

Rockwall County
Lisa Constant
County Clerk
Rockwall, Texas 75087 (972) 882-0220

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Recorded On: November 14, 2007

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Parties: WILLIAMSBURG HOA

To PUBLIC

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(Parties listed above are for Clerks reference only)

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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.

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C/O BRYAN A. ROBERTSON
4050 W. PARK BLVD.
PLANO TX 75093



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

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

Lisa Constant
Lisa Constant
Rockwall County Clerk

COPY

AFTER RECORDING, RETURN TO:

Meritage Homes of Texas, LLC.
4050 W. Park Blvd.
Plano, Texas 75093
Attn: Bryan A. Robertson

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR**

WILLIAMSBURG HOMEOWNERS' ASSOCIATION, INC.

**CITY OF FATE
ROCKWALL COUNTY, TEXAS**

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WILLIAMSBURG HOMEOWNERS' ASSOCIATION, INC.

STATE OF TEXAS §
 § KNOW ALL BY THESE PRESENT:
COUNTY OF DALLAS §

This Declaration (herein so called) is executed effective as of March 1, 2006 by **MU Williamsburg, LLC** ("Declarant").

RECITALS:

A. The Declarant is the owner of the real property in **Rockwall** County, Texas described on Exhibit A attached hereto, which Declarant is developing as an addition ("Subdivision") to the City of **Fate, TX** to be known as **Williamsburg** ("Property").

B. The Declarant desires to establish a planned residential community of single family detached homes on the Property and, accordingly, has executed this Declaration to impose the covenants, conditions, restrictions, and easements herein described upon the Property.

C. The Declarant has deemed it desirable for the enforcement of this Declaration and the efficient preservation of the amenities in the Subdivision to create a non-profit corporation (hereinafter defined as the "Association") under the laws of the State of Texas to which shall be delegated and assigned the power of administering and enforcing the assessments, conditions, covenants, easements, reservations and restrictions of this Declaration, including levying, collecting and disbursing the assessments, and whose directors will establish bylaws by which the Association shall be governed through its Board (hereinafter defined), for the purpose of exercising the functions aforesaid.

ARTICLE 1 ESTABLISHMENT

Section 1.1 Establishment of Covenants, Conditions and Restrictions. The Declarant hereby imposes upon the Property the covenants, conditions, restrictions, liens and easements (collectively, "Covenants") set forth in this Declaration for the purposes of establishing a general scheme for development of the Property, enhancing the value of the Lots and Residences (defined below), and establishing restrictions for residential use for the benefit of the Declarant and the Owners (defined below). The Declarant guarantees that all of these purposes will be accomplished through the creation and imposition of the Covenants. The Covenants touch and concern title to the Property, run with the land and shall be binding upon all persons or entities hereafter acquiring title to or any interest in any portion of the Property.

Section 1.2 Definitions. The terms set forth below shall have indicated meanings when used in this Declaration; other terms are defined elsewhere herein and shall have the meaning given to them in this Declaration.

"ACC" means the architectural control committee established pursuant to this Declaration.

"Assessments" means the Maintenance Assessments, Special Assessments and Special Individual Assessments provided for in Article 6.

"Association" means the Williamsburg Homeowners' Association, Inc., a Texas non-profit corporation, or such other homeowners' association name selected and available at the time of formation and established as provided in this Declaration.

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

"Builder" means any homebuilder constructing the initial Residence upon a Lot in the normal course of conducting its business for profit.

"City" means the City of **Fate**, Texas.

"Common Area" means those portions of the Property as described in or on the Plat that do not constitute Lots, Streets, roads, or alleys. Accordingly, the Common Area means those portions of the Property designated as such on the Plat, including any recreational centers or similar areas. The Common Area also includes: (i) any areas within the Property owned by the City, the Association, or any other governmental entity, but which are required to be maintained by the Association; (ii) any landscape, wall maintenance, pedestrian access or maintenance easements reflected on the Plat, required by the City or recorded by separate instrument; and (iii) those areas, if any, which are owned by an Owner, but on which are located monuments, signs, fences, landscaping, berms, sidewalks, irrigation systems or other improvements that may be maintained by the City or the Association. The Common Area shall also include all improvements on or to any portion of any of the areas described in the preceding sentence. Declarant shall at all times have and retain the right, but without obligation whatsoever, to effect minor redesigns or reconfigurations of the Common Area and to execute any open space declarations applicable to the Common Area which may be permitted in order to reduce property taxes, and to take whatever steps as may be appropriate to lawfully avoid or minimize the imposition of federal and state ad valorem and/or income taxes.

"Declarant" means **MU WILLIAMSBURG, LLC** including any affiliate of any Partner thereof and any other person or entity who is assigned or designated as a successor Declarant in writing pursuant to the provisions of this Declaration and recorded in the Records of **Rockwall** County, Texas. Upon designation of such successor Declarant, all rights, obligations and responsibilities of the former Declarant in and to such status as "Declarant" hereunder shall cease, it being understood that there shall be only one Declarant hereunder at any given time.

"Design Guidelines" shall mean and refer to those particular standards, restrictions, guidelines, recommendations and specifications applicable to all aspects of construction, including allowed materials and the placement, location, alteration, maintenance and design of any improvements within the Property, and all amendments, modifications, supplements and interpretations thereof.

"HUD" means the U.S. Department of Housing and Urban Development.

"Lot" means any of the individual platted building lots reflected, or to be reflected, on the Plat that are to be used for residential purposes as herein described. Where the context indicates or requires, the term Lot includes any structure on the Lot.

"Managing Agent" means any Person who has been engaged and designated by the Board to manage the daily affairs and operations of the Association.

"Occupant" means any Person occupying all or any portion of a Lot for any period of time, regardless of whether such Person is a tenant of the Owner of such Lot.

"Owner" means any Person including, without limitation, the Declarant (except as otherwise expressly provided herein) owning fee title to any Lot, but excluding any mortgagee or beneficiary under a deed of trust until such time as it acquires legal title to a Lot.

"Person" means any individual, corporation, limited liability company, partnership or other entity of any kind or types whatsoever.

"Phase" means a particular phase developed upon the Property. Declarant may impose, as provided in Section 3.3(d), additional or different restrictions on each Phase. If Declarant annexes additional property into the Property as provided in Section 8.1, it may designate the area annexed as a particular Phase, and may impose, as provided in Section 3.3(d), additional or different restrictions on such area.

"Plat" means (i) initially, the Preliminary Plat, and thereafter the Final Plat, for any Phase of the Property submitted to and approved by the City, or any other applicable governmental entity; (ii) after recordation thereof, the final Plat for any Phase of the Property as recorded in the Records of **Rockwall** County, Texas; and, (iii) any replat

of, or amendment to, the foregoing made by Declarant in accordance with this Declaration. The term "Plat" shall also include the final recorded plat of any additional property annexed into the Property pursuant to Section 8.1.

"Residence" means a single family detached residential dwelling upon a Lot in conformance with this Declaration.

"Street" means any paved road, but not alleys, that is typically within a fifty foot (50') or sixty foot (60') right-of-way and serves the front of a Lot upon which a Residence is constructed.

"Structure" means any structure (other than a Residence) and includes, without limitation, a fence, driveway, sidewalk, planting, landscaping, irrigation system, wall, tennis court, swimming pool, outbuilding, playground equipment, or other improvement of any kind or type.

"Vehicle" means any vehicle of any kind or type whatsoever, including, but without limitation, any automobile, truck, motorcycle, boat, mobile home, motor home, boat trailer, or other kind of trailer.

ARTICLE 2

USE PROVISIONS

Section 2.1 Permitted Uses.

(a) **Lots Limited to Residential Use.** Except as otherwise provided in this Declaration, Lots shall be used only for single family, private residential purposes and activities reasonably related thereto. Additional uses for purposes such as schools, churches, or similar activities may be permitted within the Property, provided such use conforms to all applicable zoning requirements and has received the prior written approval from the Association and the Declarant.

(b) **Common Area Uses.** The Common Area designated on the Plat shall be used only for recreational and other similar purposes as approved by the Declarant or the Association. The Common Area consisting of landscaping, maintenance, wall maintenance easements, or similar areas shall be used for such purposes or similar purposes as approved by the Declarant or the Association. No damage to the Common Area or any part thereof shall be committed by any Owner (other than the Declarant, except in the event of the Declarant's negligence or malfeasance), Occupant or invitee. The cost to repair any such damage shall be levied against the Owner (other than the Declarant, except in the event of the Declarant's negligence or malfeasance) of the Lot responsible for such damage as a Special Individual Assessment. No Owner or Occupant may maintain, treat, landscape, sod, place or erect any improvement or structure of any kind on the Common Area without the prior written approval of the Board.

(c) **Sales Offices and Similar Uses.** Declarant or Builder may maintain one or more signs, sales offices, or trailers on Lots for the purpose of facilitating sales of Residences on the Property. Real estate brokers, Owners and their agents may show Lots, for sale or lease, and every Person purchasing a Lot recognizes that the Declarant, its agents and designated assigns, shall have the right to (a) use Lots, and improvements erected thereon, for sales offices, field construction offices, storage facilities and general business offices; (b) maintain fluorescent lighted or spot lighted model homes which are open to the public for inspection seven (7) days per week for such hours as Declarant deems appropriate or necessary; and (c) conduct any other activities on Lots to benefit sales efforts. Declarant or the ACC may also grant the right to maintain construction trailers on the Lots and to use Lots for signage, sales offices, and similar purposes to other Persons constructing Residences on the Property by written designation.

Section 2.2 Prohibited Uses and Activities.

(a) **No Further Subdivision.** No Lot may be further subdivided without the written consent of the Declarant or the ACC. Lots may be combined for the purpose of constructing a single residence on more than one Lot only upon written approval of the Declarant or the ACC. Without regard to any such permitted subdivision or combination, the Lots involved shall continue to be treated as single individual Lots hereunder for all other purposes, including voting in the Association and assessing and collecting Assessments.

(b) **Parking and Vehicle Restrictions.** All Vehicles shall be parked, stored or placed so as not to be visible from any Street or from ground level view from an adjoining Lot, except for temporary parking in

the driveway constructed on a Lot. On-Street parking shall be limited to temporary parking of guests or invitees of Owners during parties, delivery of services, and similar limited (no more than twelve (12) hours) time periods. Trucks with tonnage in excess of one ton and Vehicles with signage or advertising displays shall not be permitted to park overnight on the Streets, driveways, or other areas within the Property. No Vehicle that transports inflammatory or explosive cargo may be parked or stored within the Property. No inoperative or unlicensed Vehicles may be parked or stored, other than in an enclosed garage, within the Property. All work on Vehicles (other than routine maintenance) shall be performed only in an enclosed garage. The foregoing provisions shall not restrict the parking of trucks and other Vehicles as necessary in connection with construction of Residences or other Structures on Lots.

(c) **Specific Use Restrictions.** The Property is restricted solely to residential and related uses; accordingly, no industrial, business, commercial, professional, manufacturing, mineral or other similar use shall be permitted on any part of the Property. This Section shall not be construed so as to prohibit the conduct of a reasonable amount of in-home work, such as computer work or similar activities, provided that such work or activity: (i) does not involve the parking of Vehicles of employees, consultants, clients, or other parties who do not occupy the Residences in question, (ii) the activity does not involve door-to-door solicitation of residents of the Property; and (iii) does not involve the delivery or pick-up of any materials or services. Unless expressly permitted by the Declarant and the Association, no portion of the Property may be used as a church and activities normally associated with a church may not be conducted on the Property. This restriction shall not apply to any activity conducted by the Declarant with respect to its development and sale of Lots or its use of any Lots it owns in the Property.

(d) **Pet and Animal Restrictions.** Only regular household pets such as cats and dogs shall be permitted on the Property and then only for personal use and not for any business use such as breeding, kennel operations and the like. No other animals shall be permitted to be maintained upon the Property, including the following: cows, horses, bees, hogs, sheep, goats, poultry, or skunks. No more than four (4) domesticated household pets are permitted in any Residence. All pets shall be kept within the fenced-in area of an Owner's Lot and shall not be permitted to run free through the Property.

(e) **Outdoor Burning Restrictions.** Outdoor burning of trash, leaves, and other items is prohibited. This restriction shall not be construed as prohibiting outdoor cooking on barbecue grills in connection with use of a Residence.

(f) **Trash/Garbage Disposal.** Trash, garbage and other waste shall at all times be kept in clean, well maintained, sanitary containers for regular scheduled pickup for removal of such items. Trash, garbage or other waste shall not be dumped on the ground of any Lot or in any Common Area.

(g) **Occupancy.** Each Lot shall be improved with a single family detached Residence. No Person shall occupy any garage or other outbuilding as a residence at any time.

(h) **Projections from Structures.** Window air conditioning units and other similar projections are prohibited. Any projection through the roof of any structure on the Property shall require the prior written approval of the Declarant or the ACC.

(i) **Private Water/Sewer Systems.** Each Residence shall be connected to the City water and sanitary sewer system, and no private water well or water, sanitary or storm sewer system is permitted within the Property unless constructed by the Declarant. If Declarant uses private drainage easements in areas that necessitate or contain a private sub-surface storm sewer drainage system, then such sewer lines are to be kept freely running and unobstructed at all times. If the lines become obstructed, all parties that benefit from their function shall be required to equally and promptly share in the cost of repair or replacement of the lines.

(j) **Changes in Grade.** Except for such changes as are reasonably necessary to facilitate construction of a Residence on a Lot, no Owner shall change the grade of any Lot except in compliance with all applicable laws. After Declarant has developed the Lots, the general grading, slope and drainage plan of a Lot may not be altered, and no dams, berms, channels or swales may be constructed or excavated without the prior written approval of Declarant (or the ACC), the City (if applicable) and other appropriate agencies having authority to grant such approval.

(k) **Visible Activities - Outdoors.** Outdoor drying of clothes is prohibited. Lawn mowers, rakes, carts, and other yard equipment shall be stored from view from adjoining Lots and Streets when not in use.

(l) **General Restriction - Nuisances.** In general, no condition shall be allowed to exist on a Lot which, by sight or smell (as determined exclusively by the ACC), shall constitute a public or private nuisance or unreasonably disturbs any other Owner in the use and enjoyment of its Lot or the Common Area.

ARTICLE 3

CONSTRUCTION PROVISIONS

Section 3.1 Plan Approval Required. No Residence or Structure shall be constructed, placed or installed within the Property until the plans therefor have been approved in writing by the ACC or Declarant as provided in this Article 3.

Section 3.2 Establishment of ACC.

(a) **Initial Appointment.** The ACC shall consist of three (3) members; the initial members of the ACC shall be appointed by the Declarant.

(b) **Term and Subsequent Appointments.** The members of the ACC shall serve until they resign or are removed by the party appointing them to the ACC (which the appointing party may do at any time). Subsequent appointments to the ACC shall be made by the Declarant until such time as the Declarant either relinquishes such power by written notice to the Board, or the Declarant no longer owns any Lot; thereafter appointments to and removals from the ACC shall be made by the Board. The ACC or Declarant may engage the services of a third party to review plans and specifications pursuant to this Article.

(c) **Compensation: Fee for Review.** No member of the ACC shall be entitled to compensation for its services. The ACC may impose a reasonable charge for reviewing plans.

Section 3.3 Approval Process.

(a) **Submission of Plans.** Any party wishing to construct a Residence or any Structure on the Property shall submit two (2) copies of complete plans and specifications therefor to the ACC for its approval prior to commencing construction. Such plans and specifications shall include engineering information, landscaping description, and construction plans showing the location and elevations of the proposed Residence or Structure and the materials to be used in constructing the same, all in sufficient detail to enable the ACC to evaluate the proposed Structure or Residence. The ACC may request additional information, including samples of proposed materials to aid it in its decision process. After receipt of a complete set of plans and specifications, the ACC shall promptly review the same and notify the Person submitting whether it approves the plans or whether it requires changes thereto. Alternately, the ACC may disapprove a set of plans by so noting thereon and returning it to the Person submitting, accompanied by a statement of the reasons for disapproval. No construction shall be commenced on any portion of the Property unless and until the plans for the Residence or Structure in question have been approved in writing by the ACC or Declarant.

(b) **Time for Review/Approval.** The ACC shall approve or disapprove all plans submitted for construction within thirty (30) days after the date it receives a complete set of plans and specifications therefor; if the ACC fails to specifically approve or disapprove of any plans within such thirty (30) day period, and then the ACC shall be deemed to have approved the plans submitted.

(c) **Review Standards.** The ACC, in reviewing and approving plans for construction of Structures or Residences, shall use commercially reasonable efforts to promote and ensure a high level of taste, design quality, aesthetic harmony, and conformity throughout the Property, consistent with the standards established by this Declaration and the Design Guidelines.

