance with all applicable laws, regulations, rules and statutes, to impose sanctions for any violation of any duty imposed under the Declaration (and any rules promulgated pursuant thereto), these Bylaws and the Certificate of Formation and any amendment thereto.

(a) **Notice, Opportunity to Cure and Hearing.** Prior to imposition of any sanction, lawsuit or enforcement of the terms of the Declaration, the Board of Directors or its designee shall: (i) deliver written notice to the Owner of the Lot related to or connected with the alleged violation, if such delivery of notice is desired by the Board of Directors or is required by law, statute, regulation or rule, (ii) inform the Owner of its opportunity to cure the alleged violation if such cure period is desired by the Board of Directors or is otherwise required by law, statute, regulation or rule, and (iii) inform the Owner of its right to a hearing if such hearing is desired by the Board of Directors or is required by law, statute, regulation or rule.

(b) **Optional Courtesy Letter.** The Association may, at its option and in its sole and absolute discretion, voluntarily provide the Owner of the Lot related to or connected with the alleged violation with a courtesy letter informing the Owner of the violation. The foregoing courtesy letter is not required to be given by the Association and such notice shall not constitute the written notice described Section 5.6(a) above. The Board of Directors or its designee shall have the sole and exclusive right to determine under which facts and circumstances the Association may elect to send a courtesy letter.

(c) **No Waiver.** In the event the Board of Directors decides, in its discretion, not to take enforcement action, such a decision shall not be construed a waiver of the right of the Association to enforce such provision at a later time under other circumstances or estop the Association from enforcing any other covenant, restriction, or rule.

ARTICLE VI ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessment (and specific assessments if applicable) which are secured by a continuing lien upon the Lot against which the assessment is made. If an assessment

is not paid as provided in the Declaration, then the Association shall be entitled to the remedies provided in the Declaration, these Bylaws and the Certificate of Formation.

ARTICLE VII AMENDMENTS

7.1 Amendment by Declarant or Board of Directors. During the Development Period and subject to any applicable provisions in the Declaration, the Declarant may amend these Bylaws without approval of the Board of Directors or any Members. In addition, after the expiration of the Development Period, Declarant or the Board of Directors may amend these Bylaws if such amendment (a) is necessary to bring any provision into compliance with any applicable governmental statutes, rule, regulation or judicial determination; (b) is necessary to comply with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the U. S. Department of Veterans Affairs, the U. S. Department of Housing and Urban Development or any other applicable governmental agency or secondary mortgage market entity; (c) is necessary to clarify or to correct technical, typographical or scrivener's errors; or (d) any other purpose; provided, however, that any such amendment must not have a material adverse effect upon any right of any Owner.

7.2 Amendment by Members. Except as provided above, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of at least 51% of all outstanding votes of the Members entitled to be cast. Notwithstanding the foregoing, the percentage of votes of the Members necessary to amend a specific clause of these Bylaws shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

7.3 Validity and Effective Date of Amendments. Amendments to these Bylaws shall become effective upon the date of the amendment, unless a different date is specified in the amendment. Any procedural challenge to an amendment must be made within 3 months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

ARTICLE VIII MISCELLANEOUS

8.1 Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors. If the Board of Directors fails to adopt a certain fiscal year, then until the Board of Directors adopts a specific fiscal year the fiscal year shall be January 1st to December 31st of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

8.2 Conflicts. In the event of any conflict between the Certificate of Formation and these Bylaws, the Certificate of Formation shall control; and in the event of any conflict between the Declaration and these Bylaws, the Declaration shall control.

8.3 Books and Records.

(a) **Inspection by Members.** The Board of Directors shall make the books and records of the Association open to and reasonably available for inspection and copying by

any Member, or the duly appointed representative of any Member, in accordance with the requirements of Section 209.005 of the Texas Property Code or any successor statute.

(b) **Rules of Inspection.** Except to the extent expressly prohibited by applicable law, the Board of Directors may establish reasonable rules with respect to: (i) notice to be given to the custodian of the records; (ii) hours and days of the week when such an inspection may be made; and (iii) payment of the cost of reproducing copies of documents requested.

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

8.4 **Notices.** Except as otherwise provided in the Declaration or these Bylaws, all notices, demands, bills, statements and other communications under the Declaration or these Bylaws shall be in writing and shall be given personally or by mail. Notices that are mailed shall be deemed to have been duly given 3 days after deposit, unless such mail service can prove receipt at an earlier date. Owners shall maintain one mailing address for a Lot, which address shall be used by the Association for mailing of notices, statements and demands. If an Owner fails to maintain a current mailing address for a Lot with the Association, then the address of that Owner's Lot is deemed to be such Owner's mailing address. If a Lot is owned by more than one person or entity, then notice to one co-owner is deemed notice to all co-owners. Attendance by a Member or director at any meeting shall constitute waiver of notice by the Member or director of the time, place and purpose of the meeting. Written waiver of notice of a meeting, either before or after a meeting, of the Members or directors shall be deemed the equivalent of proper notice.

IN WITNESS WHEREOF, we being all of the initial officers of the Association have executed these Bylaws on the dates set forth below.

Date: _____

Timothy Stewart, President

Date: _____

Stephen J. Corradi, Secretary / Treasury

Date: _____

Michelle Reynolds, Vice President

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of **Trees Farm Homeowners' Association, Inc.**, a Texas non-profit corporation; and

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted by the Board thereof to be effective as of the 7th day of May, 2020.

IN WITNESS WHEREOF, I hereunto subscribe my name and affix the seal of said Association to be effective as of the 7th day of May, 2020.

_____, Secretary
Stephen J. Corradi

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared Stephen Corradi, Secretary of Trees Farm Homeowners' Association, Inc., a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 7th day of May, 2020.

[SEAL]

Notary Public in and for
the State of Texas

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
TREES FARM

This Declaration of Covenants, Conditions and Restrictions for Trees Farm is made on the date hereinafter set forth by Declarant (as hereinafter defined).

Declarant is the owner of the Property (as herein defined). Declarant desires to impose upon the Property mutually beneficial restrictions under a general plan of improvement for the benefit of the owners of each portion of the Property. The Declaration is intended to provide a flexible and reasonable procedure for the overall development, administration, maintenance and preservation of the Property. In furtherance of such plan, Declarant has caused or intends to cause the Trees Farm Homeowners' Association, Inc. to be formed as a Texas nonprofit corporation to own, operate and maintain the Common Maintenance Areas (as defined herein) and to administer and enforce the provisions of this Declaration.

Declarant hereby declares that all of the Property shall be held, sold, used and conveyed subject to the easements, restrictions, covenants and conditions contained in this Declaration, which shall run with the title to the Property. This Declaration shall be binding upon all parties having any right, title or interest in any portion of the Property, their heirs, successors, successors-in-title and assigns, and shall inure to the benefit of each owner of any portion of the Property.

ARTICLE I
DEFINITIONS

1.1 "ACA" or "Architectural Control Authority" shall have the meaning given to such terms in Section 6.2 hereof.

1.2 "ACA Standards" means standards and Initial Building Guidelines adopted by the ACA regarding architectural and related matters, including, without limitation, architectural design, placement of improvements, landscaping, color schemes, exterior finishes and materials and similar features which may be either recommended or required by the ACA for use within the Property.

1.3 "Architectural Committee" means the committee established under Section 6.3 hereof.

1.4 "Association" or "HOA" means Trees Farm Homeowners' Association, Inc., a Texas nonprofit corporation, established for the purposes set forth herein.

1.5 "Association Easement" means (a) any easement reserved herein or created elsewhere intended for the construction, installation, operation, location or repair of any subdivision improvement, including, without limitation, the easement for subdivision fencing reserved in Section 9.6 hereof and any easement for any landscaping, subdivision sign, monument or entry feature, retaining, screening or perimeter wall or drainage facility, or (b) any other

easement for the benefit of the Association shown on a Recorded plat of the Property or otherwise created or shown in any instrument of Record.

1.6 **"Association Maintenance Fencing"** means any fencing installed by Declarant pursuant to an Association Easement.

1.7 **"Board"** means the Board of Directors of the Association.

1.8 **"Builder"** means any person or entity that purchases one (1) or more Lots for the purpose of constructing improvements for later sale to consumers in the ordinary course of such person's or entity's business.

1.9 **"Bylaws"** means the bylaws of the Association.

1.10 **"Certificate"** means the Certificate of Formation of the Association.

1.11 **"City"** means the City of DeSoto.

1.12 **"Common Area"** and **"Common Areas"** means all areas (including the improvements thereon) within the Property owned or to be owned by the Association for the common use and enjoyment of the Members, including, without limitation, the real property described and/or depicted on Exhibit "B" attached hereto.

1.13 **"Common Expenses"** means the actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of the Member(s) and/or the Common Maintenance Areas.

1.14 **"Common Maintenance Areas"** means the Common Areas, if any, and any areas within public rights-of-way or easements (public and private), portions of Lots, public parks, private streets, landscaping, entry features and/or fence or similar areas that either the Board deems necessary or appropriate to maintain for the common benefit of the Members or that are shown on a Recorded plat of the Property or portion thereof as being maintained by the Association.

1.15 **"County"** means Dallas County, Texas.

1.16 **"Declarant"** means Bloomfield Homes L.P., and its successors and assigns as provided in Section 12.12 hereof.

1.17 **"Declaration"** means this Declaration of Covenants, Conditions and Restrictions for Trees Farm, and any amendments and supplements thereto made in accordance with its terms.

1.18 **"Designated Interest Rate"** means the interest rate designated by the Board from time to time, subject to any interest limitations under Texas law. If the Board fails to designate an interest rate, then the interest rate shall be the lesser of twelve percent (12%) per annum or the highest rate permitted by Texas law. The Designated Interest Rate is also subject to the limitations in Section 12.6 hereof.

1.19 **"Development Period"** means the period commencing upon the date of this Declaration and expiring upon the earlier of (a) when Declarant does not own any real property

within the Property, or (b) when Declarant executes a document stating the Development Period has terminated, which termination document may be executed during the period when Declarant still owns real property within the Property.

1.20 **"Dwelling"** means any residential dwelling situated upon any Lot.

1.21 **"Entry Signs"** means the entry feature signs for the subdivision that are or may be placed by Declarant or its agents on the Common Area, Common Maintenance Areas and/or any area covered by an Association Easement.

1.22 **"Initial Building Guidelines"** means the initial building guidelines as set forth in Exhibit "E" attached hereto.

1.23 **"Land"** means any real property (other than areas dedicated to the City or County) within the Property that has not been platted as a Lot.

1.24 **"Lot"** means any separate residential building parcel shown on a Recorded subdivision plat of the Property, but only if such parcel has in place the infrastructure (including utilities and streets) necessary to allow construction of a Dwelling thereon. Common Areas and areas deeded to a governmental authority or utility, together with all improvements thereon, shall not be included as part of a Lot.

1.25 **"Member"** means any person, corporation, partnership, joint venture or other legal entity that is a member of the Association pursuant to the terms in Article III hereof.

1.26 **"Owner"** means the record owner, whether one or more persons or entities, of fee simple title to any Lot, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Lot is sold under a Recorded contract for deed, then the purchaser (rather than the fee Owner) will be considered the Owner.

1.27 **"Property"** means the real property described on Exhibit "A" attached hereto (other than areas dedicated to the City or County) and such additional property as is brought within the jurisdiction of the Association and made subject to this Declaration.

1.28 **"Record," "Recording" or "Recorded"** means the filing of a legal instrument in the Public Records of Dallas County, Texas, or such other place as may be designated as the official location for filing deeds, plats and similar documents affecting title to real property.

ARTICLE II PROPERTY RIGHTS

2.1 **Owners' Easements of Use and Enjoyment.** Every Owner will have a right and non-exclusive easement of use, access and enjoyment in and to the Common Areas, subject to any limitations set forth herein, including, without limitation, the following:

(a) **Rules.** The right of the Association to establish and publish rules and regulations governing the use of the Common Areas and/or the Lots.

(b) **Suspension of Common Area Use Rights.** The right of the Association to suspend the right of use of the Common Areas for any period of time during which any assessment against such Owner's Lot is due and remains unpaid.

(c) **Conveyance of Common Area.** The right of the Association, subject to the provisions hereof, to dedicate, sell or transfer all or any part of the Common Areas. However, no such dedication, sale or transfer will be effective unless there is an affirmative vote of sixty-seven percent (67%) or greater of all outstanding votes of the Members entitled to be cast.

(d) **Mortgage Common Area.** The right of the Association, subject to the provisions hereof, to mortgage or lien all or any part of the Common Areas. However, the Common Areas cannot be mortgaged or liened without an affirmative vote of sixty-seven percent (67%) or greater of all outstanding votes of the Members entitled to be cast.

2.2 **Prohibitions on Easement of Use and Enjoyment.** Each Owner's right and easement of use and enjoyment in and to the Common Area is further limited as follows:

(a) **No Transfer without Lot.** An Owner's right and easement of use and enjoyment in and to the Common Area shall not be conveyed, transferred, alienated or encumbered separate and apart from such Owner's Lot.

(b) **No Partition.** Except as provided in Section 2.1(c) hereof, the Common Area shall remain undivided and no action for partition or division of any part thereof shall be permitted.

2.3 **Right to Delegate Use and Enjoyment of Common Area.** Any Owner may extend his or her right of use and enjoyment to the members of such Owner's family, lessees and guests, as applicable, subject to the terms of this Declaration, the Bylaws and any reasonable rules of the Board. An Owner who leases his or her or its Dwelling is deemed to have assigned all such rights to the lessee of such Dwelling.

ARTICLE III MEMBERSHIP AND VOTING

3.1 **Membership - Owners.** Every Owner by virtue of ownership of a Lot or Land will be a Member of the Association. Membership will be appurtenant to and will not be separated from ownership of any Lot or Land (as applicable).

3.2 **Voting Rights.** The voting rights in the Association shall be as follows:

(a) **Members other than Declarant.** Except as provided in Section 3.2(b) below, Members shall be entitled to one (1) vote for each Lot owned. However, when more than one person or Owner holds an interest in any Lot, only one vote in total may be cast per Lot as the Owners of such Lot determine among themselves and advise the Secretary of the Association in writing prior to the vote being taken. The Association shall have no affirmative obligation to take any action to determine which Owner is the person

designated to cast the Lot's vote. If the Owners fail to agree on, and advise the Association of the person designated to cast the Lot's vote, then the Lot's vote shall be suspended if more than one person or entity seeks to exercise it.

(b) **Declarant.** Declarant shall be entitled to ten (10) votes for each Lot owned by Declarant and four (4) votes for each acre of Land owned by Declarant, regardless if the time of the vote is within or after the Development Period.

ARTICLE IV ASSESSMENTS

4.1 **Obligation to Pay Assessments.** Subject to and except as provided in this Article IV, each Owner of any Lot by acceptance of a deed therefor, whether or not it will be so expressed in such deed, is deemed to covenant and agree to pay to the Association (a) annual assessments as provided in Section 4.3 hereof, (b) special assessments as provided in Section 4.6 hereof, and (c) specific assessments as provided in Section 4.7 hereof.

4.2 **Rate of Assessments.** Both annual assessments and special assessments shall be fixed at a uniform rate for all Lots, regardless of a Lot's location or size or the value of the Dwelling thereon; provided, however, that vacant Lots shall be subject to a lower rate as provided herein.

(a) **Improved Lot.** A Lot that has thereon a Dwelling that has been occupied at any time (past or current) for residential purposes (an "Improved Lot") shall be assessed at the full rate.

(b) **Vacant Lot.** A Lot that does not have thereon a Dwelling that has been occupied at any time (past or current) for residential purposes shall be assessed at the rate of fifty percent (50%) of the full rate.

(c) **Lots and Land Owned by Declarant – Exempt.** Except as provided in Section 4.5 below, during the Development Period all Lots owned by Declarant shall be exempt from all assessments (annual assessments, special assessments and specific assessments) and Declarant shall not be obligated to pay any assessments for the Lots. Notwithstanding anything contained herein to the contrary, Declarant shall never be obligated to pay assessments for any Land owned by Declarant.

4.3 **Date of Commencement of Annual Assessments; Due Dates.** The annual assessments provided for herein shall commence as to all Lots on a date to be determined by the Declarant. The amount of subsequent annual assessments against each Lot shall be fixed by the Board at least thirty (30) days in advance of each assessment period, provided that if the Board fails to timely fix such annual assessment for any assessment period, the annual assessment in effect for the previous assessment period shall remain in effect until thirty (30) days after the Board fixes the subsequent annual assessment for the current or next assessment period. Written notice of the annual assessment shall be sent to an Owner of every Lot subject thereto. The due dates shall be established by the Board. The Board shall also establish whether the annual assessment shall be paid annually, quarterly or monthly.

4.4 Annual Assessment – Increases. The annual assessment may be increased by the Board, provided that the Board gives written notice of the increase to the Members at least thirty (30) days in advance of the effective date of such increase. No vote or other approval shall be required for the increase to be effective, unless the increase is more than ten percent (10%) of the prior annual assessment. If the increase is more than ten percent (10%), then the increase may be disapproved and rejected by a sixty-seven percent (67%) or greater vote of the votes of Members entitled to be cast, provided that the vote occurs and the Board receives evidence thereof within sixty (60) days of the date of the increase notice.

4.5 Declarant's Obligation to Pay Budget Deficits. If at any time during the Development Period the Association's operating expenses exceed the assessments received by the Association from the Owners (the "**Budget Deficit**"), Declarant shall fund the amount of such Budget Deficit to the Association; provided, however, that in no event shall Declarant be obligated to pay more than an amount equal to the full annual assessment rate applicable to Improved Lots for the Lots (but not Land) owned by Declarant to make up such Budget Deficit. Notwithstanding the foregoing, if the Budget Deficit is the result of the failure or refusal of an Owner or Owners to pay their annual, special or specific assessments, the Association will diligently pursue (and Declarant may also pursue at its option) all available remedies against such defaulting Owners and will promptly reimburse Declarant for any Budget Deficit funded by Declarant from any amounts collected from such Owner or Owners. In no event shall Declarant be obligated to pay any Budget Deficit attributable to the period of time after the Development Period. Furthermore, Declarant's agreement to pay Budget Deficits under this Section 4.5 shall in no way eliminate or diminish Declarant's exemption from all assessments when no Budget Deficit exists.

4.6 Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment to cover expenses which the Board determines, in its sole discretion, to more appropriately be handled outside of the regular operating budget, provided that any such special assessment must have an affirmative vote of sixty-seven percent (67%) or greater of all outstanding votes of the Members entitled to be cast.

4.7 Specific Assessments. The Association shall have the power to levy specific assessments against a particular Lot to (a) cover costs incurred in bringing a Lot into compliance with this Declaration, (b) cover costs incurred as a consequence of the conduct (or the failure to act) of the Owner or occupant of a Lot, their agents, contractors, employees, licensees, invitees or guests, and/or (c) collect any sums due by the Owner to the Association (other than annual assessments or special assessments or interest or late charges related thereto), including, without limitation, fines.

4.8 Purpose of Annual and Special Assessments - Reserve. Annual assessments and special assessments levied by the Association shall be used for Common Expenses. The Association may establish and maintain a reserve fund for the periodic maintenance, inspection, repair and replacement of improvements to the Common Maintenance Areas.

4.9 Personal Obligation to Pay Assessments. Each assessment provided for herein, together with interest at the Designated Interest Rate, late charges and collection costs (including, without limitation, reasonable attorneys' fees) shall be the personal obligation of the person who was the Owner of such Lot at the time when the assessment arose. Upon a transfer of title to a

Lot, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance. However, no mortgagee under a Recorded first purchase money mortgage or beneficiary of a Recorded first deed of trust (meaning any Recorded mortgage or deed of trust with first priority over other mortgages or deeds of trust), shall be liable for unpaid assessments which accrued prior to the mortgagee's acquisition of title. In addition, no mortgagee shall be required to collect assessments.

4.10 Capitalization of Association - Payment.

(a) Each Owner (other than Declarant or a Builder) of a Lot with a completed Dwelling thereon will pay a contribution to the Association (the "**Initial Contribution**"), which amount shall be due immediately upon the transfer of title to the Lot. Upon the purchase and/or resale of a Lot with a completed Dwelling from Declarant or another Builder or an occupying Owner, the Initial Contribution initially shall be **\$450**. The Initial Contribution will be charged each and every time the Lot is sold (if the Association is in existence). The Initial Contribution can be adjusted up to ten percent (10%) per year by the Board, at the Board's sole discretion; provided, however, any yearly increase which would exceed ten percent (10%) of the amount of the previous year will require approval of sixty-seven percent (67%) or greater of all outstanding votes of the Members entitled to be cast.

(b) Notwithstanding the foregoing provision, the following transfers will not be subject to the requirement to pay the Initial Contribution: (i) foreclosure of a deed of trust lien, tax lien, or the Association's assessment lien; (ii) transfer to, from, or by the Association; or (iii) voluntary transfer by an Owner to one or more co-owners, or to the Owner's spouse, child or parent. In the event of any dispute regarding the application of the Initial Contribution to a particular Owner, the Board's determination regarding application of the exemption will be binding and conclusive without regard to any contrary interpretation of this Section 4.10. The Initial Contribution will be in addition to, not in lieu of, any other assessments or other charges levied in accordance with this Article IV and will not be considered an advance payment of such assessments. The Association will have the power to waive the payment of any Initial Contribution attributable to a Lot by the execution and recordation in the Public Records of a waiver notice executed by a majority of the Board.

4.11 Failure to Pay Assessments; Remedies of the Association. With respect to any assessment or other sum due herein not paid within ten (10) days after the due date, the Association shall have the right to: (a) charge a late fee in an amount determined by the Board; (b) charge interest on the amount due at the Designated Interest Rate from the due date until the date the sum is paid; (c) charge costs and fees related to the collection of the sum due; and/or (d) exercise any other remedies available to the Association as provided elsewhere in this Declaration. In addition, the Association may bring an action at law against the Owner personally obligated to pay the same. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Maintenance Areas or abandonment of his or her Lot. The failure to pay assessments shall not by the terms of this Declaration constitute a default under an insured mortgage, unless otherwise provided by the terms of such mortgage.

4.12 Lien.

(a) **Creation of Lien.** The Association shall hereby have a continuing lien against each Lot to secure payment of delinquent assessments (annual assessments, special assessments and specific assessments), as well as interest at the Designated Interest Rate, late charges and costs of collection, including, without limitation, court costs and attorneys' fees, and any other fees or charges that are authorized under or pursuant to this Declaration. Although no further action is required to create or perfect the lien, the Association may, as further evidence and notice of the lien, execute and Record a document setting forth as to any Lot, the amount of delinquent sums due the Association at the time such document is executed and the fact that a lien exists to secure the payment thereof. However, the failure of the Association to execute and Record any such document shall not, to any extent, affect the validity, enforceability, perfection or priority of the lien.

(b) **Enforcement of Lien - Judicial or Nonjudicial.** The lien may be enforced by judicial foreclosure or by nonjudicial foreclosure; provided, however, that prior to any nonjudicial foreclosure, the Association shall first obtain a court order as required under Section 209.0092(a) of the Texas Property Code, as amended, and otherwise comply with any applicable prerequisites or requirements for nonjudicial foreclosure under applicable law, including, without limitation, Chapter 209 of the Texas Property Code, as amended. Each Owner by accepting title to a Lot hereby grants to the Association, whether or not it is so expressed in the deed or other instrument conveying such Lot to the Owner, a private power of nonjudicial sale. The Board may appoint, from time to time, any person including an officer, agent, trustee, substitute trustee or attorney, to exercise the Association's lien rights on behalf of the Association, including the power of sale. The appointment must be in writing and may be in the form of a resolution recorded in the minutes of a Board's meeting. A foreclosure must comply with the requirements of applicable law, including, without limitation, Chapter 209 of the Texas Property Code, as amended. A nonjudicial foreclosure must be conducted in accordance with the provisions applicable to the exercise of powers of sale as set forth in Section 51.002 of the Texas Property Code, as amended, or in any manner permitted by law. In any foreclosure, the Owner is required to pay the Association's costs and expenses for the proceedings, including reasonable attorneys' fees, subject to applicable provisions of the Bylaws and applicable law, such as Chapter 209 of the Texas Property Code, as amended. The Association has the power to bid on the lot at foreclosure sale and to acquire, hold, lease, mortgage and convey same.

(c) **Subordination of Lien.** The lien of the assessments provided for herein is subordinate to the lien of any Recorded first purchase money mortgage or deed of trust against a Lot.

(d) **Effect of Conveyance.** An Owner that conveys title to a Lot shall not be liable for assessments that are attributable to the period after the conveyance of the Lot, except as provided in Section 4.12(e) below. However, a conveyance of title to a Lot shall not affect the assessment lien or relieve the Owner that conveys the Lot from personal liability for any assessments attributable to the period prior to the date of the conveyance, except as provided in Section 4.12(e) below.

(e) **Effect of Foreclosure.** The foreclosure of a first purchase money mortgage, trustee's sale of a first deed of trust or a deed in lieu thereof will extinguish the lien of such assessment as to payments attributable to the period prior to the foreclosure, trustee's sale or deed in lieu thereof. However, a foreclosure of a first purchase money mortgage, trustee's sale of a first deed of trust or a deed in lieu thereof will not relieve such Lot or Owner thereof from liability for any assessment attributable to the period after the foreclosure, trustee's sale or deed in lieu thereof. The foreclosure of a first purchase money mortgage, trustee's sale of a first deed of trust or a deed in lieu thereof shall not release the Owner whose Lot is being foreclosed, sold at a trustee's sale or conveyed pursuant to a deed in lieu from the Owner's obligation to pay assessments attributable to the period prior to the date of such foreclosure, trustee's sale or deed in lieu thereof. For purposes of this Declaration, the use of the term "first" in connection with a mortgage or deed of trust shall refer to the lien priority as compared to other mortgages or deeds of trust.

ARTICLE V THE ASSOCIATION

5.1 **The Association - Duties and Powers.** The Association is a Texas nonprofit corporation charged with the duties and invested with the powers prescribed by law and set forth in the Certificate, the Bylaws and this Declaration. The Association shall continue to exist until the Association is dissolved, regardless if the corporate status expires, lapses or is forfeited. The Association shall have such rights, duties and powers as set forth herein and in the Certificate and the Bylaws.

5.2 **Board of Directors.** The affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint, in accordance with the Certificate and the Bylaws. The Board shall have the powers granted in this Declaration, the Certificate, the Bylaws, and all powers provided by Texas law and all powers reasonably implied to perform its obligations and/or duties provided herein.

5.3 **Limitation on Liability.** The liability of an officer, director or committee member of the Association shall be limited as provided in the Certificate.

5.4 **Indemnification.** Subject to the limitations and requirements of the Texas Business Organizations Code, as amended (the "**TBOC**"), and in the Bylaws, the Association shall indemnify, defend and hold harmless every officer, director and committee member against all damages and expenses, including, without limitation, attorneys' fees, reasonably incurred in connection with any threatened, initiated or filed action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which such officer, director or committee member may be a party by reason of being or having been an officer, director or committee member, except that such obligation to indemnify, defend and hold harmless shall be limited to those actions for which a director's, officer's or committee member's liability is limited under the Certificate. Additionally, subject to the limitations and requirements of the TBOC and in the Bylaws, the Association may voluntarily indemnify, defend and hold harmless a person who is or was an employee, trustee, agent or attorney of the Association, against any liability asserted against such person or party in that capacity and arising out of that capacity.

5.5 Insurance.

(a) **Required Coverages.** The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect, the following insurance coverage, if reasonably available:

(i) **Property Insurance – Common Area.** Blanket property insurance covering loss or damage on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on the Common Area and within the Common Maintenance Areas to the extent that the Association has assumed responsibility in the event of a casualty, regardless of ownership.

(ii) **General Liability Insurance.** Commercial general liability insurance on the Common Maintenance Areas, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents or contractors while acting on its behalf.

(b) **Additional Insurance.** The Board may obtain additional insurance as the Board determines advisable, including, without limitation, directors and officers liability insurance, fidelity insurance and any insurance to comply with any applicable insurance requirements of any federal agency or secondary mortgage market entity, including, without limitation, the Federal Home Loan Mortgage Corporation ("**FHLMC**"), the Federal National Mortgage Association ("**FNMA**"), the U. S. Department of Veterans Affairs ("**VA**"), and the U.S. Department of Housing and Urban Development ("**HUD**"), to the extent applicable. In determining whether to obtain additional insurance and/or endorsements thereto that are discretionary the Board shall use its own business judgment to determine if such insurance and/or endorsement is advisable based on the cost and availability of the insurance and/or the endorsement compared to the risks associated therewith.

(c) **Review of Policies.** The Board shall periodically review the types and amounts of insurance coverage for sufficiency.

5.6 **Contracts; Management and Maintenance.** The Association shall have the right to contract with any person or entity for the performance of various duties and functions. This right shall include, without limitation, the right to enter into management, operational or other agreements with other persons or entities; provided, however, that any such agreement shall require approval of the Board. The Board may employ for the Association a management agent or agents at such compensation as the Board may establish to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policymaking authority.

5.7 **Books and Records.** The books and records of the Association shall be made open and reasonably available to the Members for inspection and copying as provided in the Bylaws and in accordance with the requirements of applicable law, including, without limitation, Chapter 209 of the Texas Property Code, as amended.

5.8 Dissolution of Association; Conveyance of Assets. If the Association is dissolved other than incident to a merger or consolidation, the assets (both real and personal) of the Association, shall be conveyed as provided in the Certificate.

5.9 Enforcement – Notice. The Association may impose sanctions for violation of this Declaration (including any rules, guidelines or standards adopted pursuant to this Declaration) in accordance with and subject to the applicable procedures set forth in this Declaration, the Bylaws and applicable law, including Chapter 209 of the Texas Property Code, as amended. Specifically, written notice and opportunity for a hearing must be given prior to the Association exercising its remedies if such notice and hearing is required by this Declaration, the Bylaws and applicable law, including Chapter 209 of the Texas Property Code, as amended. Such sanctions may include all remedies available at law and/or in equity and all remedies herein, including, without limitation, the following:

(a) **Fines.** The Association may impose reasonable monetary fines which shall constitute a lien upon the Owner of the Lot related to or connected with the alleged violation. The Owner shall be liable for the actions of any occupant, guest or invitee of the Owner of such Lot.

(b) **Suspension of Rights to Use Common Area.** The Association may suspend any person's or entity's right to use any Common Area; provided, however, that nothing herein shall authorize the Association to limit ingress or egress to or from a Lot.

(c) **Right of Self-Help.** The Association may exercise self-help or take action to enter upon the Lot to abate any violation of this Declaration.

(d) **Right to Require Removal.** The Association may require an Owner, at the Owner's expense, to remove any structure or improvement on such Owner's Lot in violation of this Declaration and to restore the Lot to its previous condition and, upon failure of the Owner to do so, the Association or its designee shall have the right to enter the Lot, remove the violation and restore the property to substantially the same condition as previously existed, without such action being deemed a trespass.

(e) **Levy Specific Assessment.** The Association may levy a specific assessment to cover costs incurred by the Association in bringing a Lot into compliance with this Declaration.

(f) **Lawsuit; Injunction or Damages.** The Association has the right, but not the obligation, to bring a suit at law or in equity to enjoin any violation or to recover monetary damages, or both.

(g) **Perform Maintenance.** In addition to any other enforcement rights, if an Owner fails to perform properly such Owner's maintenance responsibility with respect to a Lot and/or Dwelling, the Association may record a notice of violation in the Records and/or enter onto the Lot and perform such maintenance responsibilities and assess all costs incurred by the Association against the Lot and the Owner as a specific assessment.

The decision to pursue enforcement action, including the commencement of legal proceedings, in any particular case shall be left to the Association's sole and absolute discretion, except that the Association shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Association may determine that, under the circumstances of a particular case: (i) the Association's position is not strong enough to justify taking any or further action; (ii) the covenant, restriction or rule being enforced is, or is likely to be construed as, inconsistent with applicable law; (iii) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or (iv) it is not in the Association's best interests, based upon hardship, expense or other reasonable criteria, to pursue enforcement action. Such a decision shall not be construed as a waiver of the right of the Association to enforce such provision at a later time under other circumstances or preclude the Association from enforcing any other covenant, restriction or rule.

ARTICLE VI ARCHITECTURAL CONTROLS

6.1 No Improvements Unless Approved by Architectural Control Authority - Except Improvements by Declarant. No building, fence, wall, outbuilding, landscaping, pool, detached building, athletic or play equipment or facility, structure or improvement will be erected, altered, added onto or repaired upon any portion of any Lot without the prior written consent of the ACA. However, ACA approval is not required for (a) any improvements constructed, erected, altered, added onto or repaired by Declarant or a Builder designated in writing by Declarant during the Development Period to be exempt from the ACA approval requirements; (b) any improvements to the interior of a Dwelling, except as provided herein; (c) the painting or re-bricking of the exterior of any Dwelling in accordance with the same color or design as originally constructed by Declarant or in accordance with the approved color and design scheme approved by the ACA; (d) improvements for which this Declaration expressly states that the ACA's prior approval is not required; or (e) repair or replacement of worn out or damaged improvements if such repair or replacement is with substantially similar materials. Any improvements pursuant to clauses (c) and (e) immediately preceding must be in compliance with any applicable ACA Standards.

6.2 Architectural Control Authority. The ACA shall have the sole and exclusive authority to perform the functions contemplated by the ACA in this Declaration. The purpose of the ACA is to enforce the architectural standards of the Property and to approve or disapprove plans for improvements proposed for the Lots. The ACA will have the authority to delegate its duties or to retain the services of a professional engineer, management company, architect, designer, inspector or other person to assist in the performance of its duties. The cost of such services shall be included in the Common Expenses. The "ACA" or "Architectural Control Authority" shall be the following entity:

(a) **Declarant - During Development Period.** Declarant shall be the ACA during the Development Period, unless Declarant has earlier terminated its rights as the ACA in writing.

(b) **Architectural Committee - After the Development Period.** The Architectural Committee shall be the ACA after Declarant's right to act as the ACA has either expired or voluntarily been terminated.

6.3 Architectural Committee. A committee to be known as the "Architectural Committee" consisting of a minimum of three (3) members will be established after Declarant's right as the ACA has terminated. The members of the Architectural Committee will be appointed, terminated and/or replaced by the Board. The Architectural Committee will act by simple majority vote.

6.4 Submission of Plans. Prior to the initiation of construction of any work required to be approved by the ACA as provided in Section 6.1 above, the Owner (excluding Declarant and any Builder designated in writing by Declarant during the Development Period to be exempt from the ACA approval requirements as provided herein) will first submit to the ACA a complete set of plans and specifications for the proposed improvements, including site plans, landscape plans, exterior elevations, specifications of materials and exterior colors, and any other information deemed necessary by the ACA for the performance of its function. In addition, the Owner will submit the identity of the individual(s) or company(ies) intended to perform the work and projected commencement and completion dates.

6.5 Plan Review.

(a) **Timing of Review and Response.** Upon receipt by the ACA of all of the information required by this Article VI, the ACA will have thirty (30) days in which to review said plans and other documents and materials submitted pursuant to Section 6.4 hereof. No correspondence or request for approval will be deemed to have been received until all requested documents have actually been received by the ACA in form satisfactory to the ACA. If the ACA requests additional information and the applicant fails to provide such information prior to the date stated in the ACA's notice, then the application shall be deemed denied. If the applicable submittal is denied or deemed denied, then the applicant shall be required to re-apply if the applicant still desires to proceed with the improvements and/or work in which event the applicant must have the ACA consider the request again after the applicant re-applies. If the ACA fails to issue its written approval within thirty (30) days after the ACA's receipt of all materials requested by the ACA to complete the submission, then such failure by the ACA to issue its written approval shall be deemed its disapproval of such materials. The ACA may charge a reasonable fee for reviewing requests for approval. It is the responsibility of the Owner seeking approval from the ACA to verify that the ACA has received its request for review and whether approval has been given by the ACA.

(b) **Approval Considerations - Aesthetics.** The proposed improvements will be approved if, in the sole opinion of the ACA: (i) the improvements will be of an architectural style, quality, color and material that are aesthetically compatible with the improvements within the Property; (ii) the improvements will not violate any term herein or in the ACA Standards; and (iii) the improvements will not have an adverse impact on the Property. Decisions of the ACA may be based on purely aesthetic considerations. The ACA shall have the authority to make final, conclusive and binding determinations on

matters of aesthetic judgment and such determination shall not be subject to review so long as the determination is made in good faith and in accordance with the procedures set forth herein. Each Owner acknowledges that opinions on aesthetic matters are subjective and opinions may vary as to the desirability and/or attractiveness of particular improvements and as the ACA and its members change over time.

6.6 Timing of Completion of Approved Items. All work approved by the ACA shall be completed within one (1) year after the approval by the ACA or such shorter period that the ACA may specify in the notice of approval, unless the completion is delayed due to causes beyond the reasonable control of the Owner, as determined by the ACA. All work and related improvements shall be in compliance with the items approved by the ACA.

6.7 Improvements Impact on Drainage. With respect to any improvements performed on a Lot and/or any alterations to the grade of a yard, the Owner shall take proper precautions to insure that such improvements do not cause the surface water drainage on the Lot to (a) drain onto an adjoining Lot in an amount more than the drainage amount prior to the improvement or alteration, or (b) collect near the foundation of the Dwelling. Although the ACA may comment on and/or deny the approval of plans because of the impact of the proposed improvements or alterations on surface water drainage, the ACA's comments or approval shall not constitute or be construed as a representation, warranty or guaranty that adverse surface water drainage problems will not occur and shall not be relied upon as such. The Owner is responsible for taking the necessary actions in order to avoid any surface water drainage problems, including, without limitation, engaging the services of a qualified consultant.

6.8 No Waiver. The approval by the ACA of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the ACA under this Declaration, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing specification or matter subsequently submitted for approval.

6.9 Variances. The ACA may authorize variances from strict compliance with the requirements herein, in any ACA Standards or any required procedures: (a) in narrow circumstances where the design meets the intent of the provision from which variance is sought and where granting the variance would enhance design innovation and excellence; or (b) when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations so require. For purposes of this Section 6.9, the inability to obtain approval of any governmental agency, the issuance of any permit or the terms of any financing as the sole or primary reason for requesting a variance shall not be considered a hardship warranting a variance. No variance shall be contrary to the terms of this Declaration and no variance shall be effective unless in writing, nor shall a variance in one instance estop the ACA from denying a variance in other circumstances.

6.10 Architectural Control Authority Standards. The ACA may, from time to time and in its sole and absolute discretion, adopt, amend and repeal, by unanimous vote or written consent, ACA Standards. The ACA Standards may not conflict with the terms of this Declaration. In this regard, any conflict between any ACA Standards and the terms of this Declaration shall be controlled by the terms of this Declaration. The Initial Building Guidelines adopted by the ACA are attached hereto as Exhibit "E".

6.11 Enforcement; Non-Conforming and Unapproved Improvements. If there are any significant or material deviations from the approved plans in the completed improvements, as determined by the ACA, in its sole and absolute discretion, such improvements will be in violation of this Article VI to the same extent as if made without prior approval of the ACA. In addition to the Association's rights in Section 5.9 hereof, the Association or any Owner may maintain an action at law or in equity for the removal or correction of (a) the non-conforming improvement or alteration, and/or (b) any improvement or alternation to any improvement on any Lot that is not approved by the ACA.

6.12 Liability of Declarant and the ACA; Indemnity.

(a) **Decisions of Declarant and ACA.** Declarant and the members of the ACA shall have no liability for decisions made by them so long as such decisions are made in good faith and are not discriminatory, arbitrary or capricious. Any errors in or omissions from the documents submitted to Declarant or the ACA shall be the responsibility of the entity or person submitting the documents, and neither Declarant nor the ACA shall have any obligation to check for errors in or omissions from any such documents, or to check for such documents' compliance with the general provisions of this Declaration, City codes and other regulations, state statutes or the common law, whether the same relate to Lot lines, building lines, easements or any other issue.

(b) **No Liability of Declarant or ACA.** Declarant shall have no responsibility or liability for (i) the creation, selection, management or operation of the ACA, (ii) any actions taken or omitted to be taken by or on behalf of the ACA in connection with this Declaration or the Property, or (iii) any liabilities, obligations, debts, actions, causes of action, claims, debts, suits or damages incurred by or on behalf of or arising in connection with the ACA, the Property or the duties and obligations of the ACA pursuant to this Declaration. Furthermore, neither Declarant, the Association, the ACA, the Board nor the officers, directors, members, employees and agents of any of them, shall be liable in damages to anyone submitting plans and specifications to any of them for approval, or to any Owner by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every person who submits plans or specifications and every Owner agrees that he will not bring any action or suit against Declarant, the Association, the ACA, the Board or the officers, directors, members, employees or agents of any of them, to recover any such damages and hereby releases and quitclaims all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given. Plans and specifications are not reviewed, approved and/or rejected for engineering or structural design, adequacy of materials or adequacy of soils or drainage, and by approving such plans and specifications, neither Declarant, the Association, the ACA, the Board nor the officers, directors, members, employees and agents of any of them assumes liability or responsibility therefor, nor for any defect in any structure constructed from such plans and specifications.

(c) **Indemnification of Declarant and ACA.** Without limiting the foregoing provisions of this Section 6.12, subject to any limitations imposed under the TBOC or in the Bylaws, the Association shall indemnify, defend and hold harmless the ACA, Declarant, the Board and their officers, directors, members, employees and agents from and against all damages, claims and expenses, including, without limitation, attorneys' fees, reasonably incurred in connection with any threatened, initiated or filed action, suit or other proceeding (including the settlement of any suit or proceeding, if approved by the then Board) to which the ACA, Declarant or other indemnified persons may be a party by reason of its activities under or in connection with this Declaration.

ARTICLE VII USE RESTRICTIONS AND COVENANTS

7.1 Single Family Residential Use. All Lots (excluding any Common Maintenance Areas) and Dwellings will be used and occupied for single-family residential purposes only and no trade or business may be conducted in or from any Lot and/or Dwelling, except that an Owner of the Dwelling may conduct business activities within the Dwelling so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling; (b) the business activity conforms to all zoning requirements for the Property; (c) the business activity does not involve unreasonable visitation to or from the Dwelling by clients, customers, suppliers or other business invitees; and (d) the business activity is ancillary to the residential use of the Dwelling and does not diminish the residential character of the Property or constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of the other residents in the Property. The determination of whether a business activity satisfies the foregoing requirements set forth in clauses (a) through (d) above in this Section 7.1 shall be made by the Board in its sole and absolute discretion. The business activity prohibition will not apply to the use by Declarant or any Builder of any (i) Dwelling as a model home, construction office and/or sales office, or (ii) Lot as a site for a selection center trailer, construction office trailer and/or sales office trailer and/or parking lot.

7.2 Parking of Motor Vehicles. No vehicles or similar equipment will be parked or stored in an area visible from any street within the Property, except passenger automobiles, motorcycles, passenger vans and pick-up trucks may be parked in any garage or driveway if such vehicle (a) has less than one (1) ton carrying capacity; (b) has less than 3 axles; (c) is in operating condition; and (d) is generally in daily use as a motor vehicle on the streets and highways of the State of Texas. No vehicles, trailers, implements or apparatus may be driven or parked in the Common Areas, the Common Maintenance Areas or on any easement unless such vehicle, trailer, implement or apparatus is in use for maintaining such area or easement; provided, however, that this restriction will not apply to any driveways, roads, parking lots or other areas designated by the Board as intended for such vehicular use. No abandoned, derelict or inoperable vehicles may be stored or located on any Lot or a street within the Property, except within an enclosed garage. No dismantling or assembling of motor vehicles, boats, trailers, recreational vehicles or other machinery or equipment will be permitted in any driveway or portions of any Lot that are visible from any street within the Property.

7.3 Trailers, Boats, Commercial and Recreational Vehicles. No campers, boats, trailers, motor homes, travel trailers, camper bodies, golf carts, recreational vehicles, non-passenger vehicles, vehicles with 3 or more axles or greater than 1 ton carrying capacity, and/or equipment or accessories related thereto may be kept on any Lot, unless such item is operable and such item is (a) kept fully enclosed within a garage located on such Lot; (b) kept fully screened from view by a screening structure or fencing approved by the ACA; (c) temporarily parked on any street within the Property or on a Lot for the purpose of loading or unloading; or (d) a commercial vehicle that is in use for the construction, maintenance or repair of a Dwelling or Lot in the immediate vicinity. The Board will have the absolute authority to determine from time to time whether an item is in operable condition and complies with the requirements in clauses (a) through (d) above in this Section 7.3. Upon an adverse determination by the Board, the Owner will cause the item to be removed and/or otherwise brought into compliance with this Section 7.3. Notwithstanding any provision herein, no trucks or vehicles of any size which transport inflammatory or explosive cargo may be kept on the Property at any time.

7.4 Fences.

(a) **Required Fencing.** The backyard of each Lot must be fully enclosed with a perimeter fence. The Owner must at all times maintain the fence on its Lot in accordance with the terms of this Declaration, unless such Owner obtains the ACA's written approval to modify, replace, relocate or remove such fence in accordance with the provisions of this Declaration.

(b) **Type of Fencing.** All perimeter fences will be wood, stone, metal, brick and/or masonry. No other type of fencing shall be permitted. All fencing shall comply in all respects (including size and location) with applicable City requirements, including, without limitation the City. All perimeter fences shall be six feet in height unless another height is approved by the ACA and shall be a color approved by the ACA. Unless approved by the ACA, fences may not be stained or painted, except that fences may be stained with a clear stain or with the same color stain as originally applied by Declarant. The portion of all fences which face a street adjoining such Owner's Lot (front, side or rear streets, but not alleys) or which face a Common Area, open space, park or other recreational area adjoining such Owner's Lot (which area may be separated by an alley) shall have the smooth surface of the fence materials facing the applicable street or Common Area. The fence posts and bracing boards on such front, side and rear fences shall face the interior of the fenced yard.