(d) **Design Guidelines/Building Standards.** The Declarant or the ACC may, but is not required to, establish specific guidelines and building standards to assist Persons in determining the type of Structures and Residences, which may be constructed on the Property. Pursuant to Section 8.1, Declarant may annex additional Property to become a portion of the Property, and may develop the overall Property in various Phases. Declarant may establish differing restrictions, guidelines and building standards for each such Phase of the Property, which may impose more restrictive or less onerous building standards with respect to a particular Phase. The ACC or Declarant may amend or modify such guidelines or standards from time to time in its sole discretion. Such guidelines or standards shall supplement this Declaration and are general guides to permitted

construction within the Property, but shall not diminish the authority of the ACC and Declarant to approve plans as otherwise herein provided.

(e) **No Waiver of Future Approvals.** Each Owner acknowledges that the members of the ACC may change from time to time and that the interpretation, application and enforcement of the Design Guidelines may vary accordingly. Approval of proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings or other matters subsequently or additionally submitted for approval.

(f) **Right to Modify Specific Construction Provisions or Grant Variances.** The ACC shall have the authority to modify specific construction provisions or grant variances with respect to the requirements contained in this Article 3 or the Design Guidelines when circumstances such as topography, natural obstructions, Lot configuration, hardship or aesthetic or environmental considerations require. No modification or variance shall be effective unless in writing or shall serve to stop the ACC from denying a request for modification or variance in other circumstances. The inability to obtain approval of any governmental agency, the issuance of any permit, the cost of compliance, or the terms of any financing shall not be considered a hardship warranting a modification or a variance.

(g) **Failure to Obtain Approval.** The construction, repair, replacement, installation, or placement of any Structure or improvement of any type on a Lot without the prior written approval from the ACC shall constitute grounds for the imposition by the ACC or the Association of a fine against the Owner of said Lot not to exceed Five Hundred and No/100 Dollars (\$500.00). A fine levied under this Section shall be charged to the Owner's assessment account as a Special Individual Assessment payable upon demand and secured by the lien created in Article 6.

(h) **Limitation of Liability.** Review and approval of any submission or application pursuant to this Article 3 is made on the basis of aesthetic considerations only and not for engineering, structural design or quality of materials. Neither the Declarant, its officers, directors, partners, agents, employees, representatives, parent or subsidiaries, nor the Association, the Board, or the ACC, including any of its respective members, shall be liable to any Person for any official act of the ACC in connection with submitted plans and specifications. Notwithstanding any approval by the Declarant or the ACC, neither the Declarant, the Association nor the ACC shall be responsible or liable to any Person with respect to any loss, liability, claim or expense which may arise by reason of such approval or the construction of a Residence or Structure related thereto. Neither the Declarant, the Association, the Board nor the ACC shall be responsible in any way for any defects in any plans or specifications submitted, reviewed or approved in accordance with the provisions of this Declaration, nor for any structural or other defects in any work done according to such plans or specifications. No approval of any plans by either the ACC or the Declarant shall be construed to mean that the plans comply with any applicable law, building code, or governmental regulation, it being the responsibility of the Person submitting any plans to assure compliance with all applicable laws. Conversely, the issuance of a building permit or any approval from any governmental authority shall not, under any circumstance, constitute any evidence that construction of a Residence or a Structure complies with the terms and conditions contained in this Declaration or the Design Guidelines. Declarant and members of the ACC shall have no liability for decisions made by them regarding the approval or disapproval of plans, so long as the decisions are made in good faith and are not discriminatory, arbitrary, or capricious.

Section 3.4 Specific Construction Provisions.

(a) **Setbacks.** All Residences and other Structures shall be constructed in conformity with the setback requirements of the City and the building lines reflected on the Plat.

(b) **Structure Size and Type.** Each Residence shall have the minimum number of 1600 square feet of enclosed air-conditioned area. Each Residence on a Lot shall be of new construction and no mobile homes or manufactured housing shall be permitted on the Property except on a temporary basis in connection with construction or sales activities.

(c) **Garage Requirements.** Each Residence shall have at least a two car attached garage constructed as a part thereof.

(d) **Drive/Walkway Requirements.** All driveways and sidewalks shall conform to applicable City and other governmental specifications and regulations.

(e) **Ancillary Structure Provisions.** All ancillary Structures (as described below) shall conform to the requirements of this Section:

(1) **Antennae/Satellite Dishes.** The erection, construction, placement or installation of any television, radio, or other electronic tower, serial, antenna, satellite dish or device of any type for the reception or transmission of radio or television broadcasts or for any means of communication upon a Lot or upon any improvement thereon is prohibited except as provided for herein. This prohibition shall not apply to those antennae specifically covered by 47 C.F.R. Part 1, Subpart S, Section 1.4000 (or any successor provision) promulgated pursuant to the Telecommunications Act of 1996, as amended from time to time. The ACC or the Declarant shall be empowered to adopt rules governing the types of antennae that are permissible hereunder and establishing reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae. All television antennas and other antennas and aerials shall be located inside the attic of the residence constructed on the Lot. Amateur radio towers and antennas (whether for reception or transmission) are specifically prohibited. No exterior television, radio or other antenna of any type shall be placed, allowed or maintained upon any Lot, Residence, or Structure without prior written approval and authorization of the ACC.

(2) **Fences and Walls.** All fences and walls (excluding retaining walls described in (7) below) shall comply with City requirements and otherwise have (A) a minimum height of at least four feet (4') if constructed of ornamental metal or similar materials by Declarant or Builder along water, open space or other Declarant-approved special features and at least six feet (6') constructed of wood with a one-inch by four-inch top rail and (B) a maximum height of eight feet (8'). It is to be stained a medium-brown color and shall be located in an area and constructed of materials in accordance with the provisions therefore contained in the Design Guidelines. No fence or wall may be constructed, repaired, rebuilt, or relocated if it impedes or obstructs drainage. Prior written approval from the ACC is required for any construction, placement or repair of fences or walls on any Lot. Fence detail is shown in EXHIBIT H.

(3) **Outbuildings.** Outbuildings or storage sheds are allowed upon a Lot but must receive prior written approval from the ACC. In addition to any further requirements for the construction, installation and location of outbuildings or storage sheds contained in the Design Guidelines, the following restrictions shall apply: (i) must be screened from view on all sides; (ii) maximum height allowed is seven feet (7'0") but only so long as the outbuilding or storage shed is not visible above the fence line; and (iii) the location must be specifically approved in writing by the ACC. Any deviation from these restrictions not approved by the ACC will be just cause for the removal of the outbuilding or storage shed from the Lot.

(4) **Trash Containers.** All trash containers shall be screened from view from Streets. Owners with a Residence having a rear or side entry garage shall place their trash containers in an area that cannot be seen from an alley, if applicable.

(5) **Hedges.** Hedges shall be maintained at a height that is in conformity with the height of fences and walls. No hedge shall be maintained in a manner that obstructs any sidewalk or the visibility at intersections of Streets and/or alleys.

(6) **Servant's Quarters.** Servant's quarters may be constructed, provided the plans therefor are approved by the ACC as herein provided.

(7) **Retaining Walls.** Retaining walls, other than those constructed by the Declarant, require prior written approval by the ACC to ensure conformity with the requirements contained in the Design Guidelines with respect to location, construction, and materials. Except for those built by Declarant or its affiliates, any retaining walls which generally face an alley or are either between Residences or along or adjacent to the side or rear property lines of Lots shall be constructed of stone materials unless the ACC has otherwise provided prior written approval.

(8) **Mailboxes.** Mailboxes shall be double metal boxes approved by the ACC and shall conform to one of the standards depicted on **Exhibit B**, United States Postal Service regulations and the Design Guidelines.

(9) **Tennis Court/Swimming Pool/Recreational Facilities.** A tennis court, swimming pool, and/or recreational facilities may be constructed within any Lot provided the plans therefor are approved by the ACC prior to commencement of construction to ensure compliance with the requirements

contained in the Design Guidelines with respect to location and screening. Above ground pools are prohibited.

(10) Signage. Except for signs related to development or marketing by Declarant or any Builder, no signage may be maintained on any Lot or in the Common Area other than (A) signs which do not exceed 6 sq. ft., of tasteful design which advertise a Lot or Residence for sale or rent, (B) political signage, which shall be allowed so long as it strictly complies with the conditions set forth in the Design Guidelines as to number, location, and time periods when such signs are allowed prior to the election and when such signs must be removed after the election, (C) spirit signs (announcing the involvement of teenagers in athletics or school programs), which shall only be allowed if provided for and in strict compliance with the Design Guidelines, and (D) signs displaying the name of a security company, which shall be permitted provided that such signs (i) are tastefully designed and do not exceed 2 sq. ft. in size, (ii) are ground mounted, and (iii) are limited to one (1) in the front yard and one (1) in the rear yard of each Lot. All signs must be professionally produced and manufactured and shall be subject to written approval of the ACC. No sign(s) of any kind or character, including any signs (A) in the nature of a "protest" or complaint against the Subdivision, Declarant or any Builder, (B) that describe, malign or refer to the reputation, character or building practices of the Subdivision, Declarant or any Builder, and/or (C) discourage or otherwise impact or attempt to impact anyone's decision to acquire a Lot or Residence in the Subdivision or elsewhere from Declarant or any Builder, shall be displayed to the Streets or otherwise to the public view on any Lot, Residence, Structure or Common Area. Each Owner hereby grants permission to the ACC (or its duly authorized agents) to enter upon a Lot or any part of the Property and remove any sign, billboard or advertising structure that does not comply with the above requirements and, in doing so, shall not be subject to any liability to any Person whatsoever for trespass, conversion, or any claim for damages in connection with such removal. The ACC's cost to remove any sign(s) shall be added to the Owner's assessment account as a Special Individual Assessment, be payable upon demand and secured by the lien created in Article 6. No Person shall engage in any picketing on any Lot, easement, right-of-way or Common Area within or adjacent to the Property, nor shall any Vehicle parked, stored or driven in or adjacent to the Property bear or display any signs, slogans, symbols, words or decorations intended to create controversy, invite ridicule or disparagement, or interfere in any way with the exercise of the property rights, occupancy or permitted business activity of any Owner, Declarant or Builder.

(11) Screening of Structures in Public View. The Owners (other than Declarant) and Occupants of any Lots at intersections of streets or alleys, or where the rear yard is visible from public view, shall construct a suitable enclosure, as approved by the ACC, to screen from public view equipment or Structures incidental to Residences, such as clothes drying equipment, yard equipment, lawn furniture, outbuildings, pool filtration or composting equipment and stored materials.

(12) Window Treatments. Within a thirty (30) day period, commencing from the date title to a Lot with a Residence constructed thereon is transferred to a new Owner, no window on a Residence may be covered with foil or any reflective material. From and after thirty (30) days from the date title to a Lot with a Residence constructed thereon is transferred to a new Owner, no window that is visible from any Lot, Street, alley or Common Area may be covered with bed sheets, any type of paper, poster board, aluminum foil or other reflective material. After the initial thirty (30) day period, only window treatments or coverings which are compatible in design and color with the Residence and the overall appearance of the Property will be allowed. The ACC shall have the sole authority to determine whether particular window treatments or coverings are compatible with the design and color of the Residence and the overall appearance of the Property.

(13) Holiday Decorations. Holiday lighting and decorations are allowed subject to: (i) their installation occurring no earlier than thirty (30) days prior to the holiday being celebrated; and (b) their removal occurring no later than thirty (30) days after the date of the holiday being celebrated. Such lighting and decorations must be appropriate for the holiday being celebrated. Except as provided above, holiday lighting and decorations are prohibited.

Section 3.5 Construction Materials. All construction materials shall conform to the following provisions:

(a) Exterior Materials. All exterior construction materials shall be subject to approval by the ACC in accordance with the provisions therefor in the Design Guidelines as to aesthetic appearance and shall conform to any and all City ordinances.

(b) **Roof Materials.** Minimum 20 year warranty shingle or equivalent is required. Color of shingles to be grey or similar color.. All roofing materials must be fireproof and conform to City requirements, and are subject to ACC approval.

Section 3.6 Height Restrictions. All Structures shall conform to the height restrictions of the City.

Section 3.7 Roof Restrictions. All roofs shall have at least a 6:12 pitch on the main structure and at least a 6:12 pitch on garage structures unless otherwise approved by the ACC.

Section 3.8 Construction Period and Process. Construction of any Residence shall be pursued with all due diligence and, in any event, shall be completed within nine (9) months after commencement. Construction of any other Structure shall be completed within the time periods specified in the plan approval process. All areas under construction shall be maintained in a clean, safe condition, and debris, trash, and rubble shall be stored in appropriate containers and promptly removed from the Property.

Section 3.9 Landscaping. All Lots shall be appropriately landscaped, including planting of grass and other plants in conformity with the Design Guidelines and other improvements on the Property. In addition to complying with City requirements, all Lots with Structures shall include at least two (2) 3-inch caliper tree(s) in the area of the Lot between the front property line and the front building line.

Section 3.10 Declarant Rights. So long as the Declarant owns any Lot, the Declarant may, but shall not be obligated to, exercise any of the rights of the ACC under this Article 3.

ARTICLE 4

MAINTENANCE PROVISIONS

Section 4.1 Owner's Obligation to Maintain. Each Owner (other than the Declarant) shall maintain its Lot and the Residence and other Structures thereon in a clean, first class condition. Each Owner (other than the Declarant) shall regularly mow grass and maintain the landscaping on its Lot in good condition at all times. Each Owner (other than the Declarant) shall maintain the exterior of all Residences and Structures in good condition and shall make such repairs and replacements as necessary to maintain good order and the aesthetic harmony of the Property.

Section 4.2 Damaged Improvements. If any Residence or Structure is damaged in any way, the Owner (other than the Declarant) shall immediately repair such damage or, in the case of substantial damage and such Owner does not wish to rebuild, raze the damaged Structure or Residence and remove the same and leave the surface of the Lot in good order.

Section 4.3 Declarant/Association Right to Perform. If any Owner (other than the Declarant) fails to maintain the condition of its Lot, the landscaping thereon, including the prompt removal of damaged or deceased trees and shrubs, or the Residence or other Structures thereon as contemplated by this Article 4, and fails to take action to correct such defect within ten (10) days after the Declarant or the Association has furnished written notice thereof to such Owner, then the Owner of such Lot hereby grants permission to the Declarant or Association (or its duly authorized agents) to enter upon such Lot and perform those duties which the Owner failed to perform without liability whatsoever to such Owner or any Person for trespass, conversion, or any claim for damages. The cost of performing such duties shall be added to the Owner's assessment account as a Special Individual Assessment, be payable upon demand, and shall be secured by the lien provided for in Article 6.

Section 4.4 Easement for Maintenance. Each Owner grants to the Association, the Board, and the Declarant the right to access, repair, and maintain all facilities and improvements within any wall, entry, fence, landscape, or other similar easement as recorded on any Plat (including, but not limited to, any Plat attached hereto as Exhibit C-1 & C-2), especially, without limitation to, the following Lots: Phase 1A & 1-B: Block X, Lots 1 - 29 and 43; Phase 2A, 2B & 2C: Block X, Lots 30 - 35, 37 and 53; and Phase 3A, 3B & 3C: Block X, Lots 34, 38 - 42 and 44 - 48. This also pertains to described areas located in future Phases. By acquisition of a Lot, each Owner hereby grants, creates and conveys unto the Association, the other adjacent Owners and the Declarant a perpetual Drainage Easement (herein so called) over, through, under and across the Owner's Lot for the purpose of permitting runoff and/or storm water to drain from other adjacent Lots over, through, under and across the Owner's Lot(s). Without limiting the foregoing, in order to facilitate drainage from the Property subject to the Declaration over, through, under and across the Owner's Lot, each Owner hereby agrees that the Declarant or the Association,

as the case may be, shall have the right to enter onto the Owner's Lot at any time to (i) prevent possible interference with the Drainage Easement and to remove possible hazards from the Drainage Easement area, (ii) prevent the construction or placement of any building, structure or other obstruction within the Drainage Easement area which may endanger or interfere with the efficient and convenient use of the Drainage Easement, (iii) grade, improve, construct, reconstruct, repair and perpetually maintain swales within the Drainage Easement area, and (iv) or regrade portions of the Drainage Easement area necessary or appropriate to permit drainage as generally described herein or as approved or required by appropriate governmental authorities especially and without limitation to, the following Lots: Phase 1A: Block J, Lots 11, 12, 16, 17, 33 and 34, Block H, Lots 1, 15 and 16; Block B, Lots 7, 8 and 24; Block A, Lots 4, 5, 15, 24, 25 and 34; Block I, Lot 1; Block D, Lot 16; Block C, Lots 1 and 34; Block G, Lot 1 and Future Phases. Notwithstanding any of the foregoing rights of the Association or the Declarant, each Owner hereby agrees to maintain the Drainage Easement area at such Owner's sole cost and expense. If any structures or other obstructions are constructed, created or placed by any Owner within the Drainage Easement area without the prior written consent of the Association and the Declarant, the Declarant or the Association shall have the right to remove such structure or obstruction at the sole cost of such Owner. The cost of performing such removal shall be added to the Owner's assessment account as a Special Individual Assessment, be payable upon demand, and shall be secured by the lien provided for in Article 6.