(c) **Location of Fence.** Unless approved by the applicable governmental authority and the ACA, no fence or wall will be placed (i) on any Lot in a location nearer the street than the front building setback line for such Lot, or (ii) on those certain corner Lots whose rear boundary line adjoins any portion of another Lot's front yard of a Lot behind the corner Lot, in a location nearer to the front building setback line for the street that is in front of the adjoining Lot. The foregoing shall not limit or restrict fences erected in conjunction with model homes or sales offices. In addition to the foregoing, easements may also restrict the placement of fences.

(d) **Maintenance of Fencing.** Except with respect to Association Maintenance Fencing, each Owner shall maintain the portion of fencing on such Owner's Lot in a

presentable condition and shall make all repairs and replacements thereto (as deemed necessary by the Board, in its sole and absolute discretion), except that Owners adjoining a Common Fence (as provided in Section 7.4(f) hereof) shall share in the cost of such maintenance as provided in Section 7.4(f) hereof. The Association shall be responsible to maintain the Association Maintenance Fencing.

(e) **No Changes / Repairs.** All repairs and replacements to the perimeter fencing must be done using the same type and color of materials so that such fencing does not appear to have been repaired or replaced, except to the extent of the new appearance of the repaired or replaced materials. Except as provided in this Section 7.4(e), no fencing (including, without limitation, Association Maintenance Fencing) may be changed or modified without the prior written consent of the ACA. This includes the prohibition against changing the height of the fencing and the fencing materials.

(f) **Common Fencing.** Except for Association Maintenance Fencing, side and rear yard fences that are installed by Declarant or the Builder of the Dwelling to separate adjacent Lots as a common boundary fence (the "**Common Fence**") shall be maintained jointly by the Owner(s) whose Lot(s) adjoin(s) such Common Fence and the costs associated therewith shall be shared equally by said Owners. An Owner is not released from the joint maintenance obligation even if an Owner constructs a second fence along or near the Common Fence, unless the other Owner agrees in writing otherwise and the ACA's approval is obtained. If the Owners disagree regarding the timing, cost or other applicable issue related to the repair or replacement of a Common Fence or any portion thereof, then either Owner may (i) make the repair or replacement (provided any applicable ACA approval is obtained) and seek collection of one-half (1/2) of the cost of repair or replacement at Arbitration (as defined herein); and/or (ii) seek payment of one-half (1/2) of the cost of repair or replacement at Arbitration, subject to the repair or replacement being made. The term "**Arbitration**" shall mean binding arbitration pursuant to the rules of the American Arbitration Association or such other person or entity approved by the applicable Owners.

7.5 Common Retaining Wall.

(a) **Maintenance of Common Retaining Wall.** Any retaining walls that are installed by Declarant on a common boundary of two Lots or that are located on a Lot, but adjacent to (within 3 feet) and generally parallel with another Lot (a "**Common Retaining Wall**") shall be maintained jointly by the Owner whose Lot the Common Retaining Wall is located on and the Owner whose Lot is adjacent to the Common Retaining Wall (depending upon which is applicable) and the costs associated therewith shall be shared equally by said Owners. An Owner is not released from the joint maintenance obligation unless the other Owner agrees in writing to such release. The Common Retaining Wall shall be maintained in the same location, size, style and design and with the same materials, unless both Owners agree in writing otherwise and the ACA's approval is obtained. If the Owners disagree regarding the timing, cost or other applicable issue related to the repair or replacement of a Common Retaining Wall and/or portion thereof, then either Owner may (i) make the repair or replacement (provided any applicable ACA approval is obtained) and seek collection of one-half (1/2) of the cost of repair or replacement at Arbitration, and/or

(ii) seek payment of one-half (1/2) of the cost of repair or replacement at Arbitration, subject to the repair or replacement being made.

(b) **Easement for Common Retaining Wall.** Common Retaining Walls may or may not be located exactly on the common boundary line between two Lots. Therefore, there is hereby created an easement in and on the Lot where the Common Retaining Wall is actually located. The easement area shall be limited to the area that is within 3 feet of the common boundary line. The easement shall be for the benefit of the Owner of the Lot that adjoins the Common Retaining Wall so that such Owner can maintain the Common Retaining Wall as provided in Section 7.5(a).

7.6 Outbuildings, Sheds and Detached Buildings. No detached accessory buildings (including, but not limited to, detached garages and storage buildings and sheds) shall be erected, placed or constructed upon any Lot, unless (a) the building is approved by the ACA prior to the installation or construction of the building; (b) such building is compatible with the Dwelling to which it is appurtenant in terms of its design and material composition; (c) the exterior paint and roofing materials of such building shall be consistent with the existing paint and roofing materials of the Dwelling; (d) the building is located within a backyard that has a fence that completely encloses the backyard; (e) the height of the walls (excluding the roof) is not greater than 6 feet; (f) the total height of the building (including walls and roof) is not greater than 9 feet; (g) such building shall not be directly visible from any adjacent street, and (h) the building has less than 200 square feet of floor space. In addition, the Owner is required to comply with any applicable governmental requirements, including, without limitation, any necessary permits.

7.7 Animals. No animals, livestock or poultry of any kind will be raised, bred or kept on any Lot, except that a reasonable number of cats, dogs or other generally recognized household pets may be permitted on any Lot; however, those pets which are permitted to roam free, or in the sole discretion of the Board, make objectionable noise, endanger the health or safety of, or constitute a nuisance or unreasonable source of annoyance to the occupants of other Lots shall be removed from the Lot upon the request of the Board. If the animal owner fails to remove the animal from the Lot after the Board's request, the Board may remove the animal, in addition to imposing such other sanctions as are authorized by the Declaration and the Bylaws. All animals will be kept in strict accordance with all local laws and ordinances (including leash laws) and in accordance with all rules established by the Association. All persons bringing an animal onto the Common Maintenance Areas shall be responsible for immediately removing any solid waste of said animal.

7.8 Signs. Except for Entry Signs, no sign or emblem of any kind, including "for rent" signs, may be kept or placed upon any Lot or mounted, painted or attached to any Dwelling, fence or other improvement upon such Lot so as to be visible from public view except the following: (a) an Owner may erect one (1) sign on a Lot advertising the Dwelling for sale or lease, provided that the sign does not exceed two (2) feet by three (3) feet in size; (b) an Owner may temporarily place one (1) sign on a Lot advertising the "open house" of a Dwelling for sale, provided that the sign does not exceed two (2) feet by three (3) feet in size and the sign may only be displayed during actual open house hours; (c) an Owner may place one (1) sign on the inside of a window advertising a Dwelling "for rent", provided that the sign does not exceed one and one-half (1 1/2) feet by one and one-half (1 1/2) feet in size; (d) signs or billboards may be erected by Declarant or any Builder

designated in writing by Declarant as having the right to erect such signs or billboards; (e) an Owner may temporarily place one (1) sign on a Lot advertising a "garage sale", provided that the sign does not exceed two (2) feet by three (3) feet in size and the sign may only be displayed during the garage sale hours; or (f) political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal provided that such signs will not be erected more than sixty (60) days in advance of the election to which they pertain and are removed within fifteen (15) days after the election. The ACA may in the ACA Standards permit additional signs and/or place additional restrictions or limitations on the signs permitted in this Declaration, provided that such additional restrictions or limitations do not conflict with the terms hereof. The Association will have the right to remove any sign, billboard or other advertising structure that does not comply with the foregoing. Removal shall not subject Declarant, the Board, the Association or the Association's officers or agents to any liability in connection with such removal.

7.9 Trash; Containers and Collection. No garbage or trash shall be placed or kept on any Lot, except in covered sanitary containers. In no event shall such containers be stored, kept, placed or maintained on any Lot where visible from the location on the street that is immediately in the front of the Dwelling except solely on a day designated for removal of garbage, then such containers may be placed in the designated location for pick-up of such garbage and the container will be removed from view before the following day. Materials incident to construction of improvements may be stored on Lots during construction by Declarant or any Builder designated in writing by Declarant during the Development Period.

7.10 Nuisances. No noxious or offensive activity, including, without limitation, unreasonable smells, noise or aesthetics, will be carried on upon any Lot, nor will anything be done thereon which the Board determines, in its sole and absolute discretion, is or may become an unreasonable source of annoyance or nuisance to the Property.

7.11 Antennae and Satellite Dishes. Except with the written permission of the ACA or as provided herein, exterior antennae, aerials, satellite dishes or other apparatus for the transmission or reception of television, radio, satellite or other signals of any kind may not be placed on the exterior of any Dwelling or on any portion of the Lot outside the Dwelling, except that (a) antennas, satellite dishes or other apparatuses that are one meter or less in diameter and that are designed to receive transmissions other than television broadcast signals shall be permitted; and (b) antennas or satellite dishes designed to receive television broadcast signals shall be permitted. Any of the foregoing permitted devices and any other device permitted by the ACA (a "**Permitted Device**"), must be located in an area where such Permitted Device is not visible (for aesthetic reasons) from any portion of the street in front of the applicable Lot with the apparatus. However, if the Owner determines that the Permitted Device cannot be located in compliance with the foregoing non-visibility requirement without precluding reception of an acceptable quality signal, then the Owner may install the Permitted Device in the least conspicuous alternative location on the Lot where an acceptable quality signal can be obtained. The ACA in the ACA Standards may include rules or provisions regarding the type of additional Permitted Devices and/or the placement of Permitted Devices, provided that such ACA Standards do not conflict with the terms of this Section 7.11 and do not unreasonably increase the cost of installation, maintenance or use of the Permitted Device. A Permitted Device that complies with the provisions of this Section 7.11 and the ACA Standards shall not require the ACA's approval prior to

installation. However, the ACA shall be the sole and exclusive authority for purposes of determining if the item or device complies with the provisions of this Section 7.11 and the ACA Standards.

7.12 Air-Conditioning Units. Air-conditioning apparatuses must be installed on the ground behind the rear of the Dwelling, on the ground on the side of the Dwelling or in such other location as may be approved by the ACA. No air-conditioning apparatus or evaporative cooler may be located in or on the front of any Dwelling or attached to any roof, wall or window of any Dwelling.

7.13 No Solar Collectors. Except with the written permission of the ACA, no solar collection panels or similar devices may be placed on or around any Dwelling. During the Development Period, the ACA shall be entitled, in its sole and absolute discretion, to restrict or prohibit entirely the installation of solar collection panels or similar devices. Upon expiration of the Development Period, the ACA shall be entitled to restrict or prohibit the installation of solar collection panels or similar devices if installation would result in any one or more of the following conditions: (1) as adjudicated by a court, the device threatens the public health or safety or violates applicable law; (2) the device is to be located on Common Areas or other property owned or maintained by the Association; (3) the device is to be located in an area on the Owner's Lot other than on the roof of the Dwelling or of another structure approved by the ACA for construction on the Owner's Lot or in a fenced yard or patio owned and maintained by the Owner; (4) if to be mounted on the roof of the Dwelling, the device (a) extends higher than or beyond the roofline, (b) is located in an area other than that which has been designated by the ACA, (c) does not conform to the slope of the roof and has a top edge that is not parallel to the roofline or (d) has a frame, a support bracket, or visible wiring that is not in a silver, bronze, or black tone commonly available in the marketplace; (5) if to be mounted in a fenced yard or patio, the device is taller than the fence line; or (6) if the device, as installed, voids material warranties.

7.14 No Temporary Structures as a Residence. No structure of a temporary character, including, without limiting the generality thereof, any tent, shack, garage or barn will be used on any Lot at any time as a residence, either temporarily or permanently; except that camping out in a tent, that is erected in the back yard behind a fully screened fence, is permitted provided that such activity is on a temporary basis and does not become or constitute a nuisance or unreasonable source of annoyance to the occupants of other Lots as determined by the Board in its sole and absolute discretion. This restriction will not be interpreted to limit the right of Declarant or any Builder to use trailers or outbuildings as sales offices, selection center offices, construction offices or material storage facilities.

7.15 Landscaping Maintenance. All yards must be sodded or grassed within a reasonable time period not to exceed one (1) month after the initial conveyance of a Lot with a Dwelling thereon to an Owner. Decorative ground cover rock (excluding flower beds and planters with mulch rather than rock) in the front and side yard may not exceed 10% of the total area of the front and side yard. All trees, grass and other landscaping located on any Lot must be properly maintained at all times by the Owner of such Lot in a trimmed, well-kept and clean condition, as determined by the Board, in its sole and absolute discretion. Each Owner will keep all shrubs, trees, grass and plantings of every kind on his or her Lot cultivated, pruned, and free of trash and other unsightly material. In addition, each Owner shall on a regular basis remove weeds from the

yard, including, without limitation, flower beds and planter areas. No hardscape, including without limitation, any edging, may include symbols, characters, numbers or letters, unless approved in advance by the ACA.

7.16 Owner's Maintenance of Adjacent Areas. (a) Unless such obligations are expressly assumed in writing by the Association as provided in paragraph (c) below, each Owner shall, at its sole cost and expense, be obligated to undertake all activities and work (collectively, the "Adjacent Area Maintenance Work") necessary to properly mow, irrigate and otherwise maintain in good condition all areas ("Adjacent Areas") situated between the boundary of such Owner's Lot and the back of the curb of any adjacent public or private rights-of-way, street or alley. The Adjacent Area Maintenance Work shall include, without limitation, irrigating, pruning, maintaining and replacing all landscaping and trees located within the Adjacent Areas and maintaining and/or replacing (as necessary) all irrigation equipment or lines located within the Adjacent Areas. Furthermore, no landscaping (including, without limitation, trees) or improvements may be removed from, or modified or installed within, the Adjacent Areas without the advance written consent of the Board.

(b) In the event an Owner fails or refuses to properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) perform any Adjacent Area Maintenance Work for which it is responsible, such failure will constitute a violation of this Declaration. In such event, without limitation on any other rights or remedies arising out of such violation, the Board may additionally cause such Adjacent Area Maintenance Work to be performed in a manner determined by the Board, in its sole and absolute discretion. If the Board causes any Adjacent Area Maintenance Work to be performed due to an Owner's failure to do so, the Owner otherwise responsible therefor will be liable to the Association for all costs and expenses incurred by the Association for effecting such Adjacent Area Maintenance Work. If such Owner fails to pay such costs and expenses timely upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the Designated Interest Rate) will be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot hereunder will be secured by the liens reserved in this Declaration for assessments and may be collected by any means provided in this Declaration for the collection of assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s).

(c) The Association at any time, but without any obligation to do so, may assume responsibility for all or a portion of the Adjacent Area Maintenance Work associated with one or more Owner's Lots. The Association may also from time to time enter into agreements with one or more Owners pertaining to the Adjacent Area Maintenance Work or the costs thereof, in the sole discretion of the Board.

(d) To the extent any such Adjacent Areas are Common Areas, an Owner shall not be responsible or liable to the Association for injury or loss caused to third parties as a result of such Owner's performance of his/her Adjacent Maintenance Work within such Adjacent Areas (unless and to the extent caused by the gross negligence or willful misconduct of such Owner), and the Association shall maintain general commercial liability insurance with respect to such Adjacent Areas that are Common Areas. **THE ASSOCIATION WILL INDEMNIFY AND HOLD HARMLESS EACH OWNER AND HIS/HER HEIRS, SUCCESSORS AND ASSIGNS FROM ANY THIRD PARTY CLAIMS OR CAUSES OF ACTION FOR DAMAGE TO**

PERSON OR PROPERTY THAT DIRECTLY ARISE OUT OF SUCH OWNER'S PERFORMANCE OF HIS/HER ADJACENT AREA MAINTENANCE WORK WITHIN ANY ADJACENT AREA THAT IS COMMON AREA, EXCEPT FOR SUCH CLAIMS OR CAUSES OF ACTION ARISING BY REASON OF SUCH OWNER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.

7.17 **Sidewalks.** The Owner shall be responsible for maintaining any sidewalk located on such Owner's Lot to the extent required by the City or any other applicable governmental authority.

7.18 **Exterior Improvement Maintenance.** All improvements upon any Lot will at all times be kept in good condition and repair and adequately painted or otherwise maintained by the Owner of such Lot in a presentable well-kept and clean condition, as determined by the Board, in its sole and absolute discretion.

7.19 **Garages.** Each Dwelling must have a garage that will accommodate a minimum of two (2) automobiles. All garages must comply with all applicable governmental requirements. Garages may be used as Declarant's or a Builder's sales offices prior to permanent occupancy of the main structure; however, sales offices must be converted to garages prior to permanent occupancy. With the exception of periods when garages are used by Declarant or Builder as sales offices, all garages will be maintained for the storage of automobiles, and no garage may be enclosed or otherwise used for habitation. No carports are permitted on a Lot.

7.20 **Clothes Hanging Devices.** No clothes hanging devices are to be constructed or placed on the Lot, except within the Dwelling.

7.21 **Window Treatment.** No aluminum foil, newspaper, reflective film, bed sheets or similar linens, nor any similar treatment, will be placed on windows or glass doors of a Dwelling.

7.22 **Oil and Gas Drilling or Mining.** No drilling, refining, quarrying or mining operation of oil, gas or other minerals of any kind will be permitted upon or from the surface of any Lot, nor will any oil derrick, well, tank, storage facility or other related equipment be permitted on any Lot. This Section 7.22 shall not prohibit subsurface drilling activities that begin upon and are conducted from the surface of real property not subject to this Declaration.

7.23 **Mail Boxes.** Mailboxes shall be of similar type and design and in the same location as originally installed, unless the ACA approves additional types and designs or locations of mail boxes.

7.24 **Athletic and Recreational Facilities.** No outdoor athletic and recreational facilities such as playscapes, swing sets and sport courts may be placed on a Lot unless (a) such item is placed within a backyard that has a fence that completely encloses the backyard and the location and the item does not exceed twelve (12) feet in height, or (b) such item is a temporary and movable facility that is stored each night in the garage, the Dwelling or other fully screened

area. Notwithstanding the foregoing, basketball goals and any other recreation equipment designated by the ACA may be located on any portion of the Lot (including side yards) that is behind any portion of the rear of the Dwelling.

7.25 Lighting; Exterior Holiday Decorations. Lighting and/or decorations on a Lot may not be used or placed in a manner which, in the Board's sole and absolute discretion, constitutes a nuisance or an unreasonable source of annoyance to the occupants of other Lots. Except for lights and decorations within the interior of a Dwelling that are not displayed in a window, lights and decorations that are erected or displayed on a Lot in commemoration or celebration of publicly observed holidays may not be displayed more than six (6) weeks in advance of that specific holiday and must be removed within thirty (30) days after the holiday has ended.

7.26 Flags, Flagpoles, Lawn Decorations and Sculptures. The Owner must have the approval of the ACA to place any decorations, sculptures, fountains, flags, flagpoles and similar items on any portion of such Owner's Lot except the interior of the Dwelling, unless (a) such item is placed within a backyard completely enclosed by a fence which blocks the view of the item at ground level; and (b) such item is no taller than the fence. Displays of American patriotism, school pride, and individuality are encouraged within reason and decorum; however, to maintain the overall aesthetic character of the community, the following restrictions shall govern the display of flags within the community. No more than one (1) in-ground flagpole, of not more than twenty feet (20') in height, may be installed in a location within the Owner's Lot as designated or approved in advance of installation by the ACA. Each Owner is authorized to mount two temporary or permanent flagstuffs on the front, rear or side of their Dwelling by wall bracket. The flagstuffs should not to exceed six (6) feet in length. The suggested location for such bracket mounting is on the garage doorframe or near the garage door. No roof-mounted flagstaff is allowed. Multiple flag configurations and any flagstaff in excess of six (6) feet must be approved by the ACA prior to installation or display. The Owner may use the flagpole or flagstaff to display the American flag, the Texas flag, a flag of any branch of the United States armed forces, and pennants or banners such as school flags or sports team flags. All flags may contain no more than twenty-four (24) square feet of material and must be of good taste and presentation.

7.27 Pools/Equipment. All swimming pools and associated decks shall be located in side and rear yards. They may not be located in easements. Pool equipment must be located where it will not cause a nuisance to neighbors and must be fully screened with privacy fence or evergreen shrubs or other approved landscaping. A privacy fence shall not be higher than necessary to screen the equipment. Lattice-type fencing will be considered for this purpose. Above ground pools, masonry block, vinyl lined and low hung vinyl lined pools are not allowed. Pneumatic pool enclosures are not permitted.

7.28 No Lot Consolidation or Division. No Owner, other than Declarant, may divide any Lot and/or consolidate any adjoining Lots and/or any portion thereof.

7.29 Drainage Alteration Prohibited. Unless approved by the ACA, no Owner will: (a) alter the surface water drainage flows of a Lot as originally established at the time of the initial construction of the Dwelling; or (b) install landscaping or other improvements that may interfere with, obstruct or divert drainage flows established by Declarant or any Builder. The foregoing

shall not prevent or limit Declarant from performing any grading work and/or changing any surface water drainage flow on any Lot.

7.30 Construction Activities. This Declaration will not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction or remodeling of or making of additions to improvements by an Owner (including Declarant) upon any Lot within the Property. Specifically, no such construction activities will be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with diligence and conforms to usual construction practices in the area. If construction upon any Lot does not conform to usual practices in the area as determined by the Board, in its sole good faith judgment, the Board will have the authority to obtain an injunction to stop such construction. In addition, if during the course of construction upon any Lot, there is an excessive accumulation of debris of any kind that is offensive or detrimental to the Property or any portion thereof, then the Board may contract for or cause such debris to be removed, and the Owner of such Lot will be liable for all expenses incurred in connection therewith.

7.31 Declarant and Builder Development and Construction. Notwithstanding any other provision herein, Declarant, and its successors and assigns, and any Builders, will be entitled to conduct on the Property all activities normally associated with, and convenient to, the development of the Property and the construction and sale of Dwellings on the Property.

ARTICLE VIII COMMON AREAS

8.1 Association to Hold and Maintain. The Association will accept and own all Common Areas in fee simple title. The Association shall maintain, at the Association's cost, the Common Area and any improvements and landscaping thereon in good repair. The Association shall also maintain the Common Maintenance Areas, at the Association's cost, to the extent the Board determines that such maintenance is desirable. The costs of such maintenance for the Common Areas and Common Maintenance Areas shall be the Association's responsibility, regardless if such cost was incurred during or after the Development Period.

8.2 Use of Common Areas at Own Risk. Each Owner, by acceptance of a deed to a Lot, acknowledges that the use and enjoyment of any Common Area and/or any recreational facility or improvement thereon involves risk of personal injury or damage to property. Each Owner acknowledges, understands and covenants to inform all of its tenants, invitees, agents and occupants of its Lot that Declarant, any Builder, the Association, the Board, any committees and all of their officers, directors, members, employees and agents are not insurers of personal safety and that each person using the Common Area and any recreational facility or improvement thereon assumes all risks of personal injury and loss or damage to property including any loss or damage resulting from the use and enjoyment of any recreational facility improvement or other portion of the Common Area.

8.3 Condemnation of Common Area. In the event of condemnation or a sale in lieu thereof of all or any portion of the Common Areas, the funds payable with respect thereto will be payable to the Association and will be used by the Association as the Board determines, in its sole

discretion, including, without limitation, (a) to purchase additional Common Areas to replace that which has been condemned, (b) to reconstruct or replace on the remaining Common Area any improvements that were on condemned Common Area, (c) to pay for Common Expenses, or (d) to be distributed to each Owner on a pro rata basis.

8.4 Damage to Common Area. If the Common Area or improvements on the Common Maintenance Areas are damaged and if there are insurance proceeds sufficient to repair such damage and return such areas or improvements to their prior condition, then the Association shall cause such damage to be repaired or reconstructed unless sixty-seven percent (67%) or more of all outstanding votes of the Members entitled to be cast vote not to make such repair or reconstruct within ninety (90) days after the loss. If said sixty-seven percent (67%) vote is cast not to repair or reconstruct such damage and no alternative improvements are authorized, the damaged property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive condition. Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, shall be retained by and for the benefit of the Association.

8.5 Conveyance of Common Areas by Declarant to Association. Declarant shall have the right to convey title to any portion of the Property owned by Declarant, or any easement interest therein, to the Association as Common Area, and the Association shall be required to accept such conveyance. Property conveyed by Declarant to the Association as Common Area shall be conveyed free and clear of monetary liens and encumbrances other than taxes and assessments imposed by governmental entities or districts authorized by Texas law. Any such conveyance shall be effective upon recording the deed or instrument of conveyance in the Records.

8.6 Annual Inspection of Common Area - Budget. From the period commencing on the expiration of the Development Period until ten (10) years thereafter, the Association shall at least annually examine the condition of the Common Area to evaluate the quality, frequency and adequacy of maintenance performed during the preceding year, and to recommend maintenance for the upcoming year. The examination and report may be performed by one or more experts hired by the Association for this purpose, such as a professional property manager, an engineer or professional contractors such as landscapers and brick masons. Within fifteen (15) days after performing the inspection, the expert should submit to the Board a written report with findings and recommendations. The Board should evaluate the Association's operating budget and reserve accounts for maintenance, repair and replacement in light of the expert's findings and recommendations. Any decision by the Board to reduce or defer recommended maintenance should be made with an evaluation of the potential consequences for future costs and deterioration. Any expert's report shall be a record of the Association that is available to Owners for inspection and copying.

8.7 No Representations or Warranties Regarding Lakes, Creeks or Drainage Areas. Declarant has informed and hereby informs the Association and all Owners that any lakes, creeks or drainage areas located on or to be constructed upon the Common Area (the "**Water/Drainage Improvements**") are intended primarily for drainage purposes and are not intended as a recreational feature or an amenity with certain specific aesthetic qualities. Declarant makes no representations or warranties regarding the Water/Drainage Improvements and Declarant hereby disclaims any and all representations and warranties regarding the

Water/Drainage Improvements, including, without limitation, any implied warranties, including any warranty of fitness for a particular purpose and any warranty of good and workmanlike construction. THE ASSOCIATION HEREBY AGREES TO ACCEPT THE WATER/DRAINAGE IMPROVEMENTS IN THEIR "AS-IS" CONDITION.

8.8 No Representations or Warranties Regarding Open Space. Declarant has informed and hereby informs the Association that the Common Area or portions thereof depicted and/or described on Exhibit "C" attached hereto (the "Open Space Area"), is intended primarily as an unimproved open space to be maintained in a natural or semi-natural condition and not as a recreational feature or an amenity with certain specific aesthetic qualities. Declarant makes no representations or warranties regarding the Open Space Area and Declarant hereby disclaims any and all representations and warranties regarding the Open Space Area, including, without limitation, any implied warranties, including any warranty of fitness for a particular purpose and any warranty of good and workmanlike construction. THE ASSOCIATION HEREBY AGREES TO ACCEPT THE OPEN SPACE AREA IN ITS "AS-IS" CONDITION.

ARTICLE IX EASEMENTS

9.1 Easement for Utilities on Common Area. During the Development Period, Declarant, on behalf of itself, reserves the right to grant perpetual, nonexclusive easements for the benefit of Declarant or its designees, upon, across, over, through and under any portion of the Common Area for the construction, installation, use and maintenance for utilities, including, without limitation, water, sewer, electric, cable television, telephone, natural gas and storm water and drainage related structures and improvements. The Association will also have at all times the right to grant the easements described in this Section 9.1.

9.2 Easement to Correct Drainage on Property. For a period of five (5) years after the expiration of the Development Period, Declarant hereby reserves for the benefit of Declarant and any Builder, a blanket easement on, over and under the ground within the Property (excluding the area where a Dwelling is located) to maintain and correct drainage of surface waters and other erosion controls in order to maintain reasonable standards of health, safety and appearance, and will be entitled to remove trees or vegetation, without liability for replacement or damages, as may be necessary to provide adequate drainage facilities. Notwithstanding the foregoing, nothing herein will be interpreted to impose any duty upon Declarant or any Builder to correct or maintain any drainage facilities within the Property. Any damage to a Lot caused by or due to the exercise of the foregoing drainage easement rights, shall be promptly repaired by the party exercising such easement rights after completing its construction activities in the damaged area.

9.3 Easement for Right to Enter Lot. If an Owner fails to maintain its Lot as required herein, or in the event of emergency, the Association will have the right to enter upon the Lot to make repairs and to do other work reasonably necessary for the proper maintenance and operation of the Property. Entry upon the Lot as provided herein will not be deemed a trespass, and the Association will not be liable for any damage so created unless such damage is caused by the Association's willful misconduct or gross negligence.

9.4. **Easement for Right to Enter and Inspect Common Area.** For a period of ten (10) years after the expiration of the Development Period, Declarant shall have the right, but not the obligation, to enter upon the Common Area for purposes of inspecting and repairing the Common Area and/or any improvements thereon at Declarant's expense; provided; however, nothing contained herein shall obligate Declarant to make any such inspections or repairs or to incur any expense.

9.5 **Temporary Easement to Complete Construction.** All Lots will be subject to an easement of ingress and egress for the benefit of Declarant, its employees, subcontractors, successors and assigns, over and upon the front, side and rear yards of the Lots as may be expedient or necessary for the construction, servicing and completion of Dwellings and landscaping upon adjacent Lots, provided that such easement will terminate as to any Lot twenty-four (24) months after the date such Lot is conveyed to an Owner other than a Builder. Any damage to a Lot caused by Declarant due to exercise of the foregoing completion easement rights, shall be promptly repaired by the party exercising such easement rights after completing its construction activities in the damaged area.

9.6 **Association Easement.** Declarant hereby reserves an Association Easement for the benefit of Declarant and the Association for the purpose of placing, constructing and maintaining any Entry Signs, Association Maintenance Fencing and landscaping located within or on a Lot. Without limiting the foregoing, Declarant hereby specifically reserves for the benefit of Declarant and the Association an Association Easement over the area described on Exhibit "D" attached hereto for the purpose of placing, constructing and maintaining subdivision Association Maintenance Fencing thereon. The real property subject to the Association Easement shall be conveyed subject to the Association Easement.

ARTICLE X ANNEXATION AND WITHDRAWAL

10.1 **Annexation by Declarant.** While Declarant owns any real property subject to this Declaration, Declarant may, at its sole option, amend and expand the definition of Property by annexing real property into the Association and subjecting such real property to the terms hereof; provided; however, that Declarant shall not have the right to annex real property that is located more than one-half (1/2) of a mile from the Property (as such term may be amended), without the required approval of the Members as provided in Section 10.2 below.

10.2 **Annexation by Association.** The Association may annex any real property into the Association and subject such real property to the terms hereof with the affirmative vote of sixty-seven percent (67%) or more of all outstanding votes of the Members that are entitled to be cast.

10.3 **Recording of Annexation.** The annexation of such real property shall be evidenced by a written Recorded document.

10.4 **No Duty to Annex.** Nothing herein contained shall establish any duty or obligation on the part of Declarant or any Member to annex any real property, and no owner of any property excluded from the Association shall have any right to have such property annexed thereto.

10.5 **Withdrawal of Property.** While Declarant owns any real property subject to this Declaration, Declarant may amend this Declaration to withdraw any real property from the definition of the Property and from the coverage of this Declaration, provided that the owner of real property to be withdrawn consents to such withdrawal.

ARTICLE XI DISPUTE RESOLUTION

11.1 **Introduction & Definitions.** The Association, the Owners, Declarant and all persons subject to this Declaration (individually a "**Party**" and collectively, the "**Parties**") agree to encourage the amicable resolution of disputes involving the Property and to avoid the emotional and financial costs of litigation if at all possible. Accordingly, each Party hereby covenants and agrees that this Article XI applies to all Claims (as hereafter defined). As used in this Article XI only, the following words, when capitalized, have the following specified meanings:

(a) "**Claim**" means any claim, grievance or dispute between or among the Parties arising from or in connection with this Declaration, the Bylaws or the Certificate or related to the Property, except Exempt Claims (as defined below), and including, without limitation: (i) Claims arising out of or relating to the interpretation, application or enforcement of this Declaration; (ii) Claims relating to the rights and/or duties of Declarant as Declarant under this Declaration; and (iii) Claims relating to the design, construction or maintenance of the Property.

(b) "**Claimant**" means any Party having a Claim against any other Party.

(c) "**Exempt Claims**" means the following claims or actions, which are exempt from this Article XI: (i) the Association's claim for assessments, and any action by the Association to collect assessments; (ii) an action by a Party to obtain a temporary restraining order or equivalent emergency equitable relief, and such other ancillary relief as the court deems necessary to maintain the status quo and preserve the Party's ability to enforce the provisions of this Declaration; (iii) enforcement of the easements, architectural control, maintenance and use restrictions of this Declaration; (iv) a suit to which an applicable statute of limitations would expire within the notice period of this Article, unless a Party against whom the Claim is made agrees to toll the statute of limitations as to the Claim for the period reasonably necessary to comply with this Article; and (v) a dispute that is subject to alternate dispute resolution (such as mediation or arbitration) by the terms of a public law or another instrument, such as a contract or warranty agreement, in which case the dispute is exempt from this Article unless the Parties agree to have the dispute governed by this Article.

(d) "**Respondent**" means the Party against whom the Claimant has a Claim.

11.2 **Mandatory Procedures.** Claimant may not file suit in any court or initiate any proceeding before any administrative tribunal seeking redress or resolution of its Claim until Claimant has complied with the procedures of this Article XI.

11.3 Notice. Claimant must notify Respondent in writing of the Claim (the "Notice"), stating plainly and concisely: (a) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (b) the basis of the Claim (i.e., the provision of the Declaration, Bylaws or Certificate other authority out of which the Claim arises); (c) what Claimant wants Respondent to do or not do to resolve the Claim; and (d) that the Notice is given pursuant to this Section 11.3.

11.4 Negotiation. Claimant and Respondent will make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. Within sixty (60) days after Respondent's receipt of the Notice, Respondent and Claimant will meet at a mutually-acceptable place and time to discuss the Claim. At such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives will have full access to the property that is subject to the Claim for the purposes of inspecting the property. If Respondent elects to take corrective action, Claimant will provide Respondent and Respondent's representatives and agents with full access to the property to take and complete corrective action.

11.5 Mediation. If the Parties negotiate but do not resolve the Claim through negotiation within one hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the Parties), Claimant will have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the Parties mutually agree. If Claimant does not submit the Claim to mediation within the thirty (30) day period, Claimant is deemed to have waived the Claim, and Respondent is released and discharged from any and all liability to Claimant on account of the Claim.

11.6 Termination of Mediation. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, or within a time deemed reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the Parties are at an impasse and the date that mediation was terminated. Thereafter, Claimant may file suit or initiate administrative proceedings on the Claim, as appropriate.

11.7 Allocation of Costs. Except as otherwise provided in this Section 11.7, each Party bears all of its own costs incurred prior to and during the proceedings described in Sections 11.3, 11.4 and 11.5 above, including its attorneys' fees. Respondent and Claimant will equally divide all expenses and fees charged by the mediator.

11.8 Enforcement of Resolution. Any settlement of the Claim through negotiation or mediation will be documented in writing and signed by the Parties. If any Party thereafter fails to abide by the terms of the agreement, then the other Party may file suit or initiate administrative proceedings to enforce the agreement without the need to again comply with the procedures set forth in this Article XI. In that event, the Party taking action to enforce the agreement is entitled to recover from the non-complying Party all costs incurred in enforcing the agreement, including, without limitation, attorney's fees and court costs.

11.9 General Provisions. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are

not a party to Claimant's Claim. A Party having an Exempt Claim may submit it to the procedures of this Article XI.

11.10 Litigation Approval and Settlement. In addition to and notwithstanding the above alternate dispute resolution procedures, the Association may not initiate any judicial or administrative proceeding without the affirmative vote of at least seventy-five percent (75%) of the votes of all Members, except that no such approval is required (a) to enforce provisions of this Declaration, including collection of assessments; (b) to challenge condemnation proceedings; (c) to enforce a contract against a contractor, vendor, or supplier of goods or services to the Association; (d) to defend claims filed against the Association or to assert counterclaims in a proceeding instituted against the Association; or (e) to obtain a temporary restraining order or equivalent emergency equitable relief when circumstances do not provide sufficient time to obtain the prior consents of Owners in order to preserve the status quo. Also, without limiting the provisions of Section 6.12 hereof, the Association may not initiate any judicial or administrative proceeding against Declarant without the affirmative vote of at least seventy-five percent (75%) of the votes of all Members. The Board, on behalf of the Association and without the consent of Owners, is hereby authorized to negotiate settlement of litigation, and may execute any document related thereto, such as settlement agreements and waiver or release of claims.

ARTICLE XII MISCELLANEOUS

12.1 Declaration Term - Perpetual. Unless ninety (90%) of all outstanding votes of the Members that are entitled to be cast approve the termination of this Declaration, the provisions of this Declaration shall run with and bind the Property and shall be and remain in effect perpetually to the extent permitted by law. A written instrument terminating this Declaration shall not be effective unless Recorded.

12.2 Amendments to Declaration.

(a) **Amendment by Declarant.** During the Development Period, Declarant, in its sole discretion and without a vote or the consent of any Owner or other party, shall have the right to amend this Declaration for the following purposes: (i) to add real property to the Property, (ii) to create lots, easements, common areas, common maintenance areas, fencing and signage, (iii) to modify the use and covenant restrictions in Article VII hereof, (iv) to comply with the requirements of any governmental authority or institutional lender or underwriting lender, (v) to resolve conflicts, clarify ambiguities and to correct misstatements, errors or omissions in this Declaration, and (vi) for any other purpose; provided, however, that any amendment made pursuant to this clause (vi) must not have any material adverse effect on any right of an Owner without the consent of such Owner.

(b) **Amendment by Association.** Except as provided in Article XI above, the Association may amend the terms and provisions of this Declaration by the affirmative vote of sixty-seven percent (67%) or greater of all outstanding votes of the Members entitled to be cast. Any amendment must be Recorded. Notwithstanding the foregoing, the Association shall be required to obtain Declarant's written consent to any amendment during the Development Period.

12.3 Enforcement by Association and/or Owner. The Association or any Owner will have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges imposed now or in the future by the provisions of this Declaration. Failure of the Association or any Owner to enforce any covenant or restriction of this Declaration will in no event be deemed a waiver of the right to do so in the future.

12.4 Remedies; Cumulative. In the event any Lot does not comply with the terms hereof or any Owner fails to comply with the terms hereof, the Association and/or any Owner will have each and all of the rights and remedies which may be provided for in this Declaration, the Bylaws and any rules and regulations, and those which may be available at law or in equity, including, without limitation, enforcement of any lien, damages, injunction, specific performance, judgment for payment of money and collection thereof, or for any combination of remedies, or for any other relief. No remedies herein provided or available at law or in equity will be deemed mutually exclusive of any other such remedy, but instead shall be cumulative.

12.5 Notice to Association of Sale or Transfer. Any Owner (other than Declarant) desiring to sell or otherwise transfer title to his or her Lot shall give the Board written notice of the name and address of the purchaser or transferee, within thirty (30) days after the date of such transfer of title, and such other information as the Board may reasonably require. With the Board's approval a number of independent fees may be charged in relation to the transfer of title to a Lot, including, but not limited to, fees for resale certificates, estoppel certificates, copies of this Declaration, the Bylaws and/or the Certificate, compliance inspections, ownership record changes and priority processing, provided the fees are customary in amount, kind and number for the local marketplace. Transfer-related fees are not refundable and may not be regarded as a prepayment of or credit against regular or special assessments. Transfer-related fees do not apply to the following transfers unless a party to the transfer requests the corresponding documentation: foreclosure of a deed of trust lien, tax lien or the Association's assessment lien; transfer to, from or by the Association; or voluntary transfer by an owner to one or more co-owners, or to the owner's spouse, child or parent. Transfer-related fees may be charged by the Association or by the Association's managing agent, provided there is no duplication of fees. Transfer-related fees charged by or paid to a managing agent must have the prior written approval of the Association, are not subject to the Association's assessment lien, and are not payable by the Association. This Section 12.5 does not obligate the Board or the manager to levy transfer-related fees.

12.6 Limitation on Interest. All agreements between any Owner and the Association and/or Declarant are expressly limited so that the amount of interest charged, collected or received on account of such agreement shall never exceed the maximum amount permitted by applicable law. If, under any circumstances, fulfillment of any provision of this Declaration or of any other document requires exceeding the lawful maximum interest rates, then, ipso facto, the obligation shall be reduced to comply with such lawful limits. If an amount received by the Association and/or Declarant should be deemed to be excessive interest, then the amount of such excess shall be applied to reduce the unpaid principal and not to the payment of interest. If such excessive interest exceeds the unpaid balance due to the Association and/or Declarant, then such excess shall be refunded to Owner.

12.7 Construction and Interpretation. This Declaration shall be liberally construed and interpreted to give effect to its purposes and intent, except as otherwise required by law.

12.8 Notices. Except as otherwise provided in the Bylaws or this Declaration, all notices, demands, bills, statements and other communications under this Declaration shall be in writing and shall be given personally or by mail. Notices that are mailed shall be deemed to have been duly given three (3) days after deposit, unless such mail service can prove receipt at an earlier date. Owners shall maintain one mailing address for a Lot, which address shall be used by the Association for mailing of notices, statements and demands. If an Owner fails to maintain a current mailing address for a Lot with the Association, then the address of that Owner's Lot is deemed to be such Owner's mailing address. If a Lot is owned by more than one person or entity, then notice to one co-owner is deemed notice to all co-owners. Attendance by a Member at any meeting shall constitute waiver of notice by the Member of the time, place and purpose of the meeting. Written waiver of notice of a meeting, either before or after a meeting, of the Members shall be deemed the equivalent of proper notice.

12.9 Not a Condominium. This document does not and is not intended to create a condominium within the meaning of the Texas Uniform Condominium Act, Tex. Prop. Code Ann., Section 82.001, et seq.

12.10 Severability. Invalidity of any one of these covenants, conditions, easements or restrictions by judgment or court order will in no manner affect any other provisions which will remain, in full force and effect.

12.11 Rights and Obligations Run With Land. The provisions of this Declaration are covenants running with the land and will inure to the benefit of, and be binding upon, each and all of the Owners and their respective heirs, representatives, successors, assigns, purchasers, grantees and mortgagees. No Lot is exempt from the terms set forth herein. By the recording or the acceptance of a deed conveying a Lot or any ownership interest in the Lot whatsoever, the person to whom such Lot or interest is conveyed will be deemed to accept and agree to be bound by and subject to all of the provisions of this Declaration, whether or not mention thereof is made in said deed. Notwithstanding any provision herein, the rights of Declarant as provided herein shall not run with the land, but instead may only be transferred or assigned as provided in Section 12.12 hereof.

12.12 Assignment of Declarant's Rights. Declarant may assign, in whole or in part, its rights as Declarant by executing and Recording a document assigning such rights. There may be more than one Declarant, if Declarant makes a partial assignment of Declarant status. Without limiting the terms of Section 6.12 hereof, upon a Declarant's assignment of any or all of its rights as Declarant under this Declaration, the assigning Declarant shall automatically, without further acknowledgment or consent of any other party, be fully released and discharged from any obligations accruing under this Declaration after the date of such assignment, including, without limitation, the obligation of such assigning Declarant to fund Budget Deficits arising after such assignment.

12.13 Disclaimer Regarding Security. Neither the Association nor Declarant shall in any way be considered insurers or guarantors of security within the Property, nor shall any of them

be held liable for any loss or damage by reason of failure to provide adequate security or of ineffectiveness of security measures undertaken. No representation or warranty is made that any fire protection system, burglar alarm system or other security system cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and covenants to inform its tenants, invitees and licensees that the Association, its Board and committees, Declarant and their officers, directors, members, employees and agents are not insurers and that each person using any portion of the Property assumes all risks for loss or damage to persons, to Lots and to the contents of Lots resulting from acts of third parties.

12.14 Adjacent Land Use. Although this Declaration may contain disclosures about the Property or its location on the date of this Declaration, Declarant makes no representation that these are the only noteworthy features of the Property or its location. A prospective owner or resident must make his own inspection of the Property, its location and nearby land uses, and make inquiries of anything that concerns him or her. Declarant makes no representation of any kind as to current or future uses, actual or permitted, of any land that is adjacent to or near the Property, regardless of what any plat shows as potential uses of adjoining land. Declarant and the Association 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.

12.15 Attorneys' Fees and Court Costs. If litigation is instituted to enforce any provision herein, then the prevailing party shall be entitled to all attorneys' fees and court costs related to such legal action.

12.16 Gender. All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, will include all other genders, and the singular will include the plural, and vice versa.

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

12.18 Conflicts. In the event of conflict between this Declaration and any Bylaws, rules, regulations or the Certificate, this Declaration will control.

12.19 Exhibits. All exhibits referenced in this Declaration as attached hereto are hereby incorporated by reference.

[THE BALANCE OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed on the day and year written below.

DECLARANT:

Bloomfield Homes, L.P.,
a Texas limited partnership

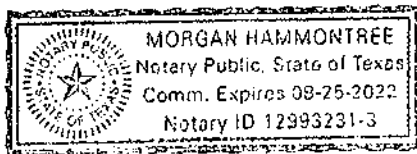
By: Bloomfield Properties, Inc.,
a Texas corporation,
its General Partner

By: [Signature] Stephen J. Corradi
Name: Attorney In Fact
Title: Bloomfield Properties, INC.
General Partner

Date: November (5), 2019

STATE OF TEXAS }
 }
COUNTY OF TARRANT }

The foregoing instrument was acknowledged before me on this the 5th day of November, 2019, by Stephen Corradi, Attorney in Fact of Bloomfield Properties, Inc., a Texas corporation, as General Partner of Bloomfield Homes, L.P., a Texas limited partnership, on behalf of such entity and in the capacity therein stated.