ARTICLE 5

OWNERS' ASSOCIATION

Section 5.1 Establishment. The Association has heretofore been or will hereafter be created as a Texas non-profit corporation by the Declarant. Each Owner of a Lot shall be a member (the "**Member**") in the Association and such membership is appurtenant to and shall not be separated from ownership of a Lot. Upon the transfer of a Lot, the new Owner shall automatically become a member of the Association. The term of existence of the Association and other matters pertaining to its operation are set forth in its Certificate of Formation (attached hereto as **Exhibit D**) and the By-Laws (attached hereto as **Exhibit E**). The Association is established to enforce this Declaration and the Covenants, to promote the interests of the Owners as residents of the Property, and to enhance the value of the Lots as a part of a harmonious, high quality, residential subdivision.

Section 5.2 Voting Power. The Association shall have two classes of voting membership as follows:

(a) **Class A.** The Class A Member shall be all Owners other than the Declarant, and shall be entitled to one vote for each Lot owned. If more than one person owns an interest in a Lot, they shall combine their vote in such way as they see fit, but there shall be no fractional votes, and no more than one vote with respect to any Lot.

(b) **Class B.** The Class B Member shall be the Declarant who shall be entitled to four (4) votes for each Lot owned by Declarant. Subject to the conditions set forth in the remainder of this paragraph, the Class B membership shall be converted to Class A membership upon the earlier of (i) the total votes outstanding in the Class A membership equaling the total votes outstanding in the Class B membership, (ii) November 1, 2017 or (iii) the recording in the Records of Rockwall County, Texas of a notice signed by Declarant terminating the Class B membership. In determining the number of Lots owned by Declarant for the purpose of Class B membership status hereunder, the total number of Lots covered by this Declaration, including all Lots annexed thereto in accordance with Section 8.1 herein, shall be considered. In the event the Class B membership has previously lapsed as provided in (i) above, but annexation of additional property restores the ratio of Lots owned by Declarant to the number required for Class B membership status, such Class B membership shall be reinstated until it expires pursuant to the terms hereof.

(c) **Turnover Procedure.** Following the termination of the Class B membership status and Declarant's determination that it does not desire to annex additional property, Declarant shall cause control of the Association to be turned over to the general membership of the Association ("**Turnover**"). Within thirty (30) days of the termination of the Class B membership status, and Declarant's determination that it does not desire to annex additional property, the President of the Association shall call a special meeting of the Board of Directors. At such meeting, the Board of Directors shall set a date for a subsequent meeting of the members of the Association at which the Turnover will occur (the "**Turnover Meeting**"), which meeting shall be at least thirty (30) but no more than sixty (60) days after the special meeting. The Board of Directors shall provide at least thirty (30) days notice to the Class A Members of the date and location of the Turnover Meeting. Prior to the Turnover Meeting, a representative of the Declarant, a representative of the Managing Agent, if any, and one or more of then-existing resident directors shall meet as necessary to cause the turnover of all records associated with the existence,

maintenance and operation of the Association. At the Turnover Meeting, the then-existing directors appointed by Declarant shall submit their written resignations and new directors shall be elected, as necessary, to fill the Board in accordance with the Bylaws; provided, however, that notwithstanding anything contained in the Bylaws, Declarant shall have the right to appoint at least one (1) member of the Board as long as Declarant owns at least one Lot. From and after the date of Turnover, Declarant shall have no further responsibility or liability associated with the Association, the operations of the Board, the maintenance of any Common Area, or any other matters associated with the Common Area. In that regard, at and as of the Turnover Meeting, the Association shall execute and deliver to the Declarant a general release, in form acceptable to Declarant, releasing Declarant from all liability associated with the development, construction, operation and maintenance of the Common Area. From and after Turnover, to the extent that any dispute arises between the Association and the Declarant regarding a matter that is allegedly not covered by the release or regarding the release itself, then such dispute, if any, shall be resolved through the dispute resolution procedures provided in Section 9.12.

(d) **Board of Directors Election.** The Board shall be elected as provided in the certificate of formation and bylaws of the Association. The Board shall act by majority vote as provided in the bylaws.

(e) **Specific Powers of Board.** Without limiting the authority granted to a board of directors under the Texas Non-Profit Corporation Act, the Board shall have the following specific powers on behalf of the Association:

- (1) to enforce the provisions of this Declaration;
- (2) to enter into contracts;
- (3) to retain third parties, as necessary, to assist the Board in carrying on the Association's activities, including engineers, accountants, lawyers, architects, land planners, professional management, and other consultants;
- (4) to take such action as necessary to maintain the Common Area in good order and condition;
- (5) to acquire property, services and materials to carry out its duties;
- (6) to purchase insurance covering potential liability for use of the Common Area and for other risks;
- (7) to borrow money for Association purposes;
- (8) to initiate and defend litigation, arbitration and other similar proceedings;
- (9) to promulgate reasonable rules and regulations for access to and use of Common Areas as well as a policy establishing a schedule and procedures by which the Board may assess fines against Owners for violations of the Covenants or the Design Guidelines;
- (10) to establish and collect reasonable fees for the use of any recreational facilities on the Common Area; and
- (11) to establish and collect a reasonable fee for copying and furnishing copies of the Association's governing documents and furnishing a Resale Certificate as required by law. This function and the authority to collect and receive such fees may be delegated or assigned by the Board to the Association's Managing Agent.

Section 5.3 Officers. The Association will have such officers as are set forth in the bylaws.

Section 5.4 Dissolution. So long as the Declarant owns record title to any Lot, the Association shall not be dissolved. Once Declarant is divested of all ownership interest in the Property, the Association may be dissolved upon the written consent of Owners owning at least seventy-five percent (75%) of the Lots. Upon such dissolution, the assets of the Association shall be donated to a nonprofit organization with purposes similar to the Association and selected by a majority of the Board.

ARTICLE 6

ASSESSMENTS

Section 6.1 Power to Establish Assessments. Each Owner (other than the Declarant) of a Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association all such Assessments as are levied pursuant to the terms of this Declaration. The Association is empowered to establish and collect Assessments as provided in this Article 6 for the purpose of obtaining funds to maintain the Common Area, perform its other duties, and otherwise preserve and further the operation of the Property as a first quality residential subdivision. The purposes for which Assessments may be used include, without limitation, maintaining, operating, managing, repairing, replacing or improving the Common Area or any improvements thereon; mowing grass and maintaining grades and signs; paying legal fees and expenses incurred in enforcing this Declaration; paying expenses incurred in collecting and administering assessments; paying insurance premiums for liability and fidelity coverage for the ACC, the Board and the Association; and satisfying any indemnity obligation under the certificate of formation or bylaws. The Board may reject partial payments and demand payment in full of all amounts due and owing the Association. Upon the receipt of payment from an Owner whose account reflects a past-due balance, and regardless of any written instruction from the Owner to the contrary, the payment shall be applied to the unpaid charges on the account in the following order: (a) Special Individual Assessments; (b) attorney's fees; (c) interest; (d) late charges; (e) collection fees and other costs of collection; (f) Transfer Fees and other charges related to the transfer of title; (g) Working Capital Contribution; (h) Special Assessments; and (i) Maintenance Assessments.

Section 6.2 Commencement of Assessments.

(a) **Owner other than Declarant.** Unless otherwise provided by separate agreement by and between Declarant and any Person, the Assessments shall commence as to each Lot upon its conveyance by Declarant to any Person that is not an affiliate of Declarant.

(b) **Declarant.** The Declarant shall not be liable for Assessments for any Lots that it owns. The Declarant may, but shall have no obligation to, subsidize the Association from time to time in order to cover any shortfall in the operating budget or to reduce the total Maintenance Assessment which would otherwise be necessary to be levied against all Lots to cover the estimated expenses of the Association. Any such subsidy may, at the option of the Declarant, be deemed a loan to the Association from the Declarant. Any such loan shall be conspicuously disclosed as a line item in the budget and shall be made known to the membership. The payment of such subsidy by the Declarant, in any one year shall under no circumstances obligate the Declarant to continue payment of such subsidy in future years.

Section 6.3 Regular Annual Maintenance Assessments.

(a) **Annual Budget.** For each calendar year or a part thereof during the term of this Declaration, the Board shall establish an estimated budget of the expenses to be incurred by the Association for the forthcoming year in performing its duties. Possible budgets for the First Year and Completion phases of the Subdivision as well as the Budget Narrative are attached hereto as **Exhibits G-1, G-2, and G-3**. Based upon such budget, the Association shall then assess each Lot an annual fee (the "**Maintenance Assessment**") which shall be paid by each Owner (other than the Declarant) in advance as follows: quarterly on the first day of each January, April, July and October, unless the Board determines a different schedule. The Association shall notify each Owner of the Maintenance Assessment for the ensuing year by December 15 of the preceding year, but failure to give such notice shall not relieve any Owner from its obligation to pay Maintenance Assessments. Any Maintenance Assessment not paid within thirty (30) days of the date due shall be delinquent and shall thereafter bear interest as provided in Section 6.6(f). As to any partial year, Maintenance Assessments on any Lot shall be appropriately prorated.

(b) **Limits on Maintenance Assessments.** The initial Maintenance Assessment for each Lot shall not exceed Six Hundred and Fifty Dollars (\$650.00) per year. Thereafter the Board may increase the Maintenance Assessment annually to meet the anticipated needs of the appropriate budget, but the Maintenance Assessment may not be increased in any year by an amount in excess of twenty percent (20%) above the previous year's Maintenance Assessment, unless such increase is approved by a majority vote of those Members of the Association present at a meeting, in person or by proxy, where a quorum exists.

(c) **Uniform Assessments.** Maintenance Assessments for all Lots shall be uniform. At Declarant's option, Declarant may pay or waive the Maintenance Assessment on Lots owned by Builders for a period up to the first (1st) day of the month following the ninetieth (90th) day after record title to a Lot has been transferred to a Builder.

Section 6.4 Special Assessments. The Association may impose special assessments ("**Special Assessments**") to make capital improvements to the Common Area, to satisfy its indemnity obligations under the certificate of formation or bylaws, or for other similar purposes. Any Special Assessment proposed by the Association must be approved by a majority vote of those Members of the Association present at a meeting, in person or by proxy, at which a quorum exists. At least fifteen (15) days prior to any meeting of the Association called to consider any Special Assessment, the Board shall notify each Owner thereof by written notice specifying the total amount of the Special Assessment required, the amount thereof imposed on each Lot (which shall be uniform), the purpose for such Special Assessment, and the time and method of payment thereof. The time for paying any Special Assessment (which may be in installments) shall be as specified in the approved proposal therefore.

Section 6.5 Special Individual Assessments. The Board shall have the power to levy special individual assessments ("**Special Individual Assessments**") against a particular Lot as follows:

(a) To cover costs incurred in bringing the Lot into compliance with the terms of this Declaration, the Bylaws or rules of the Association, or costs incurred as a consequence of the conduct of the Owner or Occupant of the Lot, their licensees, invitees or guests;

(b) For fines levied pursuant to this Declaration and the Bylaws;

(c) For any other costs or expenses specifically authorized by this Declaration to be levied against a particular Lot; and

(d) Any cost or expense, including reasonable and necessary attorneys' fees, incurred by the Association in enforcing the terms of this Declaration, the Design Guidelines or any rules and regulations of the Association.

Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section.

Section 6.6 Liability for and Enforcement of Assessments.

(a) **Personal Liability.** Each Owner (other than the Declarant) shall be personally liable for all Assessments imposed during the time it owns a Lot.

(b) **Reservation, Subordination, and Enforcement of Assessment Lien.** Declarant hereby reserves for the benefit of itself and the Association, a lien (the "**Assessment Lien**") against each Lot to secure payment of the Assessments imposed hereunder. Each Owner (other than the Declarant), by accepting conveyance of a Lot, shall be deemed to have agreed to the reservation of the Assessment Lien. The Assessment Lien shall be subordinate to the liens of any valid first lien mortgage or deed of trust encumbering a particular Lot. Sale or transfer of any Lot shall not affect the Assessment Lien. However, the sale or transfer of any Lot pursuant to the foreclosure of a first mortgage or deed of trust (whether by exercise of power of sale or otherwise) or any proceeding in lieu thereof, shall only extinguish the Assessment Lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from the obligation to pay Assessments that become due after such sale or transfer or the Assessment Lien securing the payment thereof. The Assessment Lien may be non-judicially foreclosed by power of sale in accordance with the provisions of Section 51.002 of the *Texas Property Code* (or any successor provision) or may be enforced judicially. Each Owner (other than the Declarant), by accepting conveyance of a Lot, expressly grants the Association a power of sale in connection with the foreclosure of the Assessment Lien. The Board is empowered to appoint a trustee, who may be a member of the Board, to exercise the powers of the Association to non-judicially foreclose the Assessments Lien in the manner provided for in Section 51.002 of the *Texas Property Code* (or any successor statute). The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

(c) **Notices of Delinquency or Payment.** The Association, the Association's attorney or Declarant may file notice of any delinquency in payment of any Assessment in the Records of Rockwall County, Texas. Upon the timely curing of any default for which a notice was recorded by the Association, the Association through its attorney is hereby authorized to file of record a release of such notice upon payment by the defaulting Owner of a fee, to be determined by the Association but not to exceed the actual cost of preparing and filing a release. Upon request of any Owner, any title company on behalf of such Owner or any Owner's mortgagee, the Board through its agents may also issue certificates evidencing the status of payments of Assessments as to any particular Lot (i.e., whether they are current or delinquent and if delinquent, the amount thereof). The Association or its Managing Agent may impose a reasonable fee for furnishing such certificates or statements.

(d) **Suit to Recover.** The Association may file suit to recover any unpaid Assessment and, in addition to collecting such Assessment and interest thereon, may also recover all expenses reasonably expended in enforcing such obligation, including reasonable attorneys' fees and court costs.

(e) **Late Charges and Collection Fees.** If any Assessment or any part thereof remains unpaid after thirty (30) calendar days from and after the due date established by the Board, a late charge shall be assessed against the non-paying Owner for each month or any part thereof, that any portion of any Assessment remains unpaid. Should any Assessment be payable in installments, the Association is authorized to accelerate the entire Assessment and demand immediate payment thereof. The late charge shall be in the amount of Twenty-five and No/100 Dollars (\$25.00) per month. The Association's Managing Agent shall be entitled to charge an Owner a monthly collection fee to compensate Managing Agent for its administrative costs and efforts to collect and process the late payment of Assessments. A service charge in the amount of Twenty And No/100 Dollars (\$20.00) shall be charged for each check that is returned because of insufficient funds or any other reason. The amount of late charges and service charges may be adjusted, from time to time, by the Board consistent with any changes in the administrative costs to collect unpaid Assessments or the Association's bank charges. All late charges, collection fees, service charges and attorneys' fees assessed or incurred due to late payment of Assessments shall be charged to an Owner's Assessment account which shall be part of the delinquent Assessment and shall be payable and secured in the same manner as herein provided with regard to Assessments.

(f) **Interest on Past Due Amounts.** All Assessments past due more than thirty (30) days, unpaid fines and other amounts owed to the Association by any Owner which are not paid when due shall bear interest from the date due until paid at the rate of eighteen percent (18%) per annum, but not in excess of the maximum rate allowed by applicable law.

(g) **Suspension of Right to Use Common Area.** In addition to the other powers herein granted, the Board may suspend the right of Owner to use any of the Common Area during the time that such Owner is delinquent in paying any Assessment.

(h) **Eligibility and Suspension of Voting Rights.** If an Owner is involved in litigation with the Association as to a conflict of interpretation of this Declaration, the rules and regulations promulgated by the Association, the bylaws of the Association and/or the amount of delinquent assessments, then Owner is not a Member in good standing. Furthermore, to be in good standing with the Association, the Member must have all assessments of every type and category paid up to date, have no outstanding financial obligations to the Association that are delinquent and shall have no current, uncured violations of or against the Covenants, the Design Guidelines or ACC requirements on one of more Lots within the Subdivision. Eligibility to vote, to participate in any Association meetings or activities, or to serve as a representative, director or officer of the Association shall be predicated upon being a Member in good standing with the Association. An Owner may only cure a delinquency at a meeting to regain the right to vote by paying all outstanding amounts (including interest, fines, and penalties) by cashier's or certified check or other good funds acceptable to the Board.

(i) **Working Capital Contributions.** Upon acquisition of record title to a Lot by the first Owner other than the Declarant or a Builder, a contribution shall be made by or on behalf of such first Owner to the working capital of the Association in an amount equal to Six Hundred Dollars (\$600.00). This amount is not refundable, shall be in addition to, not in lieu of, the Maintenance Assessment levied on the Lot and shall not be considered an advance payment of any portion thereof. This amount shall be deposited into escrow and disbursed therefrom to the Association or to the Declarant if the Association is not yet established and shall be used for covering operating and other expenses incurred by the Association pursuant to the terms of this Declaration and the bylaws of the Association. The working capital contribution shall be charged until the earliest to occur of the following events: (i) the expiration of ~~ten~~ (10) years following the recordation of this Declaration; or (ii) the Declarant no longer owns any Lots in the Property.

(j) **Transfer Fees and Fees for Issuance of Resale Certificates.** The Board may, at its sole discretion, enter into contracts with third parties to oversee the daily operation and management of the Association. These third parties may, and probably will, have fees, which will be charged to an Owner for the transfer of a significant estate or fee simple title to a Lot and the issuance of a Resale Certificate. The Association or its agent shall not be required to issue a Resale Certificate until payment for the cost thereof has been received by the Association or its agent. Transfer fees and fees for the issuance of a Resale Certificate are not refundable and may not be regarded as a prepayment of or credit against any other Assessments, and are in addition to the Working Capital Contribution in Section 6.6(i) above. This Section does not obligate the Board or any third party to levy such fees.

ARTICLE 7 COMMON AREA

Section 7.1 Right to Use Common Areas. Each Owner, the members of that Owner's immediate family, and such Owner's guests (provided guests are accompanied by an Owner) shall have the right to use the Common Area for its intended purposes as herein provided. The Declarant and the Association shall have the right to enter on and use the Common Areas at all times to exercise their rights or (in the case of the Association) perform its duties hereunder.

Section 7.2 Specific Facilities. Specific facilities, if any, to be located in the Common Area shall be determined by Declarant. The Declarant and the Board may promulgate reasonable rules and regulations for use of these facilities.

Section 7.3 Maintenance of Common Areas. The Association shall be solely responsible for all maintenance, repair, replacement, and improvement of the Common Areas, utilizing the Assessments for such purposes as herein provided. Declarant shall have no responsibility for maintenance, repair, replacement, or improvement of the Common Area after initial construction.

Section 7.4 Risk of Loss - Use of Common Areas. Each Owner shall be individually responsible and assume all risk of loss associated with its use of the Common Area and use by its family members and guests. Neither the Association nor Declarant shall have any liability to any Owner or their family members or guests, or to any other Person, arising out of or in connection with the use, in any manner whatsoever, of the Common Area or any improvements comprising a part thereof from time to time.

Section 7.5 Conveyance of Common Area to Association. Declarant shall convey the Common Area to the Association, free and clear of any liens, claims or encumbrances, not later than sixty (60) days after Declarant no longer own any Lots in the Property.

ARTICLE 8 SPECIFIC DECLARANT RIGHTS

Section 8.1 Rights to Annex. Declarant may annex additional property to become a portion of the Property and thereafter be subject to the terms, provisions and conditions of these Covenants, provided that so long as the Class B membership provided for in Section 5.2(b) exists, any such annexation by Declarant may require the prior approval of HUD. Declarant may exercise such right by recording a supplement to this Declaration in the Records of Rockwall County, Texas subjecting such additional property to the terms and conditions hereof. No further action or approval shall be required or necessary for the Declarant to annex additional properties into the Property for the purpose of subjecting it to the Covenants. Any document subjecting additional property to the Declaration may also impose additional restrictions not found in this Declaration upon such additional property. Upon the annexation and platting of any additional property as herein provided, each lot described therein shall become a "Lot" for all purposes hereunder.

Section 8.2 No Duty to Annex. Nothing herein contained shall establish any duty or obligation on the part of Declarant or any Member to annex any property to this Declaration and no owner of the property excluded from this Declaration shall have any right to have such property annexed thereto.

Section 8.3 Effect of Annexation on Class B Membership. In determining the number of Lots owned by Declarant for the purpose of Class B membership status according to Section 5.2 hereof, the total number of Lots covered by this Declaration, including all Lots annexed thereto, shall be considered. If Class B

membership has previously lapsed but annexation of additional property restores the ratio of Lots owned by Declarant to the number required by Class B membership, such Class B membership shall be reinstated until it expires pursuant to the terms of Section 5.2.

Section 8.4 Specific Declarant Rights to Amend Declaration. Declarant, without joinder of the Board, the Association, or the other Owners, may amend this Declaration to correct any errors or to cause the Declaration to be in compliance with any City or other governmental requirement (including any requirements imposed by the Federal Housing Administration, the Veterans Administration, the Department of Housing and Urban Affairs, the Federal Home Loan Mortgage Corporation, or the Government National Mortgage Association).

Section 8.5 Easement/Access Right. Declarant reserves a general easement over all Streets, roads, rights of way, alleys and utility, maintenance, landscaping, wall and other easements in the Property and over the balance of the Common Area for access for the purpose of finishing development of the Property as a subdivision and as otherwise reasonably necessary to affect Declarant's rights hereunder. Such easements and rights shall expire at such time that Declarant no longer owns a Lot.

Section 8.6 Assignment of Declarant Rights. Subject to the restrictions set forth in the definition of "Declarant" above, Declarant may assign its rights to a successor Declarant hereunder by execution of a written document, recorded in Records of Rockwall County, Texas specifically stating that Declarant has assigned its rights as such to a designated assignee and declaring such assignee to be the new "Declarant" hereunder.

Section 8.7 Declarant's Right to Install Improvements in Setback and Other Areas. Declarant, in connection with development of the Property and construction of homes thereon, reserves the right but shall have no obligation to install or construct walls, fences, irrigation systems and other improvements in the setback areas (being the area on, along and/or between the boundary line of a Lot and the building or setback lines applicable to such Lot) and/or the following described areas: Phase 1A & 1B: Block A, Lots 1-40; Block B, Lots 1-24; Block C, Lots 1-34; Block D, Lots 1-29; Block E, Lots 1-14; Block F, Lots 1-13; Block G, Lots 1-41; Block H, Lots 1-18; Block I, Lots 1-21; Block J, Lots 1-37; Block K, Lots 1-16; Block L, Lots 1-76; Block M, Lots 1-24; Block N, Lots 1-29; Block O, Lots 1-24; Block P, Lots 1-32; Block Q, Lots 1-21; Block R, Lots 1-32; Block S, Lots 1-20; Block T, Lots 1-17; Block U, Lots 1-9; Block V, Lots 1-7; Block W, Lots 1-7 and 77-98; Block Y, Lots 1-8; Block Z, Lots 1-27, and Block BR, Lots 1-6; Phase 2A, 2B & 2C: Block W, Lots 8-76; Block BR, Lots 7-13; Block AA, Lots 1-19; Block AB, Lots 1-9; Block AC, Lots 1-13; Block AD, Lots 1-38; Block AE, Lots 1-46; Block AF, Lots 1-24; Block AG, Lots 1-13; Block AH, Lots 1-23; Block AI, Lots 1-45, and Block AJ, Lots 1-39; Phase 3A, 3B & 3C: Block AK, Lots 1-112; Block AL, Lots 1-29; Block AM, Lots 1-51; Block AN, Lots 1-17; Block AO, Lots 1-42; Block AP, Lots 1-68; Block AQ, Lots 1-3; Block AR, Lots 1-14; Block AS, Lots 1-16; Block AT, Lots 1-19; Block AU, Lots 1-20; Block AV, Lots 1-18; Block AW, Lots 1-3; Block AX, Lots 1-14, Block AY, Lots 1-6; Block AZ, Lots 1-10; Block BA, Lots 1-8, and Block BB, Lots 1-8. If Declarant exercises such right in a setback area, then such wall, fence, irrigation system, or other improvement shall be the property of the Owner(s) of the Lot(s) upon which or adjacent to these are located, and such Owner(s) shall maintain and repair any such improvement unless Declarant or the Association, by and through the Board, shall advise the Owner(s) in writing of its intent to assume such maintenance and repair obligations. If Declarant exercises such right in the above-described non-setback areas, then such wall, fence, irrigation system, or other improvement shall be the property of the Association. So long as Declarant owns any Lot, Declarant shall have the right, but not the obligation, to maintain and repair any such non-setback area improvements; otherwise, the Association shall assume the maintenance and repair or it may abandon such improvements at its discretion. If the City requires the maintenance, repair, or removal of any such non-setback area improvements, the Association shall assume such responsibility at its expense. If the Association so abandons such non-setback area improvements or is properly dissolved, then the Owner(s) of the Lot(s) on or adjacent to which such improvements are located shall assume maintenance and repair at its expense.

Section 8.8 Replatting or Modification of Plat. From time to time, Declarant reserves the right to replat the Property or to amend or modify the Plat in order to assure a harmonious and orderly development of the Property as herein provided. Declarant may exercise such rights so long as it owns any Lot and no joinder of any other Owner shall be required to give effect to such rights. Each Owner, by acceptance of a deed to any Lot constitutes and irrevocably appoints the Declarant as its duly authorized attorney-in-fact, with full power of substitution, to provide any necessary approval to exercise the powers set forth in this Section. However, any such replatting or amendment of the Plat shall be with the purpose of efficiently and economically developing the Property for the purposes herein provided or for compliance with any applicable governmental regulation. Declarant's rights under this Section 8.8 shall expire at such time Declarant no longer owns a Lot.

Section 8.9 Limitation of Declarant Liability. The Declarant shall not be responsible or liable for any deficit in the Association's funds. Declarant may, but is not under any obligation to, subsidize any liabilities incurred by the Association and the Declarant may, but is not obligated to, lend funds to the Association to enable it to defray its expenses, provided the terms of such loans are on reasonable market conditions at the time.

Section 8.10 Termination of Declarant's Responsibilities. In consideration of Declarant's deficit funding of the Association, if any, upon the occurrence of any of the following events: (i) conversion of Declarant's Class B membership status to Class A membership status; (ii) completion of any facilities in the Common Area by Declarant; or (iii) assignment of Declarant's rights hereunder pursuant to Section 8.6, then and in such event Declarant shall be fully released, relieved and forever discharged from any further duty or obligation to the Association or any of its Members as Declarant by reason of the terms and conditions of this Declaration including any amendments thereof or supplements thereto, save and except the duties and obligations, if any, of Declarant as a Class A Member by reason of Declarant's continued ownership of one or more Lots, but not otherwise. Further, and without regard to whether or not Declarant has been released from obligations and duties to the Association, so long as Declarant holds record title to at least one (1) Lot and holds same for sale in the ordinary course of business, neither the Association nor its Board, nor any Member of the Association shall take any action that will impair or adversely affect the rights of the Declarant or cause the Declarant to suffer any financial, legal or other detriment, including but not limited to, any direct or indirect interference with the sale of Lots. In the event there is a breach of this Section, it is acknowledged that any monetary award which may be available would be an insufficient remedy and therefore, in addition to all other remedies, the Declarant shall be entitled to injunctive relief restraining the Association, its Board or any Member of the Association from further breach of this Section.

ARTICLE 9

MISCELLANEOUS PROVISIONS

Section 9.1 Term and Renewal. These Covenants shall commence on the date hereof and shall continue in effect for a period of thirty (30) years. Thereafter these Covenants shall automatically renew for subsequent periods of ten (10) years each unless Owners owning at least seventy percent (70%) of the Lots elect to terminate these Covenants by written instrument recorded in the Records of Rockwall County, Texas.

Section 9.2 Enforcement. The terms, provisions and conditions of this Declaration and the Design Guidelines shall be enforceable by Declarant, the ACC, the Association, and each Owner. The Board shall have the power and authority to impose reasonable fines (which shall not exceed \$500.00 for each separate violation) for violation of this Declaration, the Design Guidelines or any rule or regulation of the Association, which shall constitute a lien upon the Lot of the violating Owner as provided in the Declaration, and to suspend the Owner's right to vote or any Person's right to use of the Common Area. Each day the violation continues to exist shall constitute a separate violation. If any Occupant, guest, or invitee of a Lot violates the Declaration, the Design Guidelines or a rule or regulation of the Association and a fine is imposed, the fine shall first be assessed against such Occupant, guest, or invitee; provided, however, if such Occupant, guest, or invitee does not pay the fine within thirty (30) days after written demand for payment from the Association, the Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Declaration, the Design Guidelines or any rule or regulation of the Association shall not operate as a waiver of the right of the Board to do so thereafter.

Section 9.3 Easement for Encroachments, Access, Maintenance and Utilities. Each Owner grants to the Association, the Board, the Declarant and the other Owners a general easement for the maintenance of any minor encroachments of Common Area facilities over adjoining Lots and for access to and from each Owner's Lot through driveways, rights of way and easements as reflected on the Plat for the purpose of giving effect to the provisions of these Covenants.

Section 9.4 Amendment of Declaration. These Covenants may be amended by Declarant, as provided in Section 8.4. In addition, the Declaration may be amended at any time and in any respect with the approval of Owners owning at least seventy percent (70%) of the Lots; provided, however, that no such amendment shall be effective unless joined in by the Declarant until such time that Declarant no longer owns a Lot. In addition, so long as the Class B membership provided for in Section 5.2(b) exists, any amendment of these Covenants may, at Declarant's discretion, require the prior approval of HUD.

Section 9.5 City Provisions. All construction within the Property shall also comply with all applicable City ordinances and regulations. If any ordinance or regulation imposed by the City imposes more demanding,

extensive or restrictive requirements than those set forth in this Declaration, such requirements shall govern. No ordinance or regulations adopted by the City shall lessen the requirements set forth in these Covenants.

Section 9.6 HUD Approval. Should any approval from HUD be required under the terms of this Declaration, Declarant shall forward such request for approval to HUD. If HUD does not notify Declarant of any objection to the request for approval within twenty (20) days of the date such request for approval was forwarded to HUD, then such approval shall be deemed to have been granted.

Section 9.7 Notices. Any notice required to be given to any Owner under the terms of this Declaration shall be deemed to have been properly delivered when deposited with the United States Postal Service, postage prepaid, properly addressed to the addressee. Each Lot Owner's address for purpose of notice hereunder shall be deemed to be the Residence located on its Lot.

Section 9.8 Indemnification. Neither the Declarant, nor any of their respective officers, directors, employees or agents, nor any officer, director or agent of the Association, nor any Member of the ACC shall be liable to any Person, Owner or any person claiming by or through any Owner or otherwise for any act or omission in the performance of the duties of such Declarant, or officer, director or agent of the Association, or member of the ACC except only if such act or omission should be judicially declared to constitute fraud or intentional willful misconduct. The Association shall and does hereby agree to indemnify the Declarant, including any of their respective officers, directors, agents or employees, the officers, directors and agents of the Association, and the members of the ACC against all claims, demands, actions and proceedings and all expenses in connection therewith arising from the good faith exercise of their duties pursuant to this Declaration.

Section 9.9 Severability. If any of the terms hereof or any supplement or amendment hereto is found to be invalid by a court of competent jurisdiction, then such invalidity shall not affect the other provisions of these Covenants, which shall be in full force and effect and shall be interpreted to be as restrictive as possible to preserve as much of the original provisions as allowed by law.

Section 9.10 Acceptance by Owners of Rights and Obligations. By the recording of a deed or other conveyance transferring all or part of an interest in a Lot subject to this Declaration, the person or entity to whom such Lot or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all the provisions of the Declaration, the Design Guidelines, the certificate of formation and bylaws of the Association, including any rules or regulations adopted or promulgated by the Association, whether or not mention thereof is made in said deed.

Section 9.11 Disclosure by Declarant. Attached hereto as Exhibit F are summaries of certain disclosures made to all purchasers of a Residence from Declarant and/or Builder(s), who, having made such disclosures to such purchasers of a Residence and having attached such summaries to this Declaration, shall be deemed to have fully made such disclosures to any Person acquiring title to any Lot and is hereby fully released and forever discharged by any Owner of a Lot from any further duty or obligation to make such disclosures.

Section 9.12 Arbitration of Disputes Involving Declarant.

(a) ANY AND ALL DISPUTES ARISING HEREUNDER BETWEEN AN OWNER AND DECLARANT SHALL BE SUBMITTED TO BINDING ARBITRATION AND NOT TO A COURT FOR DETERMINATION. ARBITRATION SHALL COMMENCE AFTER WRITTEN NOTICE IS GIVEN FROM EITHER PARTY TO THE OTHER, SUCH ARBITRATION SHALL BE ACCOMPLISHED EXPEDITIOUSLY IN DALLAS COUNTY AND SHALL BE CONDUCTED IN ACCORDANCE WITH THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION ("AAA"). THE ARBITRATION SHALL BE CONDUCTED BY THREE (3) ARBITRATORS, ONE OF WHOM SHALL BE APPOINTED BY THE OWNER AND ONE OF WHOM SHALL BE APPOINTED BY DECLARANT. THE THIRD ARBITRATOR SHALL BE APPOINTED BY THE FIRST TWO ARBITRATORS. THE ARBITRATORS SHALL BE SELECTED FROM A LIST OF ARBITRATORS SUBMITTED BY THE AAA. JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATORS MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. ARBITRATION SHALL NOT COMMENCE UNTIL THE PARTY REQUESTING IT HAS DEPOSITED ONE THOUSAND FIVE HUNDRED AND NO/100 U. S. DOLLARS (\$1,500.00) WITH THE ARBITRATORS AS A RETAINER FOR THE ARBITRATORS' FEES AND COSTS. THE PARTY REQUESTING ARBITRATION SHALL ADVANCE SUCH SUMS AS ARE REQUIRED FROM TIME TO TIME BY THE ARBITRATORS TO PAY THE ARBITRATORS' FEES AND COSTS, UNTIL THE PREVAILING PARTY IS DETERMINED OR THE PARTIES HAVE AGREED IN WRITING TO AN ALTERNATIVE ALLOCATION OF FEES AND COSTS. EACH PARTY SHALL PAY HIS/HER OWN LEGAL FEES AND COSTS AND ANY

OTHER FEES INCURRED IN CONNECTION WITH AN ARBITRATION PROCEEDING WHICH ARISES OUT OF OR RELATES IN ANY WAY TO THIS AGREEMENT PROVIDED, HOWEVER, THAT THE ARBITRATION PANEL SHALL AWARD THE ARBITRATORS' FEES AND COSTS TO THE PREVAILING PARTY IN ITS ARBITRATION JUDGMENT.