[Signature]
Notary Public, State of Texas
Notary's Name Printed:

My Commission Expires: _____

AFTER RECORDING RETURN TO:

Bloomfield Homes, L.P.
1050 E Highway 114, Suite 210
Southlake, TX 76092
Attn: Stephen Corradi

EXHIBIT "A"

Legal Description and/or Depiction of the Property

BEING A 75.747 ACRE TRACT OF LAND SITUATED IN THE WILLIAM CALDWELL SURVEY, ABSTRACT NO. 235, CITY OF GLENN HEIGHTS AND THE CITY OF DESOTO, DALLAS COUNTY, TEXAS AND BEING PART OF A CALLED 78.002 ACRE TRACT OF LAND DESCRIBED IN DEED TO WINONA TREES BULLARD AND RONALD JOE TREES, AS RECORDED IN VOLUME 99248, PAGE 1760, DEED RECORDS DALLAS COUNTY, TEXAS AND ALL OF A CALLED 1.229 ACRE TRACT OF LAND DESCRIBED IN DEED TO DONALD J. BULLARD AND WINONA TREE BULLARD, AS RECORDED IN VOLUME 78223, PAGE 2735 IF SAID DEED RECORDS, SAID 75.747 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2-INCH IRON SET FOR THE SOUTHWEST CORNER OF SAID 1.289 ACRE TRACT AND THE SOUTHERLY NORTHWEST CORNER OF KINGSTON MEADOWS, PHASE 3A, AN ADDITION TO THE CITY OF GLENN HEIGHTS, AS RECORDED IN INSTRUMENT 201400109755 OF SAID DEED RECORDS, SAID CORNER BEING IN THE EAST RIGHT-OF-WAY LINE OF COCKRELL HILL ROAD, A VARIABLE WIDTH RIGHT-OF-WAY;

THENCE, NORTHERLY, WITH THE EAST RIGHT-OF-WAY LINES OF SAID COCKRELL HILL ROAD, THE FOLLOWING COURSES:

NORTH 00 DEGREES 13 MINUTES 43 SECONDS WEST, A DISTANCE OF 215.72 FEET TO A 1/2-INCH IRON SET FOR CORNER;

SOUTH 89 DEGREES 20 MINUTES 39 SECONDS EAST, A DISTANCE OF 16.58 FEET TO A 1/2-INCH IRON SET FOR CORNER;

NORTH 00 DEGREES 18 MINUTES 07 SECONDS WEST, A DISTANCE OF 477.00 FEET TO A 1/2-INCH IRON SET FOR CORNER;

NORTH 01 DEGREES 41 MINUTES 21 SECONDS WEST, A DISTANCE OF 289.94 FEET TO A 1/2-INCH IRON SET FOR CORNER;

NORTH 00 DEGREES 13 MINUTES 43 SECONDS WEST, A DISTANCE OF 1223.82 FEET TO A 1/2-INCH IRON SET FOR CORNER IN THE SOUTH BOUNDARY LINE OF A CALLED 0.255 ACRE TRACT OF LAND DESCRIBED IN THE RIGHT-OF-WAY DEED TO THE CITY OF DESOTO, AS RECORDED IN INSTRUMENT OF SAID DEED RECORDS;

NORTH 89 DEGREES 46 MINUTES 17 SECONDS EAST, WITH THE SOUTH LINE OF SAID 0.255 ACRE TRACT, A DISTANCE OF 17.53 FEET TO A 1/2-INCH IRON SET FOR THE SOUTHEAST CORNER OF SAID 0.255 ACRE TRACT;

NORTH 00 DEGREES 01 MINUTES 11 SECONDS WEST, WITH THE EAST BOUNDARY LINE OF SAID 0.255 ACRE TRACT, A DISTANCE OF 565.62 FEET TO A 1/2-INCH IRON SET FOR THE NORTHEAST CORNER OF SAID 0.255 ACRE TRACT;

THENCE NORTH 44 DEGREES 13 MINUTES 30 SECONDS EAST, WITH A CORNER CLIP OF SAID COCKRELL HILL ROAD, AND PARKERVILLE ROAD, A 110 FT. RIGHT -OF-WAY AT THIS POINT, A DISTANCE OF 15.05 FEET TO A 1/2-INCH IRON SET FOR THE EASTERLY SOUTHWEST CORNER OF A CALLED 1.636 ACRE TRACT OF LAND DESCRIBED IN RIGHT-OF-WAY DEED TO THE CITY OF DESOTO, AS RECORDED IN INSTRUMENT 200600165848 OF SAID DEED RECORDS;

THENCE SOUTH 89 DEGREES 48 MINUTES 42 SECONDS EAST, WITH THE SOUTH RIGHT-OF-WAY LINE OF SAID PARKERVILLE ROAD AND SAID 1.636 ACRE TRACT, A DISTANCE OF 1240.00 FEET TO A FENCE POST POUND FOR THE NORTHWEST CORNER OF LOT 1, BLOCK G, KENTSDALE FARM, PHASE ONE, AN ADDITION TO THE CITY OF DESOTO, AS RECORDED IN VOLUME 2005145, PAGE 240 OF SAID DEED RECORDS, SAID CORNER BEING IN THE EAST BOUNDARY LINE OF SAID 78.002 ACRE TRACT;

EXHIBIT "A"

Legal Description and/or Depiction of the Property

THENCE SOUTH 00 DEGREES 10 MINUTES 49 SECONDS EAST, WITH THE COMMON BOUNDARY LINES OF SAID PHASE ONE, KENTSDALE FARM, PHASE TWO, AN ADDITION TO THE CITY OF DESOTO, AS RECORDED IN INSTRUMENT 201500024558 OF SAID DEED RECORDS, A 36.69 ACRE TRACT OF LAND DESCRIBED IN SAID DEED RECORDS AND SAID 78.002 ACRE TRACT, A DISTANCE OF 2587.45 FEET TO A 5/8-INCH IRON ROD FOUND FOR THE SOUTHWEST CORNER OF SAID 36.69 ACRE TRACT AND THE SOUTHEAST CORNER OF SAID 78.002 ACRE TRACT, SAID CORNER BEING IN THE NORTH BOUNDARY LINE OF KINGSTON MEADOWS, PHASE 4, AN ADDITION TO THE CITY OF GLENN HEIGHTS, AS RECORDED IN INSTRUMENT 201500248255 OF SAID DEED RECORDS;

THENCE NORTH 89 DEGREES 20 MINUTES 39 SECONDS WEST, WITH THE COMMON BOUNDARY LINE OF SAID KINGSTON MEADOWS, PHASE 4, SAID KINGSTON MEADOWS, PHASE 3A AND 78.002 ACRE TRACT, A DISTANCE OF 1097.23 FEET TO A 1/2-INCH IRON ROD FOUND FOR THE NORTHERLY NORTHWEST CORNER OF SAID PHASE 3A AND AN EASTERLY CORNER OF SAID 1.229 ACRE TRACT;

THENCE, WITH THE COMMON BOUNDARY LINES OF SAID 1.229 ACRE TRACT AND SAID PHASE 3A, THE FOLLOWING COURSES:

SOUTH 00 DEGREES 24 MINUTES 34 SECONDS EAST, A DISTANCE OF 210.84 FEET TO A 1/2-INCH IRON ROD FOUND CORNER;

SOUTH 89 DEGREES 05 MINUTES 55 SECONDS WEST, A DISTANCE OF 179.62 FEET TO THE POINT OF BEGINNING AND CONTAINING 3,299,529 SQUARE FEET OR 75.747 ACRES OF LAND.

A.P.N.

EXHIBIT "B"

Common Areas

Common Area lots are defined as any area denoted as Common Area on the Recorded final plat(s) for the Property ("Plat(s)") and/or any open space that is deeded to the Association – including all parks and park improvements constructed by the Declarant or Association within the Property.

All Common Areas are to be maintained as deemed necessary by the Homeowners' Association.

EXHIBIT "C"

Open Space Area

(See Section 8.8)

Open spaces shall include all entrance features at Cockrell Hill Road and Parkerville Road and landscaping at the entryways to the Property.

All Open Space lots, drainage, detention and other easements, including without limitation, Association Easements, are to be maintained as deemed necessary by the Association.

The detention area along Block A Lot 11, will remain as a detention area to the lines and grades shown on the plans at all times and will be maintained by the Association.

This community has a common mailbox area. The mailboxes and the immediate area around the mailboxes are to be maintained by the HOA.

EXHIBIT "D"

Subdivision Association Maintenance Fencing

(See Section 9.6)

The Association shall have responsibility for the masonry walls along the edge of the subdivision alongside Cockrell Hill Road and Parkerville Road. This responsibility shall include repairs, maintenance and/or replacement as deemed necessary by the Association.

Individual Owners shall be responsible for any fencing and/or Retaining Wall(s) located on their Lots. Neither the City nor the Association shall have maintenance responsibility for any Retaining Walls constructed as part of this development.

EXHIBIT "E"

Initial Building Guidelines

The following will serve as the Initial Building Guidelines as hereby set forth with respect to the subdivision known as Trees Farm and located within the Property. Any modifications or adjustments to any Lots and/or Dwellings shall follow these Initial Building Guidelines and shall be subject to any and all City rules, regulations and building codes, which City rules, regulations and building codes shall control and have authority over items stated in these Initial Building Guidelines to the extent of any conflict or inconsistency.

See Ordinance No. 2016-17 (attached below) along with City of DeSoto Comprehensive Zoning Ordinance / Planning & Zoning P&Z / Zoning Ordinance / Section 19 ("SF-10 – Single Family Residential District – 10,000") for additional information.

The above Initial Building Guidelines may be modified by Declarant to remain compliant with the any rules, regulations and/or building code of the City, FHA, FHLMC, FNMA, HUD, VA, Declarant and/or the ACA.

EXHIBIT "E" - Continued

Initial Building Guidelines

ORDINANCE

AN ORDINANCE OF THE CITY OF DESOTO, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE AND MAP OF THE CITY OF DESOTO, TEXAS; GRANTING A CHANGE IN ZONING FROM AGRICULTURAL ("A") DISTRICT TO PLANNED DEVELOPMENT 174 ("PD-174") WITH A BASE ZONING OF A SINGLE-FAMILY-10 RESIDENTIAL DISTRICT ("SF-10") WITH DEVIATIONS, ON APPROXIMATELY 75.08 ACRES, LOCATED SOUTH OF PARKERVILLE ROAD AND EAST OF COCKRELL HILL ROAD, CONSISTING OF 211 LOTS, DESOTO, DALLAS COUNTY, TEXAS, TO ALLOW FOR THE DEVELOPMENT OF A SUBDIVISION FOR SINGLE-FAMILY RESIDENCES IN THREE (3) PHASES, AND BEING MORE PARTICULARLY DESCRIBED IN EXHIBIT "A"; PROVIDING FOR THE APPROVAL OF THE DETAILED SITE PLAN ATTACHED AS EXHIBIT "B"; PROVIDING FOR THE APPROVAL OF THE LANDSCAPE PLAN ATTACHED AS EXHIBIT "C"; PROVIDING FOR THE APPROVAL OF THE ELEVATIONS PLAN ATTACHED AS EXHIBIT "D"; PROVIDING A CONFLICTS CLAUSE; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Planning and Zoning Commission of the City of DeSoto and the governing body of the City of DeSoto, in compliance with the laws of the State of Texas, and the Ordinances of the City of DeSoto, have given requisite notice by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof, and in the exercise of its legislative discretion have concluded that the Comprehensive Zoning Ordinance and Map should be amended;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DESOTO, TEXAS:

SECTION 1. That the Comprehensive Zoning Ordinance and Map of the City of DeSoto, Texas, duly passed by the governing body of the City of DeSoto on the 19th day of August, 1997, as heretofore amended by granting a change in zoning from Agricultural (A") District to Planned Development 174 ("PD-174") with a base zoning of a Single Family-10 Residential ("SF-10") District with deviations, on approximately 75.08 DeSoto, located south of Parkerville Road and east of Cockrell Hill Road, consisting of 211 lots, DeSoto Dallas County, Texas, (the "Property"), to allow for the development of a subdivision for single-family residences in three phases, and being more particularly described in Exhibit "A".

ORDINANCE NO. 2106-17

SECTION 2. That the Property shall be developed and used only in accordance with the following development conditions:

- A. Purpose. The purpose of this Planned Development is to construct a proposed subdivision for single family residences on lots of not less than 11,000 square feet. This development shall consist of three phases -- Phase One shall contain 101 lots, Phase Two shall contain 54 lots and Phase Three shall contain 56 lots.
- B. Base Zoning District. The Property shall be used and developed in accordance with the Single Family-10 ("SF-10") Comprehensive Zoning Ordinance, except as otherwise provided herein.
- C. Site Plan. The Property shall be developed and used substantially in accordance with the Site Plan attached as Exhibit "B", and which is hereby approved.
- D. Landscaping. The landscaping plan is attached as Exhibit "C" and is hereby approved.
- E. Elevations. The elevations plan for the proposed monuments is attached as Exhibit "D" and is hereby approved.
- F. Monuments. Three (3) entry monuments shall be allowed as depicted on the Landscape Plan attached as Exhibit "C" and Elevations Plan attached as Exhibit "D".
- G. Minimum Lot Area. The minimum lot area shall be eleven thousand feet (11,000').
- H. Minimum Lot Depth. The minimum lot depth shall be one hundred thirty feet (130').
- I. Alley. No alleys shall be required within the development.
- J. Garages. Front facing garages shall be allowed on 80% of the lots. The garages may be flush with the main structure and not required to setback from the main structure. J-Swing garages shall be allowed on the remaining 20% of the lots.

SECTION 3. That the property shall be used only in the manner and for the purposes provided for by the Comprehensive Zoning Ordinance of the City of DeSoto, Texas, as heretofore amended, and as amended herein; and which is hereby approved.

SECTION 4. That, to the extent of any irreconcilable conflict with the provisions of this ordinance and other ordinances of the City of DeSoto governing the use and

ORDINANCE NO. 2106-17

development of the Property and which are not expressly amended by this ordinance, the provisions of this ordinance shall be controlling.

SECTION 5. That all provisions of the Ordinances of the City of DeSoto, Texas, in conflict with the provisions of this Ordinance be, and the same are hereby, repealed, and all other provisions of the Ordinances of the City of DeSoto, Texas, not in conflict with the provisions of this Ordinance shall remain in full force and effect.

SECTION 6. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

SECTION 7. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Ordinances of the City of DeSoto, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 8. That any person, firm or corporation violating any of the provisions or terms of this Ordinance shall be subject to the same penalty as provided for in the Comprehensive Zoning Ordinance of the City of DeSoto, as heretofore amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000.00) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

SECTION 9. This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such cases provides.

IT IS ACCORDINGLY SO ORDAINED.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DESOTO, TEXAS ON THIS THE 17TH DAY OF OCTOBER, 2017.

ORDINANCE NO. 2106-17

APPROVED:

Curtistene S. McCowan
Curtistene S. McCowan, Mayor

ATTEST:

Kisha R. Morris
Kisha R. Morris, City Secretary

APPROVED AS TO FORM:

Joseph J. Gorfida, Jr.
Joseph J. Gorfida, Jr., City Attorney



EXHIBIT "A"

Legal Description

BEING a 75.080 acre tract of land situated in the William Caldwell Survey, Abstract No. 235, City of DeSoto, Dallas County, Texas and being part of a called 78.002 acre tract of land described in deed to Winona Trees Bullard and Ronald Joe Trees., as recorded in Volume 99248, Page 1760, Deed Records Dallas County, Texas and part of a called 1.229 acre tract of land described in deed to Donald J. Bullard and Winona Trees Bullard, as recorded in Volume 78223, Page 2735 of said Deed Records, said 75.080 acre tract being more particularly described by metes and bounds as follows:

BEGINNING at a point for corner in the common boundary line of said City of DeSoto and the City of Glenn Heights, said corner being in the east right-of-way line of Cockrell Hill Road, a variable width right-of-way;

THENCE, Northerly, with the east right-of-way lines of said Cockrell Hill Road, the following courses:

North 00 degrees 03 minutes 30 seconds East, a distance of 2001.05 feet to a 1/2-inch iron set for corner;

South 89 degrees 54 minutes 00 seconds East, a distance of 11.52 feet a 1/2-inch iron set for corner;

North 00 degrees 03 minutes 30 seconds East, a distance of 565.80 feet a 1/2-inch iron set for corner;

THENCE North 45 degrees 20 minutes 13 seconds East, with a corner clip of said Cockrell Hill Road, and Parkerville Road, a 110 ft. right-of-way at this point, a distance of 20.02 feet to a 1/2-inch iron set for corner;

THENCE South 89 degrees 48 minutes 42 seconds East, with the south right-of-way line of said Parkerville Road, a distance of 1237.04 feet to a fence post found for the northwest corner of Lot 1, Block G, Kentsdale Farm, Phase One, an addition to the City of DeSoto, as recorded in Volume 2005145, Page 240 of said Deed Records, said corner being in the east boundary line of said 78.002 acre tract;

THENCE South 00 degrees 11 minutes 00 seconds East, with the common boundary lines of said Phase One, Kentsdale Farm, Phase Two, an addition to the City of DeSoto, as recorded in Instrument 201500024558 of said Deed Records, a 36.69 acre tract of land described in said Deed Records and said 78.002 acre tract, a distance of 2587.28 feet to a 1/2-inch iron rod found for the southwest corner of said 36.69 acre tract and the southeast corner of said 78.002 acre tract, said corner being in the north boundary line of Kingston Meadows, Phase 4, an addition to the City of Glenn Heights, as recorded in Instrument 201500248255 of said Deed Records;

THENCE North 89 degrees 24 minutes 25 seconds West, with the common boundary line of said City of Glenn Heights and said City of DeSoto and also with the common boundary lines of said Kingston Meadows, Phase 4, said Kingston Meadows, Phase 3A and said 78.002 acre tract, passing a 1/2-inch iron rod found for the northerly northwest corner of said Phase 3A at a distance of 1096.69 feet and continuing a total distance of 1273.72 feet to the POINT OF BEGINNING AND CONTAINING 3,270,465 square feet or 75.080 acres of land.

EXHIBIT "C"

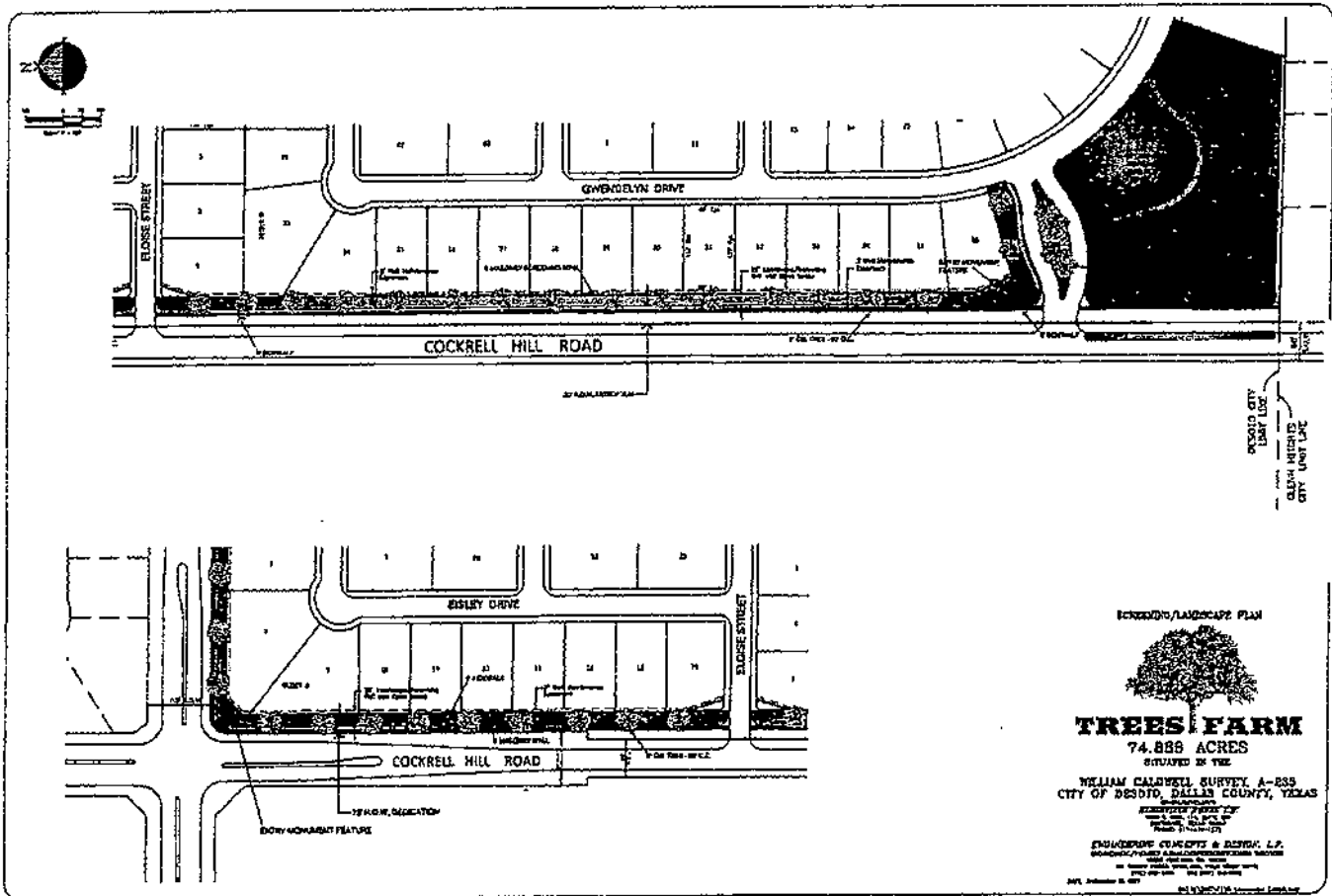
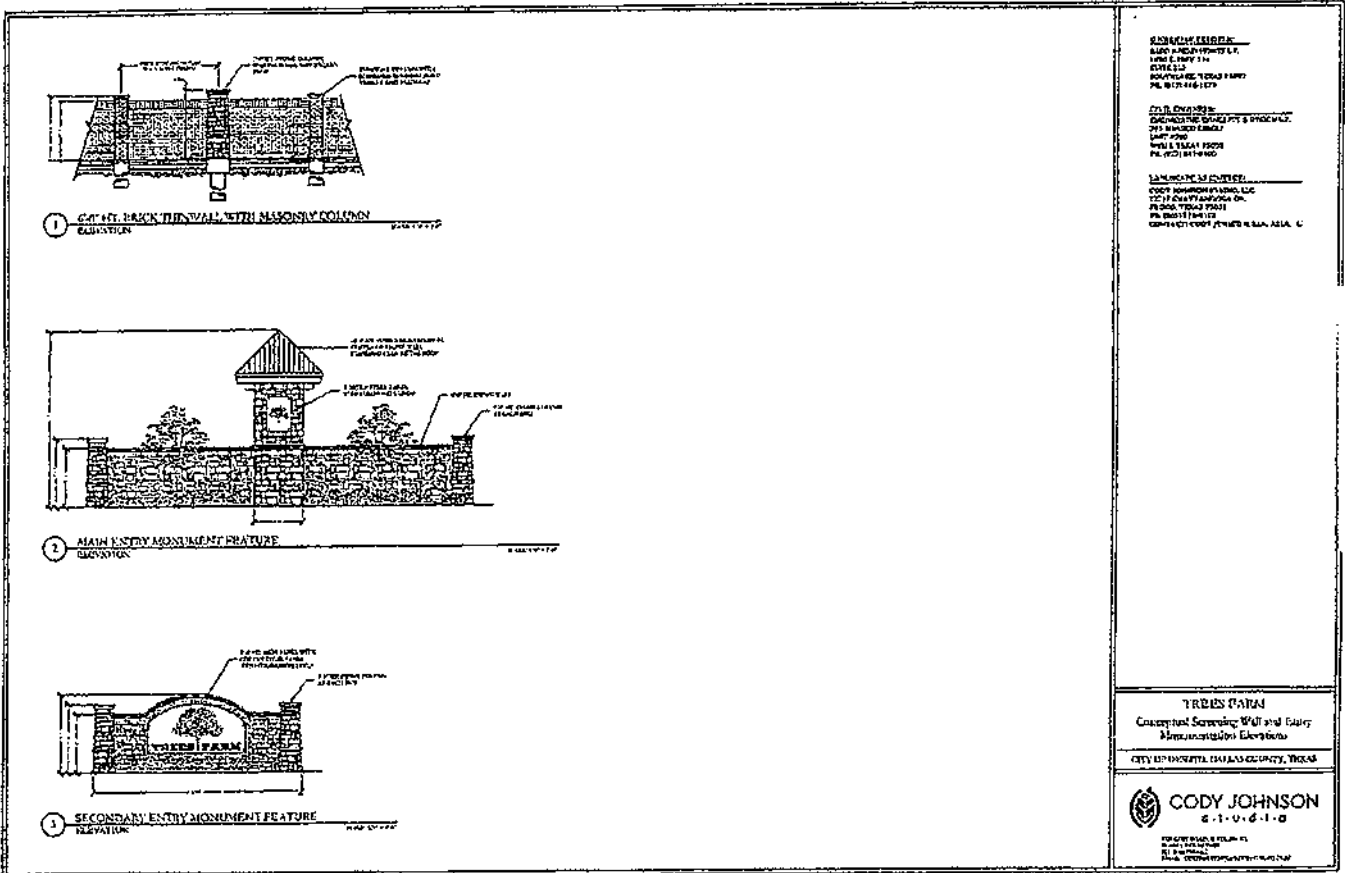


EXHIBIT "D"



Filed and Recorded
 Official Public Records
 John F. Warren, County Clerk
 Dallas County, TEXAS
 11/06/2019 02:36:57 PM
 \$222.00
 201900299092



LARGE CONTRACT BID SOLICITATION POLICY

All terms used herein that are defined in Chapter 209 of the Texas Property Code shall have the meaning as defined in the statute, Section 209.0052 of the Texas Property Code.