(b) **Other Dispute Resolutions.** Notwithstanding Declarant's and Owner's intent to submit any controversy or claim arising out of or relating to this Declaration to arbitration, in the event that a court of competent jurisdiction shall determine or a relevant law shall provide that a particular dispute is not subject to the arbitration provisions in this Section, then the parties agree to the following provisions:

(c) **Waiver of Trial by Jury.** EACH OWNER ACKNOWLEDGES THAT THIS DECLARATION IS A SOPHISTICATED LEGAL DOCUMENT. ACCORDINGLY, JUSTICE WILL BEST BE SERVED IF ISSUES REGARDING THIS DECLARATION ARE HEARD BY A JUDGE IN A COURT PROCEEDING, AND NOT A JURY. EACH OWNER AGREES THAT ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION, WITH RESPECT TO ANY ACTION, PROCEEDING, CLAIM, COUNTERCLAIM, OR CROSSCLAIM, WHETHER IN CONTRACT AND/OR IN TORT (REGARDLESS IF THE TORT ACTION IS PRESENTLY RECOGNIZED OR NOT), BASED ON, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS DECLARATION, ANY COURSE OF CONDUCT, COURSE OF DEALING, VERBAL OR WRITTEN STATEMENT, VALIDATION, PROTECTION, ENFORCEMENT ACTION OR OMISSION OF ANY PARTY SHALL BE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY.

Section 9.13 Notice of Sale, Lease or Acquisition. In the event an Owner sells or leases such Owner's Lot, the Owner shall give to the Association, in writing, within thirty (30) days of the effective date of such sale or lease, the name of the purchaser or lessee of the Lot and such other information as the Board may reasonably require. Upon acquisition of a Lot, each new Owner shall give the Association, in writing, the name and mailing address of the Owner and such other information as the Board may reasonably require. This requirement also applies to all Persons acquiring title to a Lot at a foreclosure sale.

Section 9.14 Occupants Bound. All provisions of the Declaration, the Design Guidelines and of any rules promulgated by the Board which govern the conduct of Owners within the Property and provide for sanctions against Owners shall also apply to all Occupants, guests and invitees of any Lot. Any lease on any Lot shall be deemed to provide that the lessee and all Occupants of the leased Lot shall be bound by the terms of this Declaration, the Design Guidelines, the Bylaws and the rules of the Association.

Section 9.15 Homestead. By acceptance of a deed thereto, the Owner and spouse thereof, if married, of each Lot shall be deemed to have waived any exemption from liens created by this Declaration or the enforcement thereof by foreclosure or otherwise, which may otherwise have been available for reason of the homestead exemption provisions of Texas law, if for any reason such are applicable. This section is not intended to limit or restrict in any way the lien or rights granted to the Association by this Declaration, but to be construed in its favor.

Section 9.16 Soil Movement. Each Owner acknowledges that the failure or excessive movement of any foundation of any Residence can result in the diminished value and overall desirability of the entire Property. Each Owner agrees and understands that the maintenance of the moisture content of the soils on each Lot is necessary to preserve the structural integrity of each Residence in the Property. Each Owner also acknowledges that the long term value and desirability of the Property is contingent upon each Owner maintaining its Residence so that no structural failure or excessive soil movement occurs within the Property.

EACH OWNER IS HEREBY NOTIFIED THAT THE SOIL COMPOSITION IN NORTH TEXAS IN GENERAL AND THE PROPERTY IN PARTICULAR AND THE CONDITION OF THE LOTS MAY RESULT IN THE SWELLING AND/OR CONTRACTION OF THE SOIL IN AND AROUND THE LOT IF THE OWNER OF THE LOT DOES NOT EXERCISE THE PROPER CARE AND MAINTENANCE OF THE SOIL REQUIRED TO PREVENT SOIL MOVEMENT.

If the Owner fails to exercise the necessary precautions, damage, settlement, movement or upheaval to the foundation and structural failure may occur. Owners are highly encouraged to install and maintain proper irrigation around their Residence or take such other measures to ensure even, proportional, and prudent watering around the foundation of the Residence.

By each Owner's acceptance of a deed to any Lot, each Owner, on behalf of Owner and Owner's representatives, successors and assigns, hereby acknowledges that Declarant and all Builders shall not be responsible or liable for, and Owner shall assume all risk and consequences of, any damage, settlement, movement or upheaval to the foundation, structural failure, or any damage to any other part of the Residence caused by Owner's failure to exercise proper care and maintenance of the soil required to prevent soil movement, and hereby releases and forever discharges, all Builders and Declarant and their respective shareholders, members, officers, directors, partners, employees, agents, representatives, affiliates, attorneys, successors and assigns, of and from any and all claim for the relief and causes of actions, liabilities, damages and claims whatsoever, known or unknown, direct or indirect, arising from or relating to Owner's failure to exercise proper care and maintenance of the soil required to prevent soil movement, including but not limited to, any damage caused by or related in any fashion to the failure or improper or uneven watering of the Lot, planting or improper vegetation near the foundation, or any action by any Owner that affects the drainage of any Lot.

Section 9.17 Enforcement of Declaration. None of the provisions of this Declaration shall obligate or be construed to obligate Declarant, or their respective agents, representatives or employees, to undertake any affirmative action to enforce the provisions of this Declaration, any supplement to this Declaration, any tract declaration or any provision hereof and thereof, or to undertake any remedial or corrective action with respect to any actual asserted violation hereof or thereof.

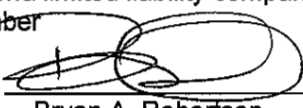
Executed by the Declarant as of the date set forth above.

DECLARANT:

MU WILLIAMSBURG, LLC,
a Texas limited liability company

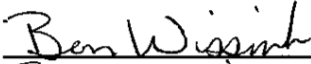
By: MU Williamsburg Holdings, LLC,
a Texas limited liability company,
its sole member

By: Meritage Homes of Texas, LLC,
an Arizona limited liability company,
its member

By: 
Name: Bryan A. Robertson
Title: Vice President

By: United Development Funding, L.P.,
a Nevada limited partnership,
its member

By: United Development Funding, Inc.,
a Nevada corporation
its general partner

By: 
Name: Ben Wissink
Title: Vice President

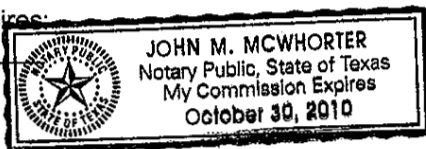
STATE OF TEXAS
COUNTY OF COLLIN

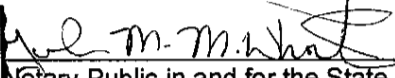
BEFORE ME, personally appeared Bryan A. Robertson, Vice President of Meritage Homes of Texas, LLC, an Arizona limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 9th day of NOVEMBER 2007.

My Commission Expires:

OCTOBER 30, 2010




Notary Public in and for the State of Texas

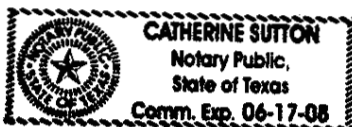
STATE OF
COUNTY OF

BEFORE ME, personally appeared Ben Wissink, Vice President of United Development Funding, Inc., 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 and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 12th day of November 2007.

My Commission Expires:

06-17-2008



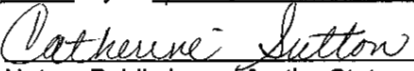

Notary Public in and for the State of Texas

EXHIBIT A
Legal Description

FIELD NOTES
(Williamsburg – Fate, Texas)

PHASE 1A

BEING a tract or parcel of land situated in the D. Thedford Survey, Abstract No. 208, the S.B. Crabtree Survey, Abstract No. 58 and the J.B. Merchant Survey, Abstract No. 159, City of Fate, Rockwall County, Texas, and being all of that tract of land described as Tract 1 and part of that tract of land described as Tract 2 in a Deed to MU Williamsburg, LLC., as recorded in Volume 4916, Page 243 of the Official Public Records of Rockwall County, Texas, and being part of that tract of land described in a Deed to Fate I-30, LP. as recorded in Volume 3589, Page 21 of the Official Public Records of Rockwall County, Texas, and being part of that tract of land described in a Deed to Fate I-30, LP. as recorded in Volume 3625, Page 40 of the Official Public Records of Rockwall County, Texas, and being part of that tract of land described in a Deed to Fate I-30, LP. as recorded in Volume 3625, Page 47 of the Official Public Records of Rockwall County, Texas, and being part of that tract of land described in a Deeds to MU Williamsburg, LLC, as recorded in Volume 4916, Page 253 of the Official Public Records of Rockwall County, Texas, and also being part of that tract of land described in a Deed to Fate I-30 Commercial, LP, as recorded in Volume 3665, Page 138 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

BEGINNING at a point for the Northeast corner of the above cited Tract 2 conveyed to MU Williamsburg, LP, said point also being in the West line of F.M. Highway No. 551 (80' right-of-way);

THENCE South 00 degrees 03 seconds 04 minutes West along the West line of said highway, for a distance of 212.79 feet to a point for corner;

THENCE South 00 degrees 12 seconds 04 minutes West along the West line of said highway, for a distance of 474.01 feet to a point for corner;

THENCE North 89 degrees 02 minutes 39 seconds West for a distance of 61.87 feet to a point for corner;

THENCE North 00 degrees 57 minutes 21 seconds East for a distance of 60.00 feet to a point for corner;

THENCE North 89 degrees 02 minutes 39 seconds West for a distance of 643.81 feet to a point for corner at the beginning of a curve to the right;

THENCE in a Northwesterly direction, along said curve to the right having a central angle of 17 degrees 32 minutes 41 seconds, a radius of 1000.00 feet, a chord bearing of North 80 degrees 16 minutes 19 seconds West, a chord distance of 305.02 feet and an arc length of 306.21 feet to a point for corner;

THENCE North 71 degrees 29 minutes 58 seconds West for a distance of 462.87 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Northwesterly direction, along said curve to the left having a central angle of 17 degrees 58 minutes 22 seconds, a radius of 1000.00 feet, a chord bearing of North 80 degrees 29 minutes 09 seconds West, a chord distance of 312.40 feet and an arc length of 313.68 feet to a point for corner;

THENCE North 89 degrees 28 minutes 20 seconds West for a distance of 712.66 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Westerly direction, along said curve to the left having a central angle of 06 degrees 31 minutes 48 seconds, a radius of 2000.00 feet, a chord bearing of South 87 degrees 15 minutes 45 seconds West, a chord distance of 227.82 feet and an arc length of 227.94 feet to a point for corner;

THENCE South 83 degrees 59 minutes 51 seconds West for a distance of 399.35 feet to a point for corner;

THENCE North 06 degrees 00 minutes 09 seconds West for a distance of 53.16 feet to a point for corner at the beginning of a curve to the right;

THENCE in a Northeasterly direction, along said curve to the right having a central angle of 34 degrees 46 minutes 09 seconds, a radius of 500.00 feet, a chord bearing of North 11 degrees 22 minutes 56 seconds East, a chord distance of 298.78 feet and an arc length of 303.42 feet to a point for corner;

THENCE North 28 degrees 46 minutes 00 seconds East for a distance of 384.19 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Northeasterly direction, along said curve to the left having a central angle of 27 degrees 06 minutes 10 seconds, a radius of 600.00 feet, a chord bearing of North 15 degrees 12 minutes 56 seconds East, a chord distance of 281.18 feet and an arc length of 283.82 feet to a point for corner;

THENCE North 01 degrees 39 minutes 51 seconds East for a distance of 163.25 feet to a point for corner at the beginning of a curve to the right;

THENCE in a Northeasterly direction, along said curve to the right having a central angle of 24 degrees 02 minutes 20 seconds, a radius of 1020.00 feet, a chord bearing of North 13 degrees 42 minutes 04 seconds East, a chord distance of 424.82 feet and an arc length of 427.95 feet to a point for corner;

THENCE North 64 degrees 16 minutes 46 seconds West for a distance of 60.00 feet to a point for the beginning of a non-tangent curve to the right;

THENCE in a Northeasterly direction, along said non-tangent curve to the right having a central angle of 31 degrees 46 minutes 16 seconds, a radius of 1080.00 feet, a chord bearing of North 41 degrees 36 minutes 22 seconds East, a chord distance of 591.23 feet and an arc length of 598.87 feet to a point for corner;

THENCE North 57 degrees 29 minutes 30 seconds East for a distance of 213.64 feet to a point for corner at the beginning of a curve to the left;

THENCE in Northeasterly direction, along said curve to the left having a central angle of 16 degrees 13 minutes 31 seconds, a radius of 940.00 feet, a chord bearing of North 49 degrees 22 minutes 45 seconds East, a chord distance of 265.31 feet and an arc length of 266.20 feet to a point for corner;

THENCE North 51 degrees 10 minutes 48 seconds West for a distance of 188.20 feet to a point for corner at the beginning of a curve to the right;

THENCE in a Northwesterly direction, along said curve to the right having a central angle of 21 degrees 09 minutes 41 second, a radius of 3560.00 feet, a chord bearing of North 40 degrees 35 minutes 57 seconds West, a chord distance of 1307.37 feet and an arc length of 1314.83 feet to a point for corner;

THENCE North 30 degrees 01 minutes 07 seconds West for a distance of 246.24 feet to a point for corner in the South line of F.M. Highway No. 551;

THENCE South 89 degrees 38 minutes 16 seconds East along the South line of said highway, for a distance of 69.55 feet to a point for corner;

THENCE South 30 degrees 01 minutes 07 seconds East for a distance of 211.07 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Southeasterly direction, along said curve to the left having a central angle of 21 degrees 09 minutes 41 seconds, a radius of 3500.00 feet, a chord bearing of South 40 degrees 35 minutes 57 seconds East, a chord distance of 1285.34 feet and an arc length of 1292.67 feet to a point for corner;

THENCE South 51 degrees 10 minutes 48 seconds East for a distance of 749.52 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Southeasterly direction, along said curve to the left having a central angle of 24 degrees 47 minutes 01 seconds, a radius of 1100.00 feet, a chord bearing of South 63 degrees 34 minutes 18 seconds East, a chord distance of 472.11 feet and an arc length of 475.81 feet to a point for corner in the Westerly line of F.M. Highway No. 551, said point also being at the beginning of a non-tangent curve to the left;

THENCE in a Southeasterly direction, along the Westerly line of said highway, and along said curve to the left having a central angle of 05 degrees 06 minutes 06 seconds, a radius of 174.46 feet, a chord bearing of South 38 degrees 05 minutes 06 seconds East, a chord distance of 15.53 feet and an arc length of 15.53 feet to a point for corner;

THENCE South 38 degrees 56 minutes 47 seconds West departing the Westerly line of said highway, for a distance of 124.53 feet to a 1/2" iron rod found for corner;

THENCE South 00 degrees 10 minutes 13 seconds East for a distance of 362.96 feet to a 1/2" iron rod found for corner;

THENCE North 89 degrees 19 minutes 23 seconds West for a distance of 97.55 feet to a point for corner;

THENCE South 00 degrees 20 minutes 43 seconds West for a distance of 383.22 feet to a 1/2" iron rod found for corner;

THENCE South 89 degrees 23 minutes 36 seconds East for a distance of 952.32 feet to a 1/2" iron rod found for corner;

THENCE South 89 degrees 54 minutes 44 seconds East for a distance of 271.87 feet to a 1/2" iron rod found for corner in the West line of said F.M. Highway No. 551;

THENCE South 00 degrees 03 minutes 04 seconds West along the West line of said highway, for a distance of 190.08 feet to a point for corner;

THENCE North 89 degrees 28 minutes 05 seconds West for a distance of 2286.17 feet to a 3/8" iron rod found for corner;

THENCE South 00 degrees 39 minutes 50 seconds West for a distance of 304.25 feet to a 1/2" iron rod found for corner;

THENCE South 89 degrees 27 minutes 47 seconds East for a distance of 2289.43 feet to the **POINT OF BEGINNING**, and containing 92.379 acres of land, more or less.

PHASE 1B

BEING a tract or parcel of land situated in the S.B. Crabtree Survey, Abstract No. 58, the J. Spillers Survey, Abstract No. 58, and the J.B. Merchant Survey, Abstract No. 159, City of Fate, Rockwall County, Texas, and being part of that tract of land described as Tract 2 in a Deed to MU Williamsburg, LLC, as recorded in Volume 4916, Page 243 of the Official Public Records of Rockwall County, Texas, and also being part of that tract of land described in a Deed to MU Williamsburg, LLC, as recorded in Volume 4916, Page 253 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

BEGINNING at a point for corner at the Southeast corner of the above Tract 2, said point also being in the Westerly line of F.M. Highway No. 551 (80' right-of-way);

THENCE North 89 degrees 38 minutes 02 seconds West departing the Westerly line of said highway and along the South line of said Tract 2, for a distance of 1849.70 feet to a 1" steel bar found for corner;

THENCE North 89 degrees 21 minutes 21 seconds West along the South line of said Tract 2, for a distance of 448.37 feet to a ½" iron rod found for corner at the Southwest corner of same, said point also being the Southeast corner of the above cited MU Williamsburg tract recorded in Volume 4916, Page 253;

THENCE North 89 degrees 39 minutes 58 seconds West along the South line of said MU Williamsburg tract, for a distance of 1327.55 feet to a point for corner;

THENCE North 00 degrees 20 minutes 02 seconds East departing the South line of said MU Williamsburg tract, for a distance of 110.35 feet to a point for corner;

THENCE North 17 degrees 23 minutes 17 seconds West for a distance of 52.50 feet to a point for corner;

THENCE North 00 degrees 20 minutes 57 seconds East for a distance of 70.00 feet to a point for corner;

THENCE North 02 degrees 03 minutes 47 seconds East for a distance of 67.89 feet to a point for corner;

THENCE North 08 degrees 37 minutes 57 seconds East for a distance of 71.59 feet to a point for corner;

THENCE North 15 degrees 38 minutes 54 seconds East for a distance of 71.59 feet to a point for corner;

THENCE North 22 degrees 39 minutes 51 seconds East for a distance of 71.59 feet to a point for corner;

THENCE North 30 degrees 33 minutes 48 seconds East for a distance of 89.59 feet to a point for corner;

THENCE North 37 degrees 24 minutes 15 seconds East for a distance of 50.00 feet to a point for corner;

THENCE North 44 degrees 11 minutes 01 seconds East for a distance of 88.34 feet to a point for corner;

THENCE North 52 degrees 01 minutes 18 seconds East for a distance of 71.59 feet to a point for corner;

THENCE North 59 degrees 02 minutes 15 seconds East for a distance of 71.59 feet to a point for corner;

THENCE North 66 degrees 03 minutes 12 seconds East for a distance of 71.59 feet to a point for corner;

THENCE North 73 degrees 04 minutes 09 seconds East for a distance of 71.59 feet to a point for corner;

THENCE North 80 degrees 05 minutes 06 seconds East for a distance of 71.59 feet to a point for corner;

THENCE North 88 degrees 43 minutes 03 seconds East for a distance of 104.51 feet to a point for corner at the beginning of a non-tangent curve to the right;

THENCE in a Northeasterly direction, along said non-tangent curve to the right having a central angle of 25 degrees 47 minutes 57 seconds, a radius of 335.52 feet, a chord bearing of North 31 degrees 03 minutes 57 seconds East, a chord distance of 149.81 feet and an arc length of 151.08 feet to a point for corner;

THENCE North 43 degrees 47 minutes 33 seconds East for a distance of 40.40 feet to a point for corner in the Southwest line of a tract of land described as Tract II in a Deed to Rockwall Independent School District, as recorded in Volume 4661, Page 249 of the Official Public Records of Rockwall County, Texas;

THENCE South 46 degrees 10 minutes 29 seconds East along the Southwest line of said Rockwall Independent School District tract, for a distance of 493.30 feet to a point for corner at the most Southerly corner of same;

THENCE North 43 degrees 52 minutes 31 seconds East along the Southeasterly line of said Rockwall Independent School District tract, for a distance of 370.13 feet to a 3/8" iron rod found for corner at the Southeast corner of same;

THENCE North 00 degrees 00 minutes 38 seconds West along the East line of said Rockwall Independent School District tract, for a distance of 381.12 feet to a 3/8" iron rod found for corner;

THENCE North 00 degrees 17 minutes 31 seconds East along the East line of said Rockwall Independent School District tract, for a distance of 381.33 feet to a 1/2 inch iron rod found for corner at the Northeast corner of same, from which a 1/2 inch iron rod found bears South 89 degrees 28 minutes 20 seconds East a distance of 0.85 feet;

THENCE South 89 degrees 28 minutes 20 seconds East for a distance of 537.17 feet to a point for corner at the beginning of a curve to the right;

THENCE in a Southeasterly direction, along said curve to the right having a central angle of 17 degrees 58 minutes 22 seconds, a radius of 1000.00 feet, a chord bearing of South 80 degrees 29 minutes 09 seconds East, a chord distance of 312.40 feet and an arc length of 313.68 feet to a point for corner;

THENCE South 71 degrees 29 minutes 58 seconds East for a distance of 462.87 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Southeasterly direction, along said curve to the left having a central angle of 17 degrees 32 minutes 41 seconds, a radius of 1000.00 feet, a chord bearing of South 80 degrees 16 minutes 19 seconds East, a chord distance of 305.02 feet and an arc length of 306.21 feet to a point for corner;

THENCE South 89 degrees 02 minutes 39 seconds East for a distance of 643.81 feet to a point for corner;

THENCE South 00 degrees 57 minutes 21 seconds West for a distance of 60.00 feet to a point for corner;

THENCE South 89 degrees 02 minutes 39 seconds East for a distance of 61.87 feet to a point for corner in the West line of said F.M. Highway No. 551;

THENCE South 00 degrees 12 seconds 04 minutes West along the West line of said highway, for a distance of 75.72 feet to a point for corner;

THENCE North 89 degrees 28 minutes 16 seconds West departing the West line of said highway, for a distance of 906.29 feet to a point for corner;

THENCE South 00 degrees 11 minutes 08 seconds West for a distance of 381.40 feet to a point for corner;

THENCE South 89 degrees 27 minutes 32 seconds East for a distance 906.18 feet to a point for corner in the West line of said F.M. Highway No. 551;

THENCE South 00 degrees 12 minutes 04 seconds West along the West line of said highway, for a distance 847.17 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Southeasterly direction, along the West line of said highway, and along said curve to the left having a central angle of 19 degrees 25 minutes 03 seconds, a radius of 205.13 feet, a chord bearing of South 09 degrees 30 minutes 25 seconds East, a chord distance of 69.19 feet, and an arc length of 69.52 feet to the **POINT OF BEGINNING**, and containing 97.30 acres of land, more or less.

PHASE 2A

BEING a tract or parcel of land situated in the J. Edison Survey, Abstract No. 78, the S.B. Crabtree Survey, Abstract No. 58 and the J.T. Spillers Survey, Abstract No. 205, City of Fate, Rockwall County, Texas, and being part of that tract of land described in a Deed to MU Williamsburg, LLC, as recorded in Volume 4916, Page 253 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

BEGINNING at a point for corner in the South line of the above cited MU Williamsburg tract, said point being South 89 degrees 58 minutes 27 seconds East a distance of 1112.28 feet from the most Southerly Southwest corner of same;

THENCE North 00 degrees 02 minutes 21 seconds East departing the South line of said MU Williamsburg tract, for a distance of 690.79 feet to a point for corner;

THENCE North 07 degrees 54 minutes 32 seconds West for a distance of 60.00 feet to a point for corner;

THENCE North 82 degrees 05 minutes 28 seconds East for a distance of 544.28 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Northeasterly direction, along said curve to the left having a central angle of 36 degrees 57 minutes 35 seconds, a radius of 1000.00 feet, a chord bearing of North 63 degrees 36 minutes 40 seconds East, a chord distance of 633.94 feet and an arc length of 645.07 feet to a point for corner;

THENCE North 45 degrees 07 minutes 53 seconds East for a distance of 369.47 feet to a point for corner at the beginning of a curve to the right;

THENCE in a Northeasterly direction, along said curve to the right having a central angle of 57 degrees 24 minutes 13 seconds, a radius of 999.94 feet, a chord bearing of North 73 degrees 49 minutes 42 seconds East, a chord distance of 960.44 feet and an arc length of 1001.82 feet to a point for corner;

THENCE South 77 degrees 28 minutes 11 seconds East for a distance of 90.69 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Southeasterly direction, along said curve to the left having a central angle of 08 degrees 51 minutes 47 seconds, a radius of 2000.00 feet, a chord bearing of South 81 degrees 54 minutes 05 seconds East, a chord distance of 309.07 feet and an arc length of 309.38 feet to a point for corner;

THENCE South 03 degrees 40 minutes 02 seconds West for a distance of 60.00 feet to a point for corner;

THENCE South 28 degrees 18 minutes 43 seconds West for a distance of 1005.59 feet to a point for corner;

THENCE South 00 degrees 20 minutes 02 seconds West for a distance of 635.33 feet to a point for corner in the South line of the above cited MU Williamsburg tract;

THENCE North 89 degrees 39 minutes 58 seconds West along the South line of said MU Williamsburg tract, for a distance of 1433.89 feet to a 2" axle rod found for corner;

THENCE North 89 degrees 58 minutes 27 seconds West along the South line of said MU Williamsburg tract, for a distance of 759.67 feet to the **POINT OF BEGINNING**, and containing 65.51 acres of land, more or less.

PHASE 2B

BEING a tract or parcel of land situated in the S.B. Crabtree Survey, Abstract No. 58 and the J.T. Spillers Survey, Abstract No. 205, City of Fate, Rockwall County, Texas, and being part of that tract of land described in a Deed to MU Williamsburg, LLC, as recorded in Volume 4916, Page 253 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

BEGINNING at a point for corner in the South line of the above cited MU Williamsburg tract, said point being North 89 degrees 39 minutes 58 seconds West a distance of 1327.55 feet from the Southeast corner of same;

THENCE North 89 degrees 39 minutes 58 seconds West along the South line of said MU Williamsburg tract, for a distance of 605.85 feet to a point for corner;

THENCE North 00 degrees 20 minutes 02 seconds East departing the South line of said MU Williamsburg tract, for a distance of 635.33 feet to a point for corner;

THENCE North 28 degrees 18 minutes 43 seconds East for a distance of 1005.59 feet to a point for corner;

THENCE North 03 degrees 40 minutes 02 seconds East for a distance of 60.00 feet to a point for corner at the beginning of a non-tangent curve to the left;

THENCE in an Easterly direction, along said curve to the left having a central angle of 09 degrees 40 minutes 11 seconds, a radius of 2000.00 feet, a chord bearing of North 88 degrees 49 minutes 57 seconds East, a chord distance of 337.13 feet and an arc length of 337.53 feet to a point for corner;

THENCE North 83 degrees 59 minutes 51 seconds East for a distance of 315.11 feet to a point for corner;

THENCE South 06 degrees 00 minutes 09 seconds East for a distance of 329.64 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Southeasterly direction, along said curve to the left having a central angle of 40 degrees 10 minutes 21 seconds, a radius of 500.00 feet, a chord bearing of South 26 degrees 05 minutes 19 seconds East, a chord distance of 343.43 feet and an arc length of 350.57 feet to a point for corner;

THENCE South 43 degrees 02 minutes 10 seconds West for a distance of 40.40 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Southwesterly direction, along said curve to the left having a central angle of 25 degrees 47 minutes 57 seconds, a radius of 335.52 feet, a chord bearing of South 31 degrees 03 minutes 57 seconds West, a chord distance of 149.80 feet and an arc length of 151.08 feet to a point for corner;

THENCE South 88 degrees 43 minutes 03 seconds West for a distance of 104.51 feet to a point for corner;

THENCE South 80 degrees 05 minutes 06 seconds West for a distance of 71.59 feet to a point for corner;

THENCE South 73 degrees 04 minutes 09 seconds West for a distance of 71.59 feet to a point for corner;

THENCE South 66 degrees 03 minutes 12 seconds West for a distance of 71.59 feet to a point for corner;

THENCE South 59 degrees 02 minutes 15 seconds West for a distance of 71.59 feet to a point for corner;

THENCE South 52 degrees 01 minutes 18 seconds West for a distance of 71.59 feet to a point for corner;

THENCE South 44 degrees 11 minutes 01 seconds West for a distance of 88.34 feet to a point for corner;

THENCE South 37 degrees 24 minutes 15 seconds West for a distance of 50.00 feet to a point for corner;

THENCE South 30 degrees 33 minutes 48 seconds West for a distance of 89.59 feet to a point for corner;

THENCE South 22 degrees 39 minutes 51 seconds West for a distance of 71.59 feet to a point for corner;

THENCE South 15 degrees 38 minutes 54 seconds West for a distance of 71.59 feet to a point for corner;

THENCE South 08 degrees 37 minutes 57 seconds West for a distance of 71.59 feet to a point for corner;

THENCE South 02 degrees 03 minutes 47 seconds West for a distance of 67.89 feet to a point for corner;

THENCE South 00 degrees 20 minutes 57 seconds West for a distance of 70.00 feet to a point for corner;

THENCE South 17 degrees 23 minutes 17 seconds East for a distance of 52.50 feet to a point for corner;

THENCE South 00 degrees 20 minutes 02 seconds West for a distance of 110.35 feet to the **POINT OF BEGINNING**, and containing 28.36 acres of land, more or less.

PHASE 2C

BEING a tract or parcel of land situated in the S.B. Crabtree Survey, Abstract No. 58, City of Fate, Rockwall County, Texas, and being part of that tract of land described in a Deed to MU Williamsburg, LLC, as recorded in Volume 4916, Page 253 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

BEGINNING at a point for corner at an interior corner of the above cited MU Williamsburg tract, said point also being the Southeast corner of a tract of land described as Tract 1 in a Deed to Fate I-30 Commercial, LP, as recorded in Volume 4167, Page 151 of the Official Public Records of Rockwall County, Texas;

THENCE North 89 degrees 59 minutes 37 seconds East for a distance of 26.00 feet to a point for corner;

THENCE North 78 degrees 19 minutes 37 seconds East for a distance of 273.70 feet to a point for corner;

THENCE South 78 degrees 31 minutes 25 seconds East for a distance of 274.51 feet to a point for corner at the beginning of a non-tangent curve to the right;

THENCE in a Southwesterly direction, along said curve to the right having a central angle of 17 degrees 17 minutes 26 seconds, a radius of 600.00 feet, a chord bearing of South 20 degrees 17 minutes 18 seconds West, a chord distance of 180.38 feet and an arc length of 181.07 feet to a point for corner;

THENCE South 28 degrees 46 minutes 00 seconds West for a distance of 384.19 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Southwesterly direction, along said curve to the left having a central angle of 34 degrees 46 minutes 09 seconds, a radius of 500.00 feet, a chord bearing of South 11 degrees 22 minutes 56 seconds West, a chord distance of 298.78 feet and an arc length of 303.42 feet to a point for corner;

THENCE South 06 degrees 00 minutes 09 seconds East for a distance of 53.16 feet to a point for corner;

THENCE South 83 degrees 59 minutes 51 seconds West for a distance of 315.11 feet to a point for corner at the beginning of a curve to the right;

THENCE in a Westerly direction, along said curve to the right having a central angle of 18 degrees 31 minutes 57 seconds, a radius of 2000.00 feet, a chord bearing of North 86 degrees 44 minutes 10 seconds West, a chord distance of 644.09 feet and an arc length of 646.91 feet to a point for corner;

THENCE North 77 degrees 28 minutes 11 seconds West for a distance of 90.69 feet to a point for corner at the beginning of a curve to the left;

THENCE in a Westerly direction, along said curve to the left having a central angle of 15 degrees 00 minutes 56 seconds, a radius of 999.94 feet, a chord bearing of North 84 degrees 58 minutes 39 seconds West, a chord distance of 261.31 feet and an arc length of 262.06 feet to a point for corner;

THENCE North 01 degrees 54 minutes 45 seconds West for a distance of 206.47 feet to a point for corner;

THENCE North 21 degrees 46 minutes 32 seconds East for a distance of 646.08 feet to a point for corner in an interior North line of the above cited MU Williamsburg tract, said point also being in the South line of the above cited Fate I-30 Commercial tract;

THENCE South 89 degrees 53 minutes 50 seconds East along the North line of said MU Williamsburg tract and the South line of said Fate I-30 Commercial tract, for a distance of 809.76 feet to the **POINT OF BEGINNING**, and containing 26.89 acres of land, more or less.