The **Trees Farm Homeowners Association, Inc** ("Association") hereby adopts and imposes on the Subdivision and the Association the following policies, rules, and regulations:

If the Association proposes to contract for services that will cost more than \$50,000.00 (as defined by the initial Term of the Contract), the association or the managing agent shall solicit bids or proposals for such services contract as outlined below:

1. The Association or managing agent shall attempt to obtain a total of three bids or proposals from contractors for the services desired.
 - a. If the association or managing agent cannot obtain three bids or proposals within 30 days, the Board may consider the bids or proposals received and award the contract.
 - b. The Association may determine the specific steps it will use to contact potential contractors and solicit bids or proposals.
 - c. In all cases, at least three contractors shall be contacted, and bids or proposals solicited. In the event there are not three qualified contractors for a particular service in the market area, the association may limit the process to those contractors that are qualified.
2. Contractors solicited will be insured for liability and worker's compensation, licensed as required, and be a professional of the skill or trade of the service needed.
3. In the case of emergencies, the Association may employ a contractor to best resolve the emergency without following the bid/proposal process.

Once all bids are received, the Board will use due diligence in considering all relevant factors regarding the contractor and their proposal in order to make a decision. The Board is not required to award contracts to the lowest bid.

If a proposal is from a board member or related person or entity as defined by Texas Property Code 209.0052, the additional procedures provided by Property Code 209.0052 will be applicable.


CERTIFICATION

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed on the day and year written below.

DECLARANT:

Bloomfield Homes, L.P.,
a Texas limited partnership

By: Bloomfield Properties, Inc.,
a Texas corporation,
its General Partner

By: 
Name: Stephen J. Corradi
Title: Attorney in Fact
Date: September 30, 2021



First American Title Company

Electronically Recorded Document

File #

2626892

The attached document was recorded on your behalf by First American Title Company via our electronic recording process.

Thank you for allowing First American Title Company to record your documents.

Recorded Date/Time: 9/2/2021 8:39:00 AM

Instrument Number: 202100262903

Book:

Page:

No Of Pages: 4

County/State: Dallas/TX

Borrower/Buyer : Ngozi Virginia Akolam

Document Type: NOTICE

Document Seq: 1

Do not detach. This page is now a permanent part of this document.

**FIRST AMENDMENT TO THE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
TREES FARM**

**STATE OF TEXAS §
 §
COUNTY OF DALLAS §**

KNOW ALL MEN BY THESE PRESENTS:

INTRODUCTORY PROVISIONS

This First Amendment to the Declaration of Covenants, Conditions and Restrictions for **Trees Farm** (the “First Amendment”) is made by Bloomfield Homes LP, a Texas Limited Partnership (Declarant).

WHEREAS, on November 6, 2019, Declarant executed the Declaration and Covenants, Conditions and Restrictions for **TREES FARM**, an addition to the city of Desoto, Dallas County Texas, (“Original Covenants”) recorded under Clerks Instrument #201900299092 in the Real Property Records, Dallas County, Texas.

WHEREAS, the **Trees Farm Homeowners’ Association, Inc.** (“HOA”) was created by the Declarant to manage or regulate the planned development covered by the Declaration, as state and recorded above; and

WHEREAS, the HOA desires to record this instrument in the real property records of Dallas County, Texas, pursuant to and accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the Declaration is hereby amended as follows:

In order to clarify our policy as it relates to appeals related to denials by the Architectural Control Committee and to be consistent with recent changes to Chapter 209 of the Texas Property Code:

Section 6.5 (a) (Plan Review – Timing of Review and Response) is hereby deleted and replaced with the following:

(a) **Timing of Review and Response.** Upon receipt by the ACA of all of the information required by this Article VI, the ACA will have thirty (30) days in which to review said plans and other documents and materials submitted pursuant to Section 6.4 hereof. No correspondence or request for approval will be deemed to have been received until all requested documents have actually been received by the ACA in form satisfactory to the ACA. If the ACA requests additional information and the applicant fails to provide such information prior to the date stated in the ACA's notice, then the application shall be deemed denied. If the applicable submittal is denied or deemed denied, then the applicant shall have the option to (i) re-apply if the applicant still desires to proceed with the improvements and/or work in which event the applicant must have the ACA consider the request again after the applicant re-applies, or (ii) appeal such denial to the Board in accordance with processes set forth in Section 209 of the Texas Property Code. If the ACA fails to issue its written approval within thirty (30) days after the ACA's receipt of all materials requested by the ACA to complete the submission, then such failure by the ACA to issue its written approval shall be deemed its disapproval of such materials. The ACA may charge a reasonable fee for reviewing requests for approval. It is the responsibility of the Owner seeking approval from the ACA to verify that the ACA has received its request for review and whether approval has been given by the ACA.

The terms and provisions of the Declaration, except as modified herein, are hereby declared to be in full force and effect with respect to the Property. The Property shall continue to be held, occupied, sold and conveyed subject to the terms and conditions of the Declaration which shall run with title to the Property and are binding on all parties having any right, title or interest in and to the Property or any part thereof, including their heirs, representatives, successors, transferees and assigns, and shall inure to the benefit of each Owner thereof.

IN WITNESS WHEREOF, the Declarant has caused this First Amendment to the Declaration to be effective as of the date it is filed of record with the office of the Dallas County Clerk.

DECLARANT:

Bloomfield Homes, L.P.,
a Texas limited partnership

By: Bloomfield Properties, Inc.,
a Texas corporation,
its General Partner

By: [Signature] Stephen J. Corradi
Name: Attorney In Fact
Title: Bloomfield Properties, INC.
General Partner

Date: August 27, 2021

STATE OF TEXAS }
COUNTY OF TARRANT }

The foregoing instrument was acknowledged before me on this the 27th day of August, 2021 by Stephen Corradi, Attorney in Fact of Bloomfield Properties, Inc., a Texas corporation, as General Partner of Bloomfield Homes, L.P., a Texas limited partnership, on behalf of such entity and in the capacity therein stated.



[Signature]
Notary Public, State of Texas
Notary's Name Printed:

My Commission Expires: _____

AFTER RECORDING RETURN TO:
Bloomfield Homes, L.P.
1050 E Highway 114, Suite 210
Southlake, TX 76092
Attn: Stephen Corradi

**SECOND AMENDMENT TO THE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
TREES FARM**

STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF DALLAS §

INTRODUCTORY PROVISIONS

This Second Amendment to the Declaration of Covenants, Conditions and Restrictions for **Trees Farm** (the "Second Amendment") is made by Bloomfield Homes LP, a Texas Limited Partnership (Declarant).

WHEREAS, on November 6, 2019, Declarant executed the Declaration and Covenants, Conditions and Restrictions for **Trees Farm**, an addition to the city of Desoto, Dallas County Texas, ("Original Covenants") recorded under Clerks Instrument #201900299092 in the Real Property Records, Dallas County, Texas.

WHEREAS, on September 2, 2021, Declarant executed the First Amendment to the Declaration and Covenants, Conditions and Restrictions for **Trees Farm** ("First Amendment"), recorded under Clerks Instrument #202100262903 in the Real Property Records, Dallas County, Texas amending the ACC Appeals process.

WHEREAS, the **Trees Farm Homeowners' Association, Inc.** ("HOA") was created by the Declarant to manage or regulate the planned development covered by the Declaration, as state and recorded above; and

WHEREAS, the HOA desires to record this instrument in the real property records of Dallas County, Texas, pursuant to and accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the Declaration is hereby amended as follows:

In order to clarify an update our policy as it relates to Parking within the community, **Section 7.2 Parking of Motor Vehicles** is hereby deleted and replaced with the following:

7.2 **Parking of Motor Vehicles.** No vehicles or similar equipment will be parked or stored in an area visible from any street within the Property, except passenger automobiles, motorcycles, passenger vans and pick-up trucks that (a) have less than 3 axles; (b) are in operating condition; and (c) are generally in daily use as a motor vehicle on the streets and highways of the State of Texas. Residents should first utilize their garage to park their vehicles, secondly the driveway and only if parking in both of these areas is exhausted, the public street in front of their home – if permitted by the City. No vehicle of any type may be parked on the street in a way which blocks the flow of traffic on the street, any driveway, sidewalk or neighboring mailbox at any time. No abandoned, derelict or inoperable vehicles may be stored or located on any Lot or a street within the Property, except within an enclosed garage. No dismantling or assembling of motor vehicles, boats, trailers, recreational vehicles or other machinery or equipment will be permitted in any driveway or portions of any Lot that are visible from any street within the Property. No vehicles, trailers, implements or apparatus may be driven or parked in the Common Areas, the Common Maintenance Areas or on any easement unless such vehicle, trailer, implement or apparatus is in use for maintaining such area or easement; provided, however, that this restriction will not apply to any driveways, roads, parking lots or other areas designated by the Board as intended for such vehicular use.

The terms and provisions of the Declaration, except as modified herein, are hereby declared to be in full force and effect with respect to the Property. The Property shall continue to be held, occupied, sold and conveyed subject to the terms and conditions of the Declaration which shall run with title to the Property and are binding on all parties having any right, title or interest in and to the Property or any part thereof, including their heirs, representatives, successors, transferees and assigns, and shall inure to the benefit of each Owner thereof.

IN WITNESS WHEREOF, the Declarant has caused this First Amendment to the Declaration to be effective as of the date it is filed of record with the office of the Dallas County Clerk.

DECLARANT:

Bloomfield Homes, L.P.,
a Texas limited partnership

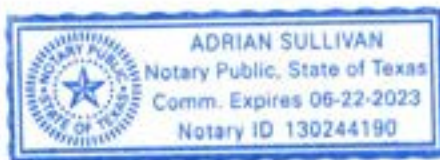
By: Bloomfield Properties, Inc.,
a Texas corporation,
its General Partner

By: 
Name: Stephen J. Corradi
Title: Attorney in Fact

Date: December 9, 2022

STATE OF TEXAS }
 }
COUNTY OF TARRANT }

The foregoing instrument was acknowledged before me on this the 9th day of December, 2022 by Stephen Corradi, Attorney in Fact of Bloomfield Properties, Inc., a Texas corporation, as General Partner of Bloomfield Homes, L.P., a Texas limited partnership, on behalf of such entity and in the capacity therein stated.




Notary Public, State of Texas
Notary's Name Printed:

AFTER RECORDING RETURN TO:
Bloomfield Homes, L.P.
1050 E Highway 114, Suite 210
Southlake, TX 76092
Attn: Stephen Corradi

**Dallas County
John F. Warren
Dallas County Clerk**

Instrument Number: 202200310164

eRecording - Real Property

Recorded On: December 07, 2022 12:31 PM

Number of Pages: 4

" Examined and Charged as Follows: "

Total Recording: \$34.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 202200310164
Receipt Number: 20221207000400
Recorded Date/Time: December 07, 2022 12:31 PM
User: Lynn G
Station: CC53

Record and Return To:

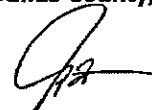
Simplifile



**STATE OF TEXAS
COUNTY OF DALLAS**

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Dallas County, Texas.

John F. Warren
Dallas County Clerk
Dallas County, TX

A handwritten signature in black ink, appearing to be "JFW", is written over a horizontal line.

NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR
TREES FARM

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF DALLAS §

THIS NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR **TREES FARM** (this "**Notice**") is made this the 7th day of May, 2020, by Trees Farm Homeowners' Association, Inc., a Texas non-profit corporation (the "**Association**").

WITNESSETH:

WHEREAS, Bloomfield Homes, LP, a Texas Limited Partnership (the "**Declarant**"), prepared and recorded an instrument entitled "Declaration of Covenants, Conditions and Restrictions for Trees Farm, filed of record on November 6, 2019 as Document #D201900299092 of the Real Property Records of Dallas County, Texas (the "**Declaration**"); and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned development covered by the Declaration, which development is more particularly described on **Exhibit "1"** attached hereto and incorporated herein by reference; and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners' association must file each dedicatory instrument governing the Association that has not been previously recorded in the Real Property Records of the county in which the planned development is located; and

WHEREAS, the Association desires to record the attached dedicatory instruments in the real property records of Dallas County, Texas, pursuant to and in accordance with Section 202.006 of the Texas Property Code.

NOW THEREFORE, true and correct copies of the following dedicatory instruments are hereby filed of record in the Real Property Records of Dallas County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code:

EXHIBIT A – Certificate of Formation

EXHIBIT B – Bylaws

EXHIBIT C – Records Production and Copying Policy

EXHIBIT D – Document Retention Policy

EXHIBIT E – Payment Plan Guidelines and Application of Payments Schedule

IN WITNESS WHEREOF, the Declarant has caused this Notice to be executed as of the date first written above.

ASSOCIATION:

Trees Farm Homeowners' Association, Inc., a Texas non-profit corporation

By: [Signature]
Name: Stephen J. Corradi
Title: Secretary
Date: May 7, 2020

STATE OF TEXAS

§

§

COUNTY OF TARRANT

§

The foregoing instrument was acknowledged before me on this the 7th day of May, 2020, by Stephen Corradi of Trees Farm Homeowners' Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

[Signature]
Notary Public, State of Texas

AFTER RECORDING RETURN TO:
Bloomfield Homes, LP.
1050 East Highway 114, Ste. 210
Southlake, Texas 76092
Attn: Steve Corradi

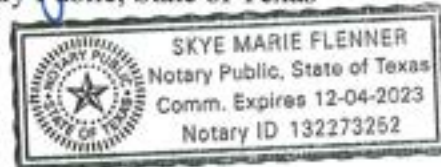


EXHIBIT 1

LEGAL DESCRIPTION

[See attached]

STATE OF TEXAS
COUNTY OF DALLAS

WHEREAS, DOMINIQUE HOMES, L.P., being the sole owner of all of the foregoing described 37,326 acre tract of land situated in the Williston Oilfield Survey, Abstract No. 235, City of DeSoto, DeSoto County, Texas, and being part of a 75,747 acre tract of land described in and to Beaufort Homes, L.P., as recorded in Instrument 2017003318406, Deed D-2017-003318406, County of Garza, Texas, and being 37,326 acre being more particularly described by notation in the west following:

BEGINNING at a 1/2-inch iron pin set for the old corner being 75,747 acres West, said corner being in the west

1. *Interpretation of the test results.* The test results are interpreted in terms of the following boundary lines of total 25,747 area tests and the east-west-way lines of edge of the test area. The test results are interpreted in terms of the following boundary lines of total 25,747 area tests and the east-west-way lines of edge of the test area.

[illegible][illegible]

4 best price information
by:
Kearney Corporation, Inc.
Kearney Corporation, General Partner
By: [Signature]
David A. Kearney, Jr.
STATE OF TEXAS
COUNTY OF TARRANT
I HEREBY CERTIFY THAT THE UNDERSIGNED, ATTORNEY AT LAW, HAS BEEN AUTHORIZED BY THE BOARD OF DIRECTORS OF KEARNEY HOLDING COMPANY, INC. TO SIGN THIS AFFIDAVIT FOR THE PURPOSE OF REGISTERING THE SECURITIES OF KEARNEY HOLDING COMPANY, INC. IN THE STATE OF TEXAS.
WITNESSED MY HAND AND SEAL OF OFFICE THIS 4 DAY OF May 2002.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
84

DISOTO APPROVAL CERTIFICATE

FORWARDED IN THE PRESENCE OF THE COMMISSION OF THE CITY OF DISOTO, TEXAS, ON

THE 11th DAY OF MARCH 1906

Ed. L. Smith
Chairman, Board of Levee Commission

Ed. L. Smith
Levee Secretary

FINAL PLAT

TREES FARM, PHASE 1
101 RESIDENTIAL LOTS
3 COMMON AREA LOTS
37.329 ACRES
SITUATED IN THE
WILLIAM CALDWELL SURVEY, A-235
CITY OF DESOTO, DALLAS COUNTY TEXAS
ENGINEERING CONCEPTS & DESIGN, L.P.
ENGINEERING, PROJECT MANAGEMENT, CONSTRUCTION SERVICES
SUPERVISOR, T. LIZ
ADDRESS: 5, SUITE 15
DALLAS, TEXAS 75202
(214) 446-1572

DATE: 01/29/2020
TIME: 07:58:00
PAGE: 2 OF 2

DOJ WINDO CIRCLES UNIT 200, WHILE TADUS 75596
(972) 941-8602 FAX (972) 841-4401

USCA18 (veng) USCA18 New York, NY, USA

STATE OF TEXAS
COUNTY OF COLLIN

I, CHRIS E. GORTON, hereby certify that the post was prepared under my supervision on or about the 26th day of February, 2020, and that the contents were properly placed under my personal supervision in accordance with the regulations of the City of Dallas, Texas.

CHRIS MY HAND AND SEAL OF OFFICE THIS 26th DAY OF February, 2020.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
84

[illegible]

the adhesive to the material face of steam-wound shell and is permitted by filing or by extrusion of a groove in the material face of the shell. The adhesive is applied to the material face of the shell in the form of a continuous bead, the thickness of which is controlled by the application of a pressure to the material face of the shell. The adhesive is applied to the material face of the shell in the form of a continuous bead, the thickness of which is controlled by the application of a pressure to the material face of the shell. The adhesive is applied to the material face of the shell in the form of a continuous bead, the thickness of which is controlled by the application of a pressure to the material face of the shell.

[illegible][illegible][illegible]

STREET NAME

STREET INTERSECTIONS

STREET NAME

STREET INTERSECTIONS

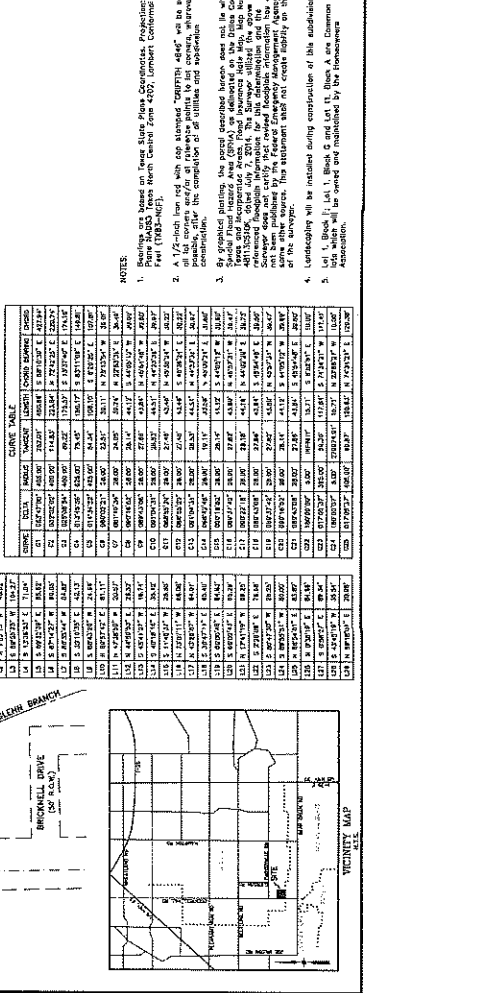


EXHIBIT A

CERTIFICATE OF FORMATION

[See attached]

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Rolando B. Pablos
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING OF

Trees Farm Homeowners' Association, Inc.
File Number: 803047128

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 06/18/2018

Effective: 06/18/2018



A handwritten signature in black ink, appearing to read "R. Pablos".

Rolando B. Pablos
Secretary of State

CERTIFICATE OF FORMATION

FILED
In the Office of the
Secretary of State of Texas

JUN 18 2018

OF

TREES FARM HOMEOWNERS' ASSOCIATION, INC.

Corporations Section

I, the undersigned, being of the age of eighteen years or more, acting as incorporator under the Texas Business Organizations Code, as it may be amended (the "TBOC"), does hereby adopt this Certificate of Formation (herein so called) for the Association (as hereinafter defined):

Article 1. Name. The name of the corporation for which this Certificate of Formation is being filed is Trees Farm Homeowners' Association, Inc. (hereinafter called the "Association").