PHASE 3A

BEING a tract or parcel of land situated in the J. Edison Survey, Abstract No. 78 and the S.B. Crabtree Survey, Abstract No. 58, City of Fate, Rockwall County, Texas, and being part of that tract of land described in a Deed to MU Williamsburg, LLC, as recorded in Volume 4916, Page 253 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

BEGINNING at a point for corner at an interior Northwest corner of the above cited MU Williamsburg tract;

THENCE South 89 degrees 48 minutes 47 seconds East along the North line of said MU Williamsburg tract, for a distance of 431.63 feet to a 1/2 inch iron rod found for corner;

THENCE South 89 degrees 40 minutes 31 seconds East along the North line of said MU Williamsburg tract, for a distance of 635.31 feet to a 1 inch iron rod found for corner;

THENCE South 89 degrees 53 minutes 50 seconds East along the North line of said MU Williamsburg tract, for a distance of 393.45 feet to a point for corner;

THENCE South 21 degrees 46 minutes 32 seconds West departing the North line of said MU Williamsburg tract, for a distance of 646.08 feet to a point for corner;

THENCE South 01 degrees 54 minutes 45 seconds East for a distance of 206.47 feet to a point for corner at the beginning of a non-tangent curve to the left;

THENCE in a Southwesterly direction, along said curve to the left having a central angle of 42 degrees 23 minutes 17 seconds, a radius of 999.94 feet, a chord bearing of South 66 degrees 19 minutes 14 seconds West, a chord distance of 723.01 feet and an arc length of 739.76 feet to a point for corner;

THENCE South 45 degrees 07 minutes 53 seconds West for a distance of 369.47 feet to a point for corner at the beginning of a curve to the right;

THENCE in a Southwesterly direction, along said curve to the right having a central angle of 36 degrees 57 minutes 35 seconds, a radius of 1000.00 feet, a chord bearing of South 63 degrees 36 minutes 40 seconds West, a chord distance of 633.94 feet and an arc length of 645.07 feet to a point for corner;

THENCE South 82 degrees 05 minutes 28 seconds West for a distance of 544.28 feet to a point for corner;

THENCE North 07 degrees 54 minutes 32 seconds West for a distance of 69.98 feet to a point for corner;

THENCE North 00 degrees 29 minutes 53 seconds East for a distance of 1536.42 feet to a point for corner in the North line of the above cited MU Williamsburg tract;

THENCE South 89 degrees 32 minutes 21 seconds East along the North line of said MU Williamsburg tract, passing a 1/2 inch iron rod found at the Southeast corner of Brown Industrial Park, an Addition to Rockwall County, Texas, as recorded in Cabinet B, Page 385 of the Plat Records of Rockwall County, Texas at a distance of 686.80 feet, and continuing along said North line for a total distance of 798.09 feet to a 1/2 inch iron rod found for corner, said point being the most Southerly Southeast corner of a tract of land conveyed to Fate I-30 Commercial, LP, as recorded in Volume 3945, Page 225 of the Official Public Records of Rockwall County, Texas;

THENCE North 00 degrees 45 minutes 36 seconds East along the most Southerly East line of said Fate I-30 Commercial tract, for a distance of 120.49 feet to the **POINT OF BEGINNING**, and containing 61.56 acres of land, more or less.

PHASE 3B

BEING a tract or parcel of land situated in the J. Edison Survey, Abstract No. 78, City of Fate, Rockwall County, Texas, and being part of that tract of land described in a Deed to MU Williamsburg, LLC, as recorded in Volume 4916, Page 253 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

BEGINNING at a 3/8" iron rod found for corner at the Northwest of the above cited MU Williamsburg tract;

THENCE South 89 degrees 32 minutes 21 seconds East along the North line of said MU Williamsburg tract, for a distance of 1086.05 feet to a point for corner;

THENCE South 00 degrees 29 minutes 53 seconds West departing the North line of said MU Williamsburg tract, for a distance of 1536.42 feet to a point for corner;

THENCE South 07 degrees 54 minutes 32 seconds East for a distance of 69.98 feet to a point for corner;

THENCE South 82 degrees 05 minutes 28 seconds West for a distance of 853.65 feet to a point for corner at the beginning of a non-tangent curve to the right;

THENCE in a Southwesterly direction, along said curve to the right having a central angle of 02 degrees 56 minutes 21 seconds, a radius of 5000.00 feet, a chord bearing of South 84 degrees 56 minutes 16 seconds West, a chord distance of 256.46 feet and an arc length of 256.48 feet to a point for corner in the West line of the above cited MU Williamsburg tract;

THENCE North 00 degrees 37 minutes 10 seconds East along said West line of said MU Williamsburg tract, for a distance of 1696.42 feet to a 1/2 inch iron rod found for corner;

THENCE North 00 degrees 21 minutes 13 seconds East along the West line of said MU Williamsburg tract, for a distance of 58.18 feet to the **POINT OF BEGINNING**, and containing 42.10 acres of land, more or less.

PHASE 3C

BEING a tract or parcel of land situated in the J. Edison Survey, Abstract No. 78 and the G.W. Ridlin Survey, Abstract No. 184, City of Fate, Rockwall County, Texas, and being part of that tract of land described in a Deed to MU Williamsburg, LLC, as recorded in Volume 4916, Page 253 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

BEGINNING at a RR spike found for corner in the centerline of Rochelle Road, said point being the Southwest corner of the above cited MU Williamsburg tract;

THENCE North 00 degrees 05 minutes 02 seconds East along the centerline of said Rochelle Road, for a distance of 70.00 feet to a point for corner at the Southwest corner of a tract of land described as Tract I in a Deed to Rockwall Independent School District, as recorded in Volume 4661, Page 249 of the Official Public Records of Rockwall County, Texas;

THENCE South 89 degrees 56 minutes 50 seconds East, departing said Rochelle Road and along the South line of said Rockwall Independent School District tract, for a distance of 1490.51 feet to a point for corner at the beginning of a curve to the left;

THENCE in an Easterly direction, along the South line of said Rockwall Independent School District tract part way, and along said curve to the left having a central angle of 06 degrees 36 minutes 04 seconds, a radius of 5000.00 feet, a chord bearing of North 86 degrees 46 minutes 07 seconds East, a chord distance of 575.73 feet, and an arc length of 576.04 feet to a point for corner;

THENCE North 82 degrees 05 minutes 28 seconds East for a distance of 853.65 feet to a point for corner;

THENCE South 07 degrees 54 minutes 32 seconds East for a distance of 60.00 feet to a point for corner;

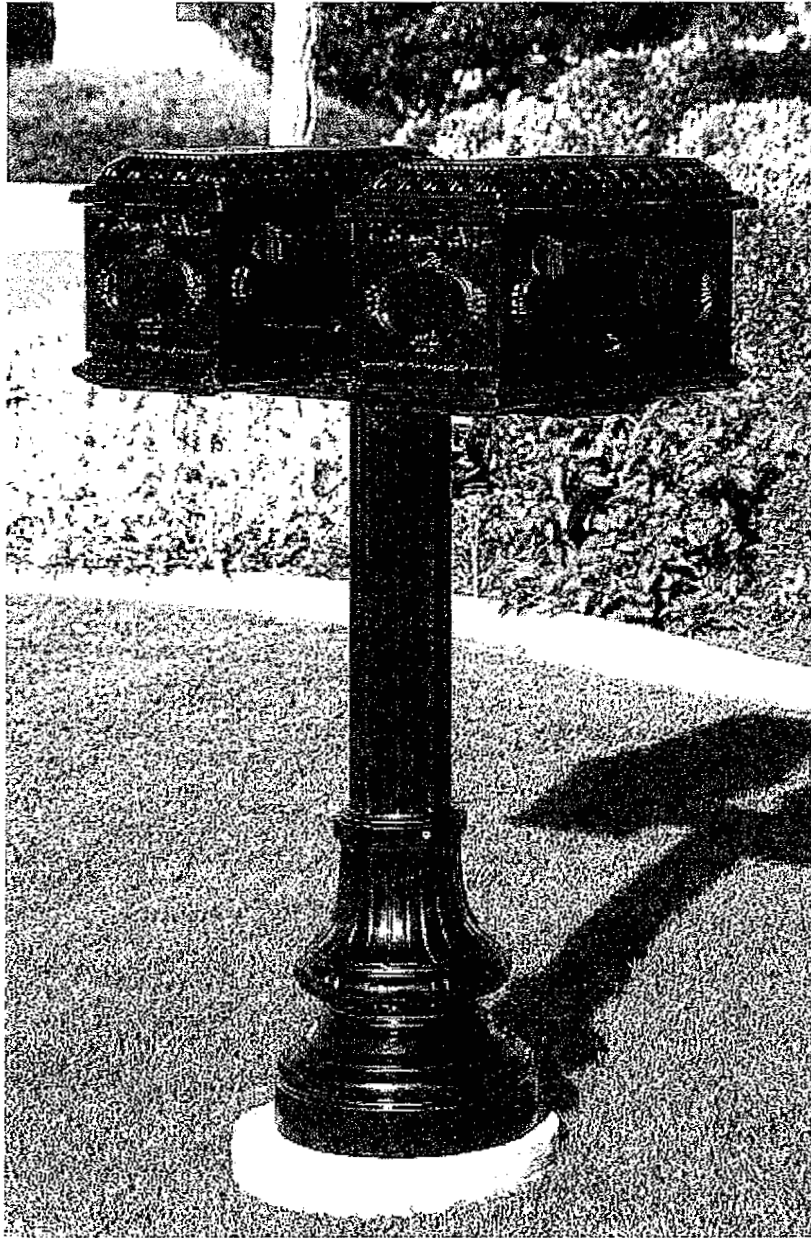
THENCE South 00 degrees 02 minutes 21 seconds West for a distance of 690.79 feet to a point for corner in the South line of the above cited MU Williamsburg tract;

THENCE North 89 degrees 58 minutes 27 seconds West along the South line of said MU Williamsburg tract, for a distance of 1112.28 feet to a point for corner at the Southwest corner of same;

THENCE North 00 degrees 21 minutes 53 seconds East along the West line of said MU Williamsburg tract, for a distance of 529.52 feet to 1/2 inch iron rod found for corner;

THENCE North 89 degrees 56 minutes 50 seconds West along the South line of said MU Williamsburg tract, passing a 1/2" iron rod found at a distance of 1779.58 feet, and continuing along said line for a total distance of 1809.83 feet to the **POINT OF BEGINNING**, and containing 20.14 acres of land, more or less.

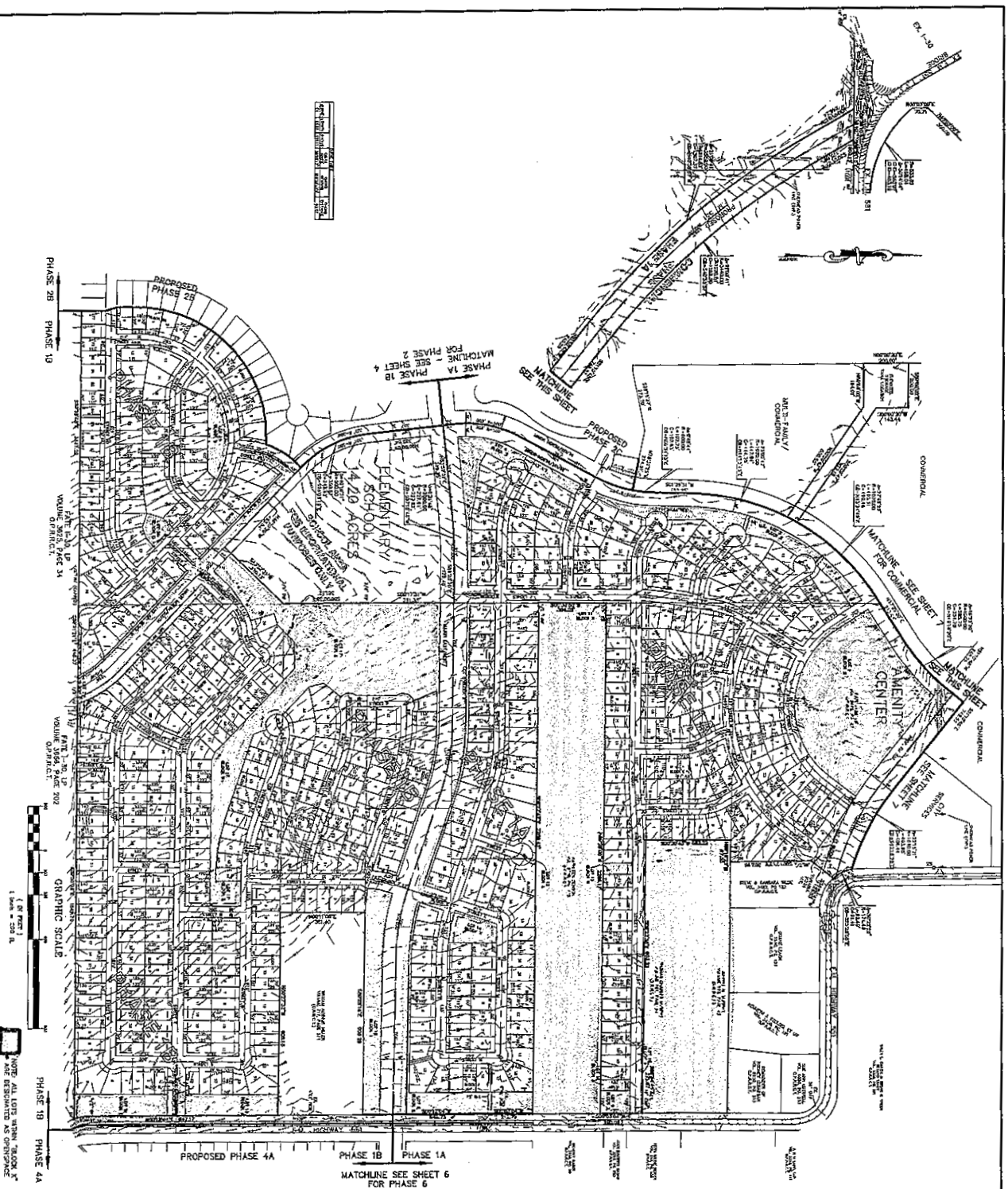
EXHIBIT B
Mailbox Depictions and/or Details



**The Savannah Double Mailbox (Model # DXF54-2485-2X BK) to be installed by Brandon Industries.
Contact CJ Sewick at (972) 542-3000**

EXHIBIT C-1
Mini-Plat (Phase 1A)

EXHIBIT C-1



Phenol Stock	Lot #	Lot #
A	1-10	452
B	1-10	452
C	1-10	452
D	1-10	452
E	1-10	452
F	1-10	452
G	1-10	452
H	1-10	452
I	1-10	452
J	1-10	452
K	1-10	452
L	1-10	452
M	1-10	452
N	1-10	452
O	1-10	452
P	1-10	452
Q	1-10	452
R	1-10	452
S	1-10	452
T	1-10	452
U	1-10	452
V	1-10	452
W	1-10	452
X	1-10	452
Y	1-10	452
Z	1-10	452
AA	1-10	452
AB	1-10	452
AC	1-10	452
AD	1-10	452
AE	1-10	452
AF	1-10	452
AG	1-10	452
AH	1-10	452
AI	1-10	452
AJ	1-10	452
AK	1-10	452
AL	1-10	452
AM	1-10	452
AN	1-10	452
AO	1-10	452
AP	1-10	452
AQ	1-10	452
AR	1-10	452
AS	1-10	452
AT	1-10	452
AU	1-10	452
AV	1-10	452
AW	1-10	452
AX	1-10	452
AY	1-10	452
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BG	1-10	452
BH	1-10	452
BI	1-10	452
BJ	1-10	452
BK	1-10	452
BL	1-10	452
BM	1-10	452
BN	1-10	452
BO	1-10	452
BP	1-10	452
BQ	1-10	452
BR	1-10	452
BS	1-10	452
BT	1-10	452
BU	1-10	452
BV	1-10	452
BW	1-10	452
BX	1-10	452
BY	1-10	452
BZ	1-10	452
CA	1-10	452
CB	1-10	452
CC	1-10	452
CD	1-10	452
CE	1-10	452
CF	1-10	452
CG	1-10	452
CH	1-10	452
CI	1-10	452
CJ	1-10	452
CK	1-10	452
CL	1-10	452
CM	1-10	452
CN	1-10	452
CO	1-10	452
CP	1-10	452
CQ	1-10	452
CR	1-10	452
CS	1-10	452
CT	1-10	452
CU	1-10	452
CV	1-10	452
CW	1-10	452
CX	1-10	452
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CZ	1-10	452
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QI	1-10	452
QJ	1-10	452
QK	1-10	452
QL	1-10	452
QM	1-10	452
QN	1-10	452
QO	1-10	452
QP	1-10	452
QO</		