Article 2. Type of Corporation. The Association is a nonprofit corporation organized pursuant to the TBOC and has no capital stock.

Article 3. Duration. The Association shall have perpetual duration.

Article 4. Definitions. Capitalized terms contained in this Certificate of Formation that are not defined herein shall have the meaning given to such terms in the Declaration of Covenants, Conditions and Restrictions for Trees Farm to be recorded in the public records of Dallas County, Texas, as it may be amended from time to time (the "Declaration"), which definitions are incorporated herein by this reference.

Article 5. Registered Office and Agent. The initial registered office of the Association is 10,000 North Central Expressway, Suite 900, Dallas Texas 75231, and the initial registered agent at such address is Glen A. Bellinger. The undersigned, as incorporator, affirms that the person designated herein as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute this instrument.

Article 6. Incorporator. The name and address of the incorporator is Glen A. Bellinger at 10,000 North Central Expressway, Suite 900, Dallas, Texas 75231.

Article 7. Purpose of Corporation. The Association does not contemplate pecuniary gain or benefit, direct or indirect, to its Members, and is organized for nonprofit purposes. The purposes for which the Association is formed are: (a) to be and constitute the Association to which reference is made in the Declaration, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified therein, in the Bylaws, and as provided by law; and (b) to provide an entity for the furtherance of the interests of the owners of property subject to the Declaration.

Article 8. Powers of the Corporation. In furtherance of its purposes, the Association shall have the following powers, which, unless indicated otherwise by the Declaration or the Bylaws, may be exercised by the Board of Directors (as hereinafter defined): (a) all of the

powers conferred upon nonprofit corporations by the laws of the State of Texas in effect from time to time; (b) all rights and powers conferred on property owners' associations by the laws of the State of Texas; and (c) all powers necessary, appropriate or advisable to perform any purpose or duty of the Association as set out in this Certificate of Formation, the Bylaws, the Declaration or the laws of the State of Texas.

Article 9. Membership. The Association shall be a membership corporation without certificates or shares of stock. All Owners, by virtue of their ownership of a Lot subject to the Declaration, are Members of the Association and such membership is appurtenant to, and inseparable from, ownership of the Lot. Every Member shall have the right at all reasonable times to inspect and copy the books of the Association as permitted by applicable law. The foregoing provisions of this Article are not intended to include persons or entities holding an interest in a Lot merely as security for the performance of an obligation.

Article 10. Voting. All Members shall have the voting rights as provided in the Declaration and the Bylaws. Cumulative voting is not allowed.

Article 11. Board of Directors. The business and affairs of the Association shall be conducted, managed and controlled by a Board of Directors (herein so called). The Board of Directors shall possess all powers granted to Boards of Directors for nonprofit corporations pursuant to the TBOC. The Board of Directors may delegate such operating authority to such companies, individuals or committees as it, in its discretion, may determine. The method of election (except for the initial Board of Directors named below), removal and filling of vacancies, and the term of office shall be as set forth in the Bylaws. The Board of Directors shall consist of 3, 5 or 7 members and all decisions of the Board of Directors shall be made by majority vote as provided in the Bylaws. The initial Board of Directors shall consist of the following 3 members:

<u>Name</u>	<u>Address</u>
Timothy M. Stewart	1050 East Highway 114, Southlake, Texas 76092
April L. Woods	1050 East Highway 114, Southlake, Texas 76092
Stephen J. Coxrati	1050 East Highway 114, Southlake, Texas 76092

Article 12. Limitation on Directors' and Officers' Liability and Indemnification. (a) An officer, director or committee member of the Association shall not be liable to the Association or its Members for any act or omission that occurs in its capacity as such officer, director or committee member, except to the extent it is found liable for: (i) a breach of the officer's, director's or committee member's duty of loyalty to the Association or its Members; (ii) an act or omission not in good faith that constitutes a breach of duty of the officer, director or committee member to the Association; (iii) an act or omission that involves intentional misconduct or a knowing violation of the law; (iv) a transaction from which the officer, director or committee member receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of its office or position; or (v) an act or omission for which the liability of an officer, director or committee member is expressly provided by an applicable

statute. The liability of officers, directors and committee members of the Association may also be limited by the Charitable Immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended. The foregoing limitation on the liability of an officer, director or committee member does not eliminate or modify that officer's, director's or committee member's liability as a Member of the Association.

(b) Subject to the limitations and requirements of the TBOC, the Association shall indemnify, defend and hold harmless every officer, director and committee member from and against all damages, claims and expenses, including, without limitation, attorneys' fees, reasonably incurred in connection with any threatened, initiated or filed action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer, director or committee member may be a party by reason of being or having been an officer, director or committee member, except that such obligation to indemnify shall be limited to those actions for which a director's, officer's or committee member's liability is limited in this Article above. The obligations of the Association in this paragraph (b) will continue as to an officer, director or committee member who has ceased to hold such position and will inure to such officer's, director's or committee member's heirs, executors and administrators. Subject to the limitations and requirements of the TBOC, the Association may also voluntarily indemnify a person or party who is or was an employee, trustee, agent or attorney of the Association, against any liability asserted against such person or party in that capacity and arising out of that capacity. Furthermore, in the event the obligations of the Association set forth above are more restrictive than the provisions of indemnification allowed by the TBOC, then such persons and parties named above shall be indemnified, defended and held harmless to the full extent permitted by the TBOC.

Article 13. Dissolution. The Association may be dissolved by vote or the written approval of not less than 67% of all outstanding votes held by the Members as may be more specifically provided in the Bylaws or the Declaration and in accordance with the laws of the State of Texas. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association will be distributed and conveyed to either (a) an appropriate public agency to be used for purposes similar to those for which the Association was created, or (b) a nonprofit corporation, association, trust or other organization to be devoted to such similar purposes. Any dissolution is subject to the terms of Article 16 hereof, if applicable.

Article 14. Amendment. Amendment of this Certificate of Formation shall require approval of at least 67% of all outstanding votes (other than suspended votes) held by the Members.

Article 15. Action Without Meeting. Except as prohibited by applicable law, any action required by law to be taken or that may be taken, at any annual or special meeting of the Members of the Association, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the number of Members having the total number of votes of the Association necessary to enact the action taken, as determined under the Declaration or this Certificate of Formation.

Article 16. Conflict with Other Documents. In the event of a conflict between this Certificate of Formation and the Declaration, the Declaration shall control. In the event of a

conflict between this Certificate of Formation and the Bylaws, this Certificate of Formation shall control.

Article 17. Effectiveness of Filing. This document becomes effective as a certificate of filing for a nonprofit corporation when this document is filed by the Secretary of State.

IN WITNESS WHEREOF, the undersigned incorporator has executed this Certificate of Formation this 18th day of June, 2018. The undersigned, as incorporator, affirms that the person designated herein as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute this instrument.



Glen A. Bellinger, Incorporator

EXHIBIT B

BYLAWS

[See attached]

BYLAWS
OF
TREES FARM HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I
NAME, PRINCIPAL OFFICE AND DEFINITIONS

1.1 **Name.** The name of the corporation is Trees Farm Homeowners' Association, Inc. (the "**Association**").

1.2 **Principal Office.** The principal office of the Association shall be located in Dallas County, Texas, or in such other county in Texas as the Board of Directors determines. The Association may have such other offices, either within or outside the State of Texas, as the Board of Directors may determine.

1.3 **Definitions.** Capitalized terms contained in these Bylaws (herein so called) that are not defined herein shall have the meaning given to such terms in the Declaration of Covenants, Conditions and Restrictions for Trees Farm Homeowners' Association, Inc., dated as of November 6, 2019, and recorded as Document #201900299092 in the public land records of Dallas County, Texas, as it may be amended from time to time (the "**Declaration**"), which definitions are incorporated herein by this reference.

ARTICLE II
ASSOCIATION; MEMBERSHIP AND MEETINGS

2.1 **Membership.** The Owners shall be the Members of the Association.

2.2 **Place of Meetings.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors.

2.3 **Annual Meetings.** The first meeting of the Association, whether regular or special meeting, shall be held within one year from the date of incorporation of the Association. Subsequent regular annual meetings shall be held in the same month as the date of incorporation at any time determined by the Board of Directors. If the date for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following such day which is not a legal holiday.

2.4 **Special Meetings.** The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board of Directors or upon a petition signed by Members representing at least 10% of the total votes of all Members. No business except as stated in the notice shall be transacted at a special meeting of the Members.

2.5 **Notice of Meetings.** Written, printed or electronic notice stating the place, day and hour of any meeting of the Members shall be delivered, either personally, by mail or posted

electronically, to an Owner of each Lot entitled to vote at such meeting, not less than 10 nor more than 60 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

2.6 Voting. The voting rights of the Members shall be as set forth in the Declaration and in these Bylaws, and such voting rights provisions are specifically incorporated herein by this reference.

2.7 Manner of Voting. At all meetings of Members, each Member may vote: (i) in person (or if a corporation, partnership or trust, through any officer, director, partner or trustee duly authorized to act on behalf of the Member); (ii) by proxy; (iii) by absentee ballot; or (iv) by electronic ballot (to the extent electronic voting is offered for a given matter submitted to a vote of the Members), subject to the requirements and limitations of Texas law regarding each such method of voting, including those set forth in Section 209.00592 of the Texas Property Code or any successor statute. All proxies shall be in writing specifying the Lot(s) for which it is given, signed by the Member or its duly authorized attorney-in-fact, dated and filed with the Secretary of the Association prior to any meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon conveyance of any Lot for which it is given, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a Member who is a natural person, or of written revocation, or 11 months from the date of the proxy, unless a shorter or longer period is specified in the proxy.

2.8 Quorum - Adjournment. Except as provided in these Bylaws or in the Declaration, the presence, in person or by proxy, absentee ballot or electronic voting of Members representing 20% or greater of the total votes in the Association shall constitute a quorum at all meetings of the Association. If, however, such quorum shall not be present or represented at any meeting, the Members present at the meeting that are entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as stated above is present or represented.

2.9 Action Without a Meeting. To the fullest extent permitted under applicable law, any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without notice and without a vote, if written consent specifically authorizing the proposed action is signed by Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote thereon were present. Such consents shall be signed within 90 days of the earliest date that a notice regarding such consent is delivered by the Association, which date shall be designated in the notices. Such consents shall be filed with the minutes of the Association, and shall have the same force and effect as a vote of the Members at a meeting. For votes taken by written consent as provided above, the date specified in the notice as the ownership date, which date shall not be more than 20 days prior to the date the notices are sent, shall be the date used for determining the ownership of the Lot for the written consent voting purposes. Within 10 days after receiving authorization for any action by written

consent, the Secretary shall give written notice to all Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

ARTICLE III BOARD OF DIRECTORS

3.1 Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one equal vote. Except with respect to directors appointed by Declarant, the directors shall be Members. In the case of a Member which is not a natural person, any officer, director, partner, employee or trust officer of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member, provided that no Member may have more than one such representative on the Board of Directors at a time, except for the Declarant.

3.2 Number of Directors. The Board of Directors shall consist of 3, 5 or 7 directors, as provided herein and as determined by the Board of Directors. The initial Board of Directors shall consist of 5 directors as identified in the Certificate of Formation.

3.3 Directors - During Development Period. During the Development Period, except as otherwise expressly provided by Section 209.00591(c) of the Texas Property Code or any successor statute, all directors shall be selected and removed by Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant.

3.4 Directors - After Development Period. Following expiration of the Development Period, the directors shall be nominated and elected as follows:

(a) **Nomination Procedures.** Prior to each election, the Board of Directors shall prescribe the opening date and the closing date of a reasonable filing period in which each and every eligible person who has a bona-fide interest in serving as a director may file as a candidate for any position. The Board of Directors shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of directors in a fair, efficient and cost-effective manner. Nominations from the floor shall also be permitted.

(b) **Nominating Committee.** Nominations for election to the Board of Directors may also be made by a nominating committee. The nominating committee, if any, shall consist of a Chairperson, who shall be a member of the Board of Directors, and 3 or more Members or representatives of Members. The Board of Directors shall appoint the members of the nominating committee not less than 30 days prior to each annual meeting to serve a term of one year and until their successors are appointed, and such appointment shall be announced at each annual meeting. The nominating committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine. In making the nominations, the nominating committee shall use reasonable efforts to nominate candidates representing the diversity which exists within the pool of potential candidates. Each candidate shall be given a reasonable, uniform opportunity to communicate his or her qualifications to the Members and to solicit votes.

(c) **Election and Term.** At the first annual meeting after the expiration of the Development Period, all directors shall be elected by the Members to a term of 1 year. The number of directors to be elected at such meeting shall be determined by the then current Board of Directors. Upon the expiration of the term of office of each director elected by the Members, a successor shall be elected to serve a term of 1 year, unless the Board of Directors decides to allow one or more of the directors to be elected to serve for a term of 2 years. Unless removed as provided herein, the directors shall hold office until their respective successors shall be elected.

(d) **Election Procedures.** Each Owner may cast the entire vote assigned to his or her Lot for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

(e) **Removal.** Any director elected by the Members may be removed, with or without cause, by a 40% or greater vote of all outstanding votes entitled to be cast. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such director. Any director who has 3 or more consecutive unexcused absences from the Board of Directors meetings, or who is more than 60 days delinquent (or is the representative of a Member who is delinquent more than 60 days) in the payment of any assessment or other charge due the Association, or who after notice and hearing is held to be in violation of the Declaration, may be removed by a majority of the other directors present at a regular or special meeting at which a quorum is present, in which event a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such director. In the event of death, disability or resignation of a director, the Board of Directors may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members shall elect a successor for the remainder of the term.

3.5 **Compensation.** Directors shall not receive any compensation from the Association for acting as such unless approved by Members representing a 67% or greater vote at a regular or special meeting of the Association. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board of the Directors prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested director.

3.6 **Meetings of the Board of Directors.**

(a) **Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as a majority of the directors shall determine, but at least 1 such meeting shall be held during each fiscal year. Notice of each regular meeting of the Board of Directors shall be provided to all Members the extent required by, and in accordance with the provisions of, Section 209.0051 of the Texas Property Code or any successor statute.

(b) **Special Meetings.** Special meetings of the Board of Directors shall be held when called by the President or Vice President or by any 2 directors. Notice of each special meeting of the Board of Directors shall be provided to all Members the extent required by, and in accordance with the provisions of, Section 209.0051 of the Texas Property Code or any successor statute.

(c) **Notice of Board Meetings.** When notice of a meeting of the Board of Directors is required hereby or by applicable law, such notice shall be given in accordance with the requirements set forth in Section 209.0051(e) of the Texas Property Code or any successor statute.

(d) **Alternative Methods of Meeting (Including Action by Written Consent) Without Prior Notice to Members; Board Action During Development Period.** Notwithstanding subsection 3.6(c) above, and to the fullest extent permitted under Section 209.0051(h) of the Texas Property Code or any successor statute (but subject to the limitations set forth therein), the Board of Directors may meet by any method of communication, including electronic or telephonic, without prior notice to owners, if each director may hear and be heard by every other director, or the Board of Directors may take action by unanimous written consent, to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate action by the Board of Directors. Any action taken without notice to owners must be summarized orally, including an explanation of any actual or known expenditures approved at the meeting, and documented in the minutes of the next regular or special meeting of the Board of Directors. Additionally, to the extent that, during the Development Period, the Board of Directors would be permitted pursuant to the terms of Section 209.0051(i) of the Texas Property Code or any successor statute to take action without a meeting and/or without notice to Members, or by unanimous written consent, the Board of Directors shall be permitted to take such action in such manner as the Board may deem advisable in accordance with the requirements of applicable law.

(e) **Quorum of Board of Directors.** At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors, unless otherwise specified in these Bylaws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

(f) **Open Meetings.** All meetings of the Board of Directors shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board of Directors and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of Members, or matters that are to remain confidential at the request of the affected parties and agreement

of the Board of Directors, and as otherwise permitted under applicable law. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Members, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

3.7 Powers of Directors. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs and operation of the Association and for the operation and maintenance of the Property as may be required or permitted by the Declaration, these Bylaws, the Certificate of Formation and Texas law. The Association, acting through the Board of Directors, may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Declaration, the Certificate of Formation or these Bylaws.

3.8 Duties of Directors. The powers and duties of the Board of Directors shall include, without limitation:

- (a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the Common Expenses, and determining the amount(s) of all assessments;
- (b) levying and collecting such assessments from the Owners;
- (c) providing for the operation, care, upkeep and maintenance of the Common Maintenance Areas;
- (d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;
- (e) depositing all funds received on behalf of the Association in appropriate bank accounts or in other accounts approved by the Board of Directors, and using such funds to operate the Association; provided, any reserve funds may be deposited, in the Board of Directors' good faith best business judgment, in depositories other than banks;
- (f) making, amending and enforcing policies, resolutions, rules and regulations governing the administration and operation of the Association, including but not limited to, policies and procedures regarding the application of payments for assessments, late charges, interest, costs of collection (including, but not limited to, attorneys' fees), fines and any and all other charges received from Owners;
- (g) opening the bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Maintenance Areas in accordance with the Declaration and these Bylaws;

(i) enforcing the provisions of the Declaration and any rules or standards developed pursuant to the Declaration, the Certificate of Formation and/or these Bylaws, and bringing any legal proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association's obligation in this regard shall be conditioned in the manner provided in the Declaration;

(j) obtaining and carrying insurance as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

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

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

(m) taking such actions as contemplated by the Board of Directors in the Declaration, these Bylaws and/or the Certificate of Formation;

(n) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Property; and

(o) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association or any agent, contractor or management company of the Association to the extent such indemnity is required or permitted under Texas law, the Certificate of Formation or the Declaration.

3.9 **Borrowing.** The Association shall have the power to borrow money for any legal purpose; provided, however, that the Board of Directors shall obtain Member approval in the same manner provided for special assessment as specified in the Declaration if the total amount of such borrowing, together with all other debt incurred within the previous 12 month period, exceeds or would exceed 10% of the budgeted gross expenses of the Association for that fiscal year.

ARTICLE IV OFFICERS

4.1 **Officers.** The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The President and Secretary shall be elected from among the members of the Board of Directors; other officers may, but need not be members of the Board of Directors. Any two or more offices may be held by the same person, except for the offices of President and Secretary.

4.2 **Election of Officers.** The initial officers of the Association are identified on the signature page of these Bylaws. Hereafter, the election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

4.3 **Term.** The officers of the Association shall be elected annually by the Board of Directors and each shall hold office for 1 year, unless he or she shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

4.4 **Special Appointments.** The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors may, from time to time, determine.

4.5 **Resignation and Removal.** Any officer may be removed from office, with or without cause, by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6 **Vacancies.** A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

4.7 **Powers and Duties.** The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors, including, without limitation, the following:

(a) **President.** The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Board of Directors and the Members and shall see that orders and resolutions of the Board of Directors are carried out.

(b) **Vice President.** The Vice President shall act in place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board of Directors.

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board of Directors.

(d) **Treasurer.** The Treasurer shall receive and deposit, in appropriate bank accounts or in other accounts approved by the Board of Directors, all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; sign all checks of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the Members.

4.8 **Authorized Agents.** Except when the Declaration, these Bylaws or the Certificate of Formation require execution of certain instruments by certain individuals, the Board of Directors may authorize any person to execute instruments on behalf of the Association. In the absence of such Board of Directors' resolution, the President, Secretary and Treasurer are the only persons authorized to execute instruments on behalf of the Association. However, only the President and/or Secretary shall have the authority to sign a mortgage or deed of trust relating to the Common Area.

ARTICLE V ASSOCIATION MATTERS

5.1 **Committees.** The Board of Directors may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board of Directors may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

5.2 **Management.** The Board of Directors may employ for the Association a professional management agent or agents at such compensation as the Board of Directors may establish, to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policymaking authority. The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

5.3 **Right to Contract.** The Association shall have the right to contract with any person or entity for the performance of various duties and functions. This right shall include, without limitation, the right to enter into management, operational or other agreements with other persons or entities; provided, any such agreement shall require approval of the Board of Directors.

5.4 **Accounting Standards.** The following management standards of performance shall be followed unless the Board of Directors by resolution specifically determines otherwise: (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed; (b) accounting and controls should conform to generally accepted accounting principles; (c) cash accounts of the Association shall not be commingled with any other accounts; (d) no remuneration shall be accepted by the managing agent from vendors, independent contractors or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; anything of value received shall benefit the Association; and (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors.

5.5 **Accounting Reports.** Unless the Board of Directors by resolution specifically determines otherwise, the Board of Directors shall obtain the following reports:

(a) **Quarterly Reports.** Commencing at the end of the quarter in which the first Lot with a Dwelling thereon is conveyed, financial reports shall be prepared for the Association at least quarterly containing (i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis; (ii) a variance report

reflecting the status of all accounts in an actual versus approved budget format; (iii) a balance sheet as of the last day of the preceding period; and (iv) a delinquency report listing all Owners who are delinquent in paying any assessment at the time of the report and describing the status of any action to collect such assessments which remain delinquent.

(b) **Annual Reports.** An annual report consisting of at least the following, which shall be made available to all Members within 6 months after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report may be prepared on an audited, reviewed or compiled basis, as the Board of Directors determines, by an independent public accountant.

5.6 Enforcement of Declaration. The Association shall have the power, as provided in the Declaration and in accordance with all applicable laws, regulations, rules and statutes, to impose sanctions for any violation of any duty imposed under the Declaration (and any rules promulgated pursuant thereto), these Bylaws and the Certificate of Formation and any amendment thereto.

(a) **Notice, Opportunity to Cure and Hearing.** Prior to imposition of any sanction, lawsuit or enforcement of the terms of the Declaration, the Board of Directors or its designee shall: (i) deliver written notice to the Owner of the Lot related to or connected with the alleged violation, if such delivery of notice is desired by the Board of Directors or is required by law, statute, regulation or rule, (ii) inform the Owner of its opportunity to cure the alleged violation if such cure period is desired by the Board of Directors or is otherwise required by law, statute, regulation or rule, and (iii) inform the Owner of its right to a hearing if such hearing is desired by the Board of Directors or is required by law, statute, regulation or rule.

(b) **Optional Courtesy Letter.** The Association may, at its option and in its sole and absolute discretion, voluntarily provide the Owner of the Lot related to or connected with the alleged violation with a courtesy letter informing the Owner of the violation. The foregoing courtesy letter is not required to be given by the Association and such notice shall not constitute the written notice described Section 5.6(a) above. The Board of Directors or its designee shall have the sole and exclusive right to determine under which facts and circumstances the Association may elect to send a courtesy letter.

(c) **No Waiver.** In the event the Board of Directors decides, in its discretion, not to take enforcement action, such a decision shall not be construed a waiver of the right of the Association to enforce such provision at a later time under other circumstances or estop the Association from enforcing any other covenant, restriction, or rule.

ARTICLE VI ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessment (and specific assessments if applicable) which are secured by a continuing lien upon the Lot against which the assessment is made. If an assessment

is not paid as provided in the Declaration, then the Association shall be entitled to the remedies provided in the Declaration, these Bylaws and the Certificate of Formation.

ARTICLE VII AMENDMENTS

7.1 Amendment by Declarant or Board of Directors. During the Development Period and subject to any applicable provisions in the Declaration, the Declarant may amend these Bylaws without approval of the Board of Directors or any Members. In addition, after the expiration of the Development Period, Declarant or the Board of Directors may amend these Bylaws if such amendment (a) is necessary to bring any provision into compliance with any applicable governmental statutes, rule, regulation or judicial determination; (b) is necessary to comply with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the U. S. Department of Veterans Affairs, the U. S. Department of Housing and Urban Development or any other applicable governmental agency or secondary mortgage market entity; (c) is necessary to clarify or to correct technical, typographical or scrivener's errors; or (d) any other purpose; provided, however, that any such amendment must not have a material adverse effect upon any right of any Owner.

7.2 Amendment by Members. Except as provided above, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of at least 51% of all outstanding votes of the Members entitled to be cast. Notwithstanding the foregoing, the percentage of votes of the Members necessary to amend a specific clause of these Bylaws shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

7.3 Validity and Effective Date of Amendments. Amendments to these Bylaws shall become effective upon the date of the amendment, unless a different date is specified in the amendment. Any procedural challenge to an amendment must be made within 3 months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

ARTICLE VIII MISCELLANEOUS

8.1 Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors. If the Board of Directors fails to adopt a certain fiscal year, then until the Board of Directors adopts a specific fiscal year the fiscal year shall be January 1st to December 31st of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

8.2 Conflicts. In the event of any conflict between the Certificate of Formation and these Bylaws, the Certificate of Formation shall control; and in the event of any conflict between the Declaration and these Bylaws, the Declaration shall control.

8.3 Books and Records.

(a) **Inspection by Members.** The Board of Directors shall make the books and records of the Association open to and reasonably available for inspection and copying by

any Member, or the duly appointed representative of any Member, in accordance with the requirements of Section 209.005 of the Texas Property Code or any successor statute.

(b) **Rules of Inspection.** Except to the extent expressly prohibited by applicable law, the Board of Directors may establish reasonable rules with respect to: (i) notice to be given to the custodian of the records; (ii) hours and days of the week when such an inspection may be made; and (iii) payment of the cost of reproducing copies of documents requested.

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

8.4 **Notices.** Except as otherwise provided in the Declaration or these Bylaws, all notices, demands, bills, statements and other communications under the Declaration or these Bylaws shall be in writing and shall be given personally or by mail. Notices that are mailed shall be deemed to have been duly given 3 days after deposit, unless such mail service can prove receipt at an earlier date. Owners shall maintain one mailing address for a Lot, which address shall be used by the Association for mailing of notices, statements and demands. If an Owner fails to maintain a current mailing address for a Lot with the Association, then the address of that Owner's Lot is deemed to be such Owner's mailing address. If a Lot is owned by more than one person or entity, then notice to one co-owner is deemed notice to all co-owners. Attendance by a Member or director at any meeting shall constitute waiver of notice by the Member or director of the time, place and purpose of the meeting. Written waiver of notice of a meeting, either before or after a meeting, of the Members or directors shall be deemed the equivalent of proper notice.

IN WITNESS WHEREOF, we being all of the initial officers of the Association have executed these Bylaws on the dates set forth below.

Date: May 7, 2020



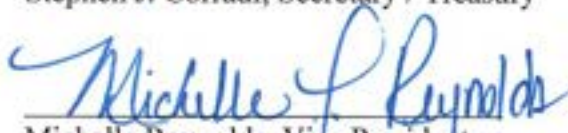
Timothy Stewart, President

Date: May 7, 2020



Stephen J. Corradi, Secretary / Treasury

Date: May 7, 2020



Michelle Reynolds, Vice President

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of **Trees Farm Homeowners' Association, Inc.**, a Texas non-profit corporation; and

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted by the Board thereof to be effective as of the 7th day of May, 2020.

IN WITNESS WHEREOF, I hereunto subscribe my name and affix the seal of said Association to be effective as of the 7th day of May, 2020.

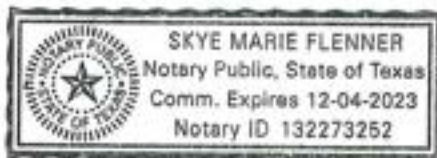

_____, Secretary
Stephen J. Corradi

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared Stephen Corradi, Secretary of Trees Farm Homeowners' Association, Inc., a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 7th day of May, 2020.

[SEAL]





Notary Public in and for
the State of Texas

EXHIBIT C

RECORDS PRODUCTION AND COPYING POLICY

[See attached]

RECORDS PRODUCTION AND COPYING POLICY

1. Member Responsibility for Records Production and Copying Charges. Upon receipt of a proper request for information, by a proper party pursuant to Section 209.005(c) of the Texas Property Code (the "**Code**"), the Association shall make the records described by Section 209.005 of the Code available pursuant to the terms thereof, within the time allotted therein, and shall otherwise comply with such provisions of Section 209.005 of the Code, including the withholding of certain information described therein. A member of the Association who requests any items from the Association in accordance with the terms of Section 209.005 of the Code shall be responsible for the costs, expenses and charges of the Association incurred in responding to such request in accordance with the terms of this Records Production and Copying Policy. The Association may, but shall not be required to, require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. Reconciliation of any advance payment of estimated costs to actual costs shall be made in accordance with the procedures set forth in Section 209.005 of the Code.

2. Personal Information. In accordance with the provisions of Section 209.005(k) of the Code, and except as otherwise authorized or required pursuant to Section 209.005(l) of the Code, the Association shall not release or allow inspection of any books or records that identify the dedicatory instrument violation history of an individual owner, an owner's personal financial information, including records of payment or nonpayment of amounts due to the Association, an owner's contact information, other than the owner's address, or information related to an employee of the Association, including personnel files.

3. Copy Charges.

(a) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$.10 per page or part of a page. Each side that has recorded information is considered a page.

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

- | | | |
|-----|-------------------------|--------------|
| (1) | diskette: | \$1.00; |
| (2) | magnetic tape: | actual cost; |
| (3) | data cartridge: | actual cost; |
| (4) | tape cartridge: | actual cost; |
| (5) | CD: | \$1.00; |
| (6) | DVD: | \$3.00; |
| (7) | JAZ drive: | actual cost; |
| (8) | other electronic media: | actual cost; |

- (9) VHS video cassette: \$2.50;
- (10) audio cassette: \$1.00;
- (11) oversize paper copy: \$.50;
- (12) specialty paper: actual cost.

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

5. Overhead Charge. Whenever any labor charge is applicable to a request, the Association may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request. Example: if one hour of labor is used for a particular request, the formula would be as follows: labor charge for locating, compiling, and reproducing, \$15.00 x .20 = \$3.00. An overhead charge shall not be made for requests for copies of 50 or fewer pages of standard paper records.

6. Remote Document Retrieval Charge. If the Association has a contract with a commercial records storage company, whereby the private company charges a fee to locate, retrieve, deliver, and return to storage the needed record(s), no additional labor charge shall be factored in for time spent locating documents at the storage location by the private company's personnel. If after delivery to the Association, the boxes must still be searched for records that are responsive to the request, a labor charge may be charged as provided above.

7. Miscellaneous Supplies. The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge for public information.

8. Postal and Shipping Charges. The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting party.

EXHIBIT D

DOCUMENT RETENTION POLICY

[See attached]

DOCUMENT RETENTION POLICY

SECTION 1

Introduction

1.1 Scope

This Document Retention and Destruction Policy (this "**Policy**") applies to the Trees Farm Homeowners' Association, Inc., a Texas non-profit corporation (the "**Association**"), and, with respect to the books and records of the Association, the Association's manager (the "**Manager**"), employees and Board of Directors (the "**Board**").

Documents maintained by the Association's legal counsel are not subject to this Policy.

1.2 Purpose

This Policy is created to establish guidelines for identifying, retaining, storing, protecting and disposing of the Association's books, records and other documents and to ensure that the Association adheres to legal and business requirements in an efficient and cost-effective manner. For purposes of this Policy, the term "**Documents**" means any documentary material which is generated or received by the Association in connection with transacting its business or is related to the Association's legal obligations. Documents include, among others, writings, drawings, graphs, charts, photographs, tape, disc, audio recordings, microforms, and other electronic documents from which information can be obtained or translated such as electronic mail, voice mail, floppy disks, hard discs and CD ROM.

1.3 Policy

- A. It is the Association's policy to maintain complete and accurate originals or copies of all Documents. Documents are to be retained for the period of their immediate use, unless longer retention is required for historical reference, contractual or legal requirements, or for other purposes as set forth in this Policy.
- B. Documents that are no longer required, or have satisfied their recommended period of retention, are to be destroyed in an appropriate manner.
- C. Unless otherwise directed by legal counsel, Documents may be scanned and maintained in an electronic format.
- D. Manager, or in the event there is no Manager, the Secretary of the Association, is responsible for ensuring that Documents are identified, retained, stored, protected and subsequently disposed of, in accordance with this Policy.

1.4 Board Members

The Association does not require Board members to maintain any Documents that were generated by the Association. However, if a Board member receives Documents relating to the Association, which were not generated by the Association, or not received through the Association, Board members must send such Documents to the Manager to be maintained in the Association's records. When a Board member ceases to be a Board member, such Board member shall turn over

to the Manager or Secretary of the Association, all Documents and files relating to the business of the Association, which are not otherwise in the Association's records.

1.5 Annual Purge of Files

Manager shall conduct an annual purge of files. The annual purge of files is to be conducted during the first quarter of each calendar year.

1.6 Destruction Procedure

If Documents to be destroyed are of public record, it is recommended that they be recycled. If recycling is not possible, Documents may be placed in a trash receptacle. If Documents to be destroyed are not of public record and contain information known to be confidential information of the Association or any Member of the Association, they should only be recycled if such recycling process is reasonably expected to maintain the confidentiality of such information; otherwise, such Documents should be destroyed in a manner that ensures the information contained therein remains confidential.

1.7 Miscellaneous

Copies of any Document may be destroyed, provided that an original or copy is maintained in the Association's records or is otherwise not required to be maintained pursuant to this Policy.

1.8 Onset of Litigation

At the onset of litigation, or if it is reasonably foreseeable that litigation may be imminent, all Documents potentially relevant to the dispute must be preserved. At the direction of legal counsel, Manager will advise the Board, and any other person who may be in possession of Documents, of the matter and instruct them that all Documents potentially relevant to such litigation must not be destroyed. At the conclusion of the litigation, as determined by legal counsel, the "hold" period will cease and the retention time periods otherwise provided in this Policy will apply.

SECTION 2

Document Retention Periods

Set forth below is a chart detailing the required retention periods for Documents. Documents are grouped into five functional categories as set forth below. For purposes of this Policy, the term "Permanent" means that the retention period for that Document is for the life of the Association, and the term "Termination" means expiration of the term of the applicable Document. For example: "Termination + 4 years" means four (4) years beyond expiration of the term of such Document.

1.	<u>Accounting Records</u>	<u>Retention Period</u>
	Audit Reports	Permanent
	Chart of Accounts	Permanent
	Fixed Asset Purchases	Permanent
	General Ledger	Permanent
	Accounts Payable	7 yrs
	Account Receivable	7 yrs
	Expense Records	7 yrs

	Financial Statements (Annual)	7 yrs
	Inventory Records	7 yrs
	Loan Payment Schedules	7 yrs
	Tax Returns	7 yrs
2.	<u>Bank Records</u>	<u>Retention Period</u>
	Bank Reconciliations	7 Yrs
	Bank Statements	7 Yrs
	Cancelled Checks	7 Yrs
	Electronic Payment Records	7 Yrs
3.	<u>Governing Documents and Corporate Records</u>	<u>Retention Period</u>
	Articles or Certification of Incorporation, Bylaws, Declaration and other Restrictive Covenants, including any amendments	Permanent
	Rules and Regulations	Permanent
	Policies and Guidelines	Permanent
	Record of Actions of Board or Members taken by Written Ballot or Written Consent in Lieu of a Meeting	Permanent
	Record Meeting Notice Waivers	Permanent
	Business Licenses	Permanent
	Contracts – Major	Permanent
	Contracts – Minor	Termination + 4 Yrs
	Correspondence from Legal Counsel	Permanent
	Leases/Mortgages	Permanent
	Board Minutes and Resolutions	7 Yrs
	Committee Minutes	7 Yrs
	Member Meeting Minutes	7 Yrs
	Insurance Policies	Termination + 4 Yrs
	Account Records of Current Association Members	5 Yrs
4.	<u>Employee Records</u>	<u>Retention Period</u>
	Benefit Plans	Permanent
	Pension/Profit Sharing Plans	Permanent
	Employee Files (ex-employees)	7 Yrs
	Employment Taxes	7 Yrs
	Payroll Records	7 Yrs
	Employment Applications, Resumes, Ads, or Notices for Job Opportunities	3 Yrs
5.	<u>Real Property Records</u>	<u>Retention Period</u>
	Construction Records	Permanent
	Warranties	Permanent
	Leasehold Improvements	Permanent

	Real Estate Purchases	Permanent
	Lease Payment Records	7 Yrs

EXHIBIT E

PAYMENT PLAN GUIDELINES AND APPLICATION OF PAYMENTS
SCHEDULE

[See attached]

PAYMENT PLAN GUIDELINES AND APPLICATION OF PAYMENTS SCHEDULE

Payment Plan Guidelines

1. A member of the Association who is delinquent in the payment of any regular or special assessments or any other amounts owed to the Association (collectively, "**Delinquent Payments**") shall be entitled to enter into a payment plan with the Association providing for an alternative payment schedule by which the member may make partial payments to the Association for Delinquent Payments (each, a "**Payment Plan**"). Each such Payment Plan shall be in accordance with terms of these Payment Plan Guidelines and the requirements of Section 209.0062 of the Texas Property Code (the "**Code**"). Notwithstanding the foregoing or any provision herein to the contrary, the Board of Directors of the Association, in its discretion, may elect not to allow a Payment Plan for any member of the Association who has failed to honor the terms of a previous payment plan with the Association during the two (2) years following the member's default under the previous Payment Plan.

2. There shall be three (3) Payment Plans available as follows:

(a) Members owing Delinquent Payments to the Association totaling \$600 or less shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" (as defined below) owed in equal monthly installments over a period of six (6) months.

(b) Members owing Delinquent Payments to the Association totaling \$601-\$1,200 shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" owed in equal monthly installments over a period of twelve (12) months.

(c) Members owing Delinquent Payments to the Association totaling \$1,201 or more shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" owed in equal monthly installments over a period of eighteen (18) months.

3. Under any Payment Plan, in addition to the Delinquent Payments due and payable thereunder, the Association shall also be entitled to recover all interest due and payable on the member's Delinquent Payments (which interest shall continue to accrue on all Delinquent Payments in accordance with applicable provisions of the Association's governing documents), as well as the Association's reasonable costs associated with administering the Payment Plan (collectively, the "**Payment Plan Administrative Charges**").

4. Each Payment Plan shall be evidenced in writing by an agreement executed by both the member and an authorized representative of the Association. Such writing shall specify the total amount of Delinquent Payments owed, the total amount of Payment Plan Administrative Charges, and the period of repayment under the Payment Plan.

5. Each payment due under any Payment Plan shall be due on or before the first (1st) day of each month during the pendency of the Payment Plan.

6. Any payment made pursuant to a Payment Plan which is returned for insufficient funds, and any payment which is received after the due day thereof, shall constitute a material breach of the Payment Plan, in which event the Payment Plan shall terminate, and all unpaid amounts subject to the Payment Plan shall immediately become due and payable in full.

Application of Payments Schedule

In accordance with the terms of Section 209.0063 of the Code, except for payments made to the Association by members who are in default under a Payment Plan with the Association, a payment received by the Association from a member shall be applied to the member's debt in the following order of priority: (1) any delinquent assessment; (2) any current assessment; (3) any attorney's fees or third party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure; (4) any attorney's fees incurred by the Association that are not subject to subparagraph (3); (5) any fines assessed by the Association; and (6) any other amount owed to the Association.

Any payments received by the Association from a member of the Association who is in default under a Payment Plan with the Association shall be applied to the member's debt in the following alternative order of priority: (1) any attorney's fees or third party collection costs incurred by the Association in connection with collection of the member's debt; (2) any other fees and expenses reimbursable to the Association in connection with collection of the member's debt; (3) late charges and interest due by the member; (4) any delinquent assessment; (5) any current assessment; (6) any other amount owned to the Association (excluding fines); and (7) any fines assessed by the Association.

6. Any payment made pursuant to a Payment Plan which is returned for insufficient funds, and any payment which is received after the due day thereof, shall constitute a material breach of the Payment Plan, in which event the Payment Plan shall terminate, and all unpaid amounts subject to the Payment Plan shall immediately become due and payable in full.

Application of Payments Schedule

In accordance with the terms of Section 209.0063 of the Code, except for payments made to the Association by members who are in default under a Payment Plan with the Association, a payment received by the Association from a member shall be applied to the member's debt in the following order of priority: (1) any delinquent assessment; (2) any current assessment; (3) any attorney's fees or third party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure; (4) any attorney's fees incurred by the Association that are not subject to subparagraph (3); (5) any fines assessed by the Association; and (6) any other amount owed to the Association.

Any payments received by the Association from a member of the Association who is in default under a Payment Plan with the Association shall be applied to the member's debt in the following alternative order of priority: (1) any attorney's fees or third party collection costs incurred by the Association in connection with collection of the member's debt; (2) any other fees and expenses reimbursable to the Association in connection with collection of the member's debt; (3) late charges and interest due by the member; (4) any delinquent assessment; (5) any current assessment; (6) any other amount owned to the Association (excluding fines); and (7) any fines assessed by the Association.

**Filed and Recorded
Official Public Records
John F. Warren, County Clerk
Dallas County, TEXAS
05/12/2020 01:06:54 PM
\$166.00
202000121194**



RELIGIOUS DISPLAY POLICY

WHEREAS, Trees Farm Homeowners' Association, Inc. ("Association") was created by the Declarant to manage or regulate the planned development covered by its Declaration of Covenants, Conditions and Restrictions;

WHEREAS, The Association desires to allow homeowners the right to install religious displays on their lot motivated by a sincere religious belief in compliance with Texas Property Code 202.018(a) and (b);

NOW, THEREFORE, the Declarant resolves, that the Association adopt the following policy to establish a formal Religious Display Policy as follows:

The Association will permit any Religious Display that: 1) is no more than four (4) feet in height; and 2) occupies no more than 16 square feet of yard space if displayed on a homeowner's yard; and 3) the number of displays are limited to no more than three (3) items per Lot; and the item(s):

- a) do not threaten the public health or safety;.
- b) do not violate a law other than a law prohibiting the display of religious speech;
- c) do not contain language, graphics, or any display that is patently offensive to a passerby for reasons other than its religious content;
- d) are not installed on property owned or maintained by the property owners' association; (ii) owned in common by members of the association;
- e) do not violate any applicable building line, right-of-way, setback, or easement; or
- f) are not attached to a traffic control device, streetlamp, fire hydrant, or utility sign, pole, or fixture.

Holiday displays of a finite duration during a recognized holiday period will not require advance ARC Committee approval as long as they comply with provisions (a) through (f) above.

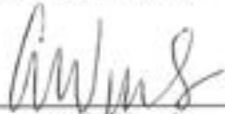
NOTE - All modifications to the home or lot for the additions of security measures will require advance ARC Committee review before installation begins to ensure the project is in compliance with this policy.

IN WITNESS WHEREOF, the Declarant has caused this Religious Display Policy to be effective as of the date indicated below.

DECLARANT:

Bloomfield Homes, L.P.,
a Texas limited partnership

By: Bloomfield Properties, Inc.,
a Texas corporation,
its General Partner

By: 
Name: April Woods
Title: Board of Directors

Date: October 15, 2021

SECURITY MEASURES POLICY

WHEREAS, Trees Farm Homeowners' Association, Inc. ("Association") was created by the Declarant to manage or regulate the planned development covered by its Declaration of Covenants, Conditions and Restrictions;

WHEREAS, the Association desires to allow homeowners the right to install security measures for the safety of their households, in compliance with local / applicable state and local requirements that are in accordance with the architectural design standards of the community and in compliance with Texas Property Code Section 202.023;

NOW, THEREFORE, the Declarant hereby resolves, that the Association adopt the following policy to establish a formal Security Measures Policy as follows:

The Association will permit security measures (to include but not limited to security cameras, motion sensors, burglar/security bars or security lighting) that: 1) is located solely on the owner's property; and 2) does not violate the privacy of anyone on any adjacent lot or common area; and 3) does not emit any sound heard beyond the owner's lot; and 4) does not emit light directly onto an adjacent lot or common area.

Any of the above measures / devices should be designed to be household (non-commercial) in size and nature. Devices shall be installed no higher than the first floor of the home (if attached to the home) no higher than the lower roof line/gutter and aesthetically compatible to the architectural style of the home or existing property improvements. Burglar/Security bars should be wrought iron and black in color (or other color as permitted by the ARC) and aesthetically compatible to the architectural style of the home or existing property improvements. If the security measures are not attached to the home, they should be installed no higher than 6 inches below the top of any adjacent perimeter fencing and adhere to all of the guidelines as outlined above.

If the owner wishes to install perimeter fencing around their lot (from the front build-line back to the rear of their lot or across the back of their property) the height, colors and materials allowed in the governing documents will dictate what is acceptable. Should a homeowner wish to install any perimeter fencing forward of the front build-line, fencing will be limited to:

- 1) no higher than six (6) feet in height above existing grade; and
- 2) must not block access to any pedestrian / walkway or utility easement; and
- 3) constructed of wrought iron; and
- 4) black in color; and
- 5) is allowed by state/local governmental agencies who may regulate any such installation or appearance of such fencing as evidenced by an approved building permit (if applicable); and
- 6) has been submitted as an architectural modification to the ARC Committee in advance of the installation, allowing the ARC Committee to review the modification and issue its approval before installation begins to ensure the project is in compliance with this policy.
- 7) additionally, one (1) pedestrian access gate (swinging inward toward the home) not to exceed 40 inches in width will be permitted forward of the front build-line; and one (1) vehicular access gate (swinging inward toward home or sliding gate) only will be permitted provided that the width of the gate is equal to or less than the width of the existing driveway on the lot.


NOTE - All modifications to the home or lot for the additions of security measures will require advance ARC Committee review before installation begins to ensure the project is in compliance with this policy.

IN WITNESS WHEREOF, the Declarant has caused this Security Measures Policy to be effective as of the date indicated below.

DECLARANT:

Bloomfield Homes, L.P.,
a Texas limited partnership

By: Bloomfield Properties, Inc.,
a Texas corporation,
its General Partner

By: 
Name: April Woods
Title: Board of Directors

Date: October 15, 2021