NET AREA
PHASE 1A = 92.4 AC
PHASE 1B = 97.4 AC

PRELIMINARY PLAT
PHASE 1A & 1B
WILLIAMSBURG

CITY OF FATE

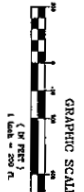
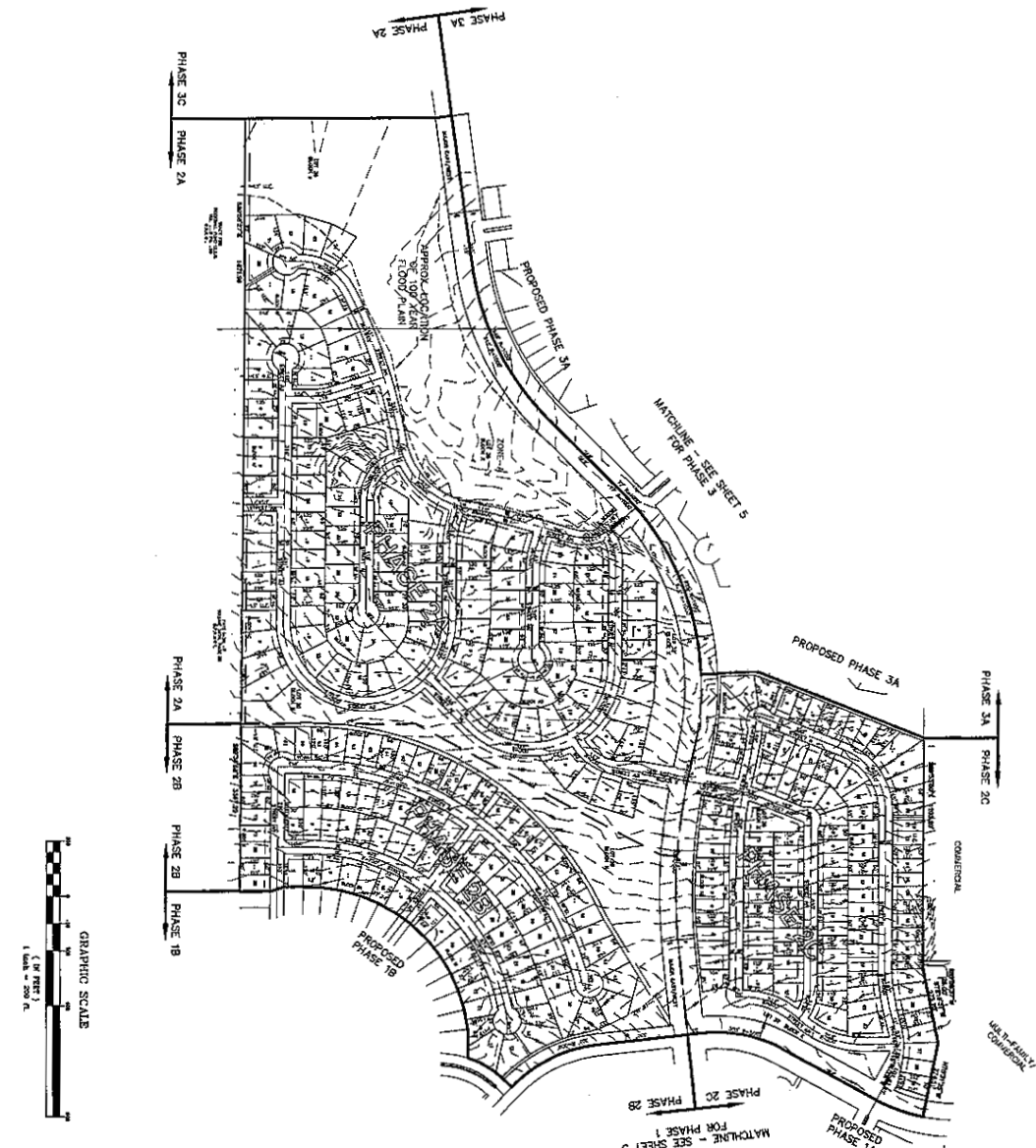
**BRONSON, L.P., FAYE I-30,
FAYE I-30 COMMERCIAL,
L.P. & FAYE 551, LP
4155 FARMWAY DRIVE, SUITE 120
CARROLLTON, TEXAS 75010
(214) 731-9200
(214) 731-9800 (FAX)**

**99204RD BY
USA PROFESSIONAL
SERVICES GROUP, INC.
CIVIL ENGINEERS - SURVEYORS - PLUMBERS
LANDSCAPE ARCHITECTS
1525 WOLFORD DRIVE
DALLAS, TEXAS 75235
(214) 634-1000
(214) 634-3138 (FAX)**



USA 2205924702

EXHIBIT C-2
Mini-Plat (Future Phases)



NOTE: ALL LOTS WITHIN "B" ZONE ARE DESIGNATED AS OPEN SPACE

DESIGNED BY:
 FATE-2011, L.P., FATE-1-30
 L.P. AND FATE-2011, L.P.
 4129 FARMWAY DRIVE, SUITE 125
 DALLAS, TEXAS 75225
 (214) 731-0000 (FAX)
 JUNE 8, 2008

PREPARED BY:
 USA PROFESSIONAL
 CIVIL ENGINEERS - SURVEYORS - PLANNERS
 1555 LANSFORD DRIVE, SUITE 125
 DALLAS, TEXAS 75225
 (214) 821-2200 (FAX)

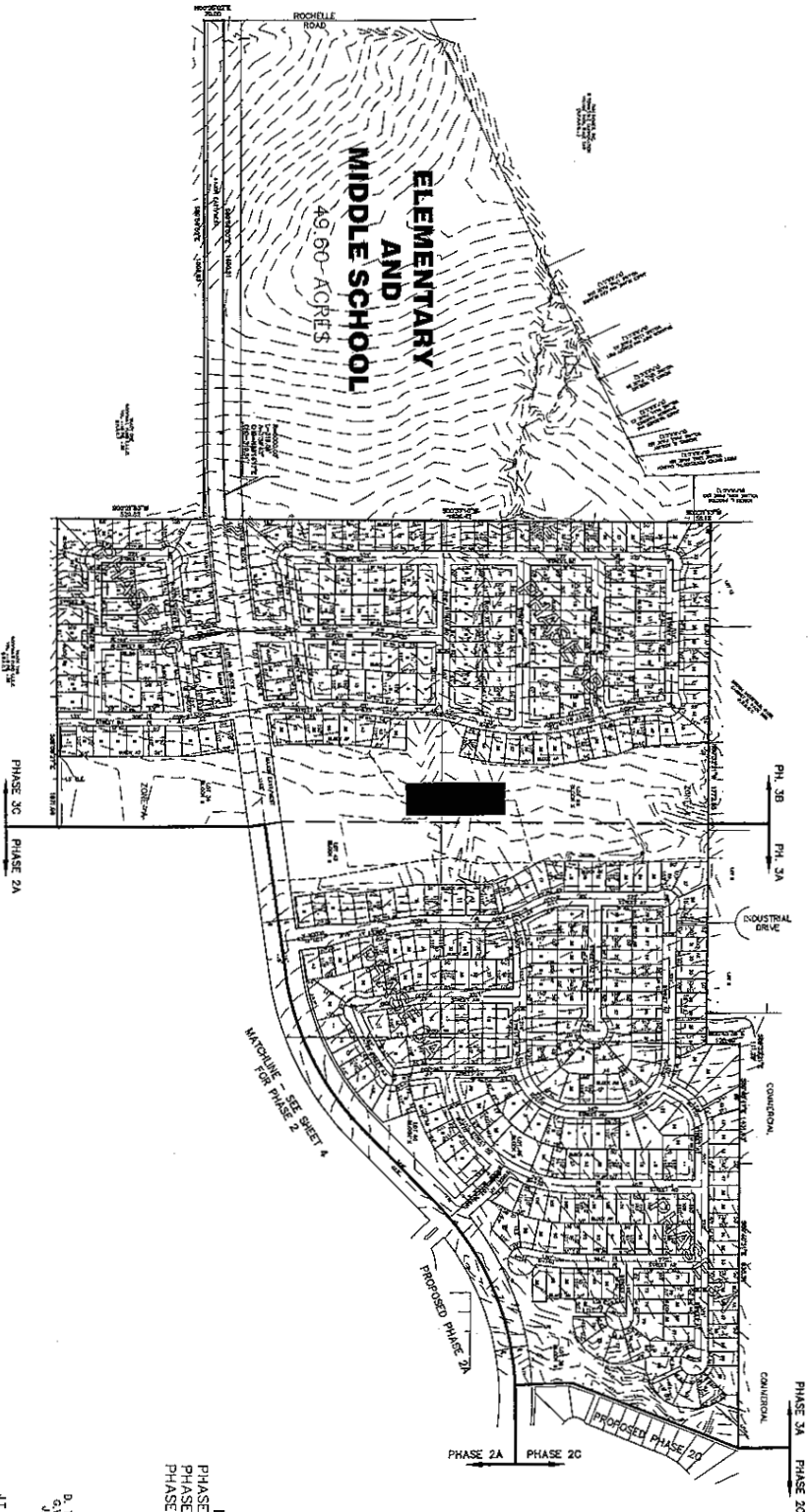
BEING SITUATED IN THE
 D. THEODORE SURVEY ABSTRACT NO. 208
 G.W. ROBIN SURVEY ABSTRACT NO. 184
 S.B. CHAMBERLAIN SURVEY NO. 58
 J.B. MERCHANT SURVEY NO. 159
 J.T. SPILLERS SURVEY ABSTRACT NO. 203
 ROCKWALL COUNTY, TEXAS

NET AREA
 PHASE 2A = 65.5 AC
 PHASE 2B = 28.4 AC
 PHASE 2C = 26.9 AC

Block	Acres	Lot	Acres
1A	1.12	1	1.12
1B	1.12	2	1.12
1C	1.12	3	1.12
1D	1.12	4	1.12
1E	1.12	5	1.12
1F	1.12	6	1.12
1G	1.12	7	1.12
1H	1.12	8	1.12
1I	1.12	9	1.12
1J	1.12	10	1.12
1K	1.12	11	1.12
1L	1.12	12	1.12
1M	1.12	13	1.12
1N	1.12	14	1.12
1O	1.12	15	1.12
1P	1.12	16	1.12
1Q	1.12	17	1.12
1R	1.12	18	1.12
1S	1.12	19	1.12
1T	1.12	20	1.12
1U	1.12	21	1.12
1V	1.12	22	1.12
1W	1.12	23	1.12
1X	1.12	24	1.12
1Y	1.12	25	1.12
1Z	1.12	26	1.12
2A	1.12	27	1.12
2B	1.12	28	1.12
2C	1.12	29	1.12
2D	1.12	30	1.12
2E	1.12	31	1.12
2F	1.12	32	1.12
2G	1.12	33	1.12
2H	1.12	34	1.12
2I	1.12	35	1.12
2J	1.12	36	1.12
2K	1.12	37	1.12
2L	1.12	38	1.12
2M	1.12	39	1.12
2N	1.12	40	1.12
2O	1.12	41	1.12
2P	1.12	42	1.12
2Q	1.12	43	1.12
2R	1.12	44	1.12
2S	1.12	45	1.12
2T	1.12	46	1.12
2U	1.12	47	1.12
2V	1.12	48	1.12
2W	1.12	49	1.12
2X	1.12	50	1.12
2Y	1.12	51	1.12
2Z	1.12	52	1.12
3A	1.12	53	1.12
3B	1.12	54	1.12
3C	1.12	55	1.12
3D	1.12	56	1.12
3E	1.12	57	1.12
3F	1.12	58	1.12
3G	1.12	59	1.12
3H	1.12	60	1.12
3I	1.12	61	1.12
3J	1.12	62	1.12
3K	1.12	63	1.12
3L	1.12	64	1.12
3M	1.12	65	1.12
3N	1.12	66	1.12
3O	1.12	67	1.12
3P	1.12	68	1.12
3Q	1.12	69	1.12
3R	1.12	70	1.12
3S	1.12	71	1.12
3T	1.12	72	1.12
3U	1.12	73	1.12
3V	1.12	74	1.12
3W	1.12	75	1.12
3X	1.12	76	1.12
3Y	1.12	77	1.12
3Z	1.12	78	1.12
4A	1.12	79	1.12
4B	1.12	80	1.12
4C	1.12	81	1.12
4D	1.12	82	1.12
4E	1.12	83	1.12
4F	1.12	84	1.12
4G	1.12	85	1.12
4H	1.12	86	1.12
4I	1.12	87	1.12
4J	1.12	88	1.12
4K	1.12	89	1.12
4L	1.12	90	1.12
4M	1.12	91	1.12
4N	1.12	92	1.12
4O	1.12	93	1.12
4P	1.12	94	1.12
4Q	1.12	95	1.12
4R	1.12	96	1.12
4S	1.12	97	1.12
4T	1.12	98	1.12
4U	1.12	99	1.12
4V	1.12	100	1.12

ELEMENTARY AND MIDDLE SCHOOL

46.90-ACRES



Phase	Area (Ac)	Area (Sq Ft)
PHASE 2A	1.1	75,360
PHASE 2B	1.1	75,360
PHASE 2C	1.1	75,360
PHASE 3A	1.1	75,360
PHASE 3B	1.1	75,360
PHASE 3C	1.1	75,360
TOTAL	6.6	452,160

NET AREA
PHASE 3A = 61.6 AC
PHASE 3B = 42.1 AC
PHASE 3C = 20.2 AC

PRELIMINARY PLAT
PHASE 3A, 3B & 3C
WILLAMSBURG

BEING SITUATED IN THE
D. THERON SURVEY ABSTRACT NO. 205
OF TARRANT COUNTY, TEXAS
S.A. GRANT SURVEY NO. 18
J.B. MERCHANT SURVEY NO. 58
J.T. SPILLERS SURVEY ABSTRACT NO. 205
ROCKWALL COUNTY, TEXAS

CITY OF FATE

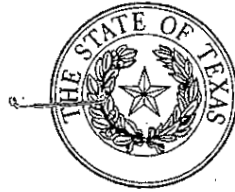
PREPARED BY:
USA PROFESSIONAL
SURVEYING, INC.
1505 LAMAR AVENUE, SUITE 120
DALLAS, TEXAS 75243
(214) 341-3338 (FAX)
(214) 341-3338 (FAX)

DATE: 8, 2008

NOTED: ALL LOTS WITHIN "WILLAMSBURG"
ARE SUBMITTED AS ONE UNIT.

[illegible]

EXHIBIT D
Certificate of Formation



Office of the Secretary of State

CERTIFICATE OF FILING OF

Williamsburg Fate Homeowners' Association
File Number: 800832402

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: 06/19/2007

Effective: 06/19/2007



A handwritten signature of Roger Williams in black ink.

Roger Williams
Secretary of State

EXHIBIT E
By-Laws

**BYLAWS
OF
WILLIAMSBURG FATE HOMEOWNERS' ASSOCIATION, INC.**

**ARTICLE 1
NAME, PRINCIPAL OFFICE, AND DEFINITIONS**

1.1 **Name.** The name of the Association is Williamsburg Fate Homeowners' Association, Inc., a Texas non-profit corporation (the "**Association**").

1.2 **Principal Office.** The principal office of the Association in the State of Texas shall be located in Rockwall County (the "**County**"). The Association may have such other offices as the Board of Directors of the Association (the "**Board**") may determine or as the affairs of the Association may require.

1.3 **Definitions.** Capitalized terms used herein but not defined shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions for Williamsburg to be recorded in the Records of the County at Volume/Cabinet ____, Page/Slide ____ (the "**Declaration**").

**ARTICLE 2
ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES**

2.1 **Membership.** The Association shall have two (2) classes of membership, as more fully set forth in Section 5.2 of the Declaration. The terms of the Declaration pertaining to membership are specifically incorporated herein by reference.

2.2 **Place of Meeting.** 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 either within the Subdivision or as convenient thereto as possible and practical.

2.3 **Annual Meetings.** The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of formation of the Association. Meetings shall be of the Members entitled to vote or their alternates (the "**Voting Members**"). Subsequent regular annual meetings shall be set by the Board so as to occur no earlier than one hundred (100) but not more than two hundred fifty (250) days after the close of the Association's fiscal year on a date and at a time set by the Board.

2.4 **Special Meetings.** The President of the Board may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board or upon a petition signed by Voting Members representing at least fifty percent (50%) of the total Class A Members. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

2.5 **Notice of Meetings.** Except as otherwise provided in the Declaration, written or printed notice stating the place, day, and hour of the meeting of the Voting Members shall be delivered, either personally or by mail, to each Voting Member, not less than five (5) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President or the Secretary of the Board or the officers or persons calling the meeting. Any notice of a meeting required or permitted to be given to any Member that is mailed shall be deemed to have been properly delivered twenty-four (24) hours after deposited in the United States Mail, postage prepaid, and addressed to the address of the Member as it appears on the records of the Association.

2.6 **Waiver of Notice.** Waiver of notice of a meeting of a Voting Member shall be deemed the equivalent of proper notice. Any Voting Member may, in writing, waive notice of any meeting of the Voting Members, either before or after such meeting. Attendance at a meeting by a Voting Member shall be deemed waiver of notice of the time, date, and place thereof, unless such Voting Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

2.7 **Reconvened Meetings.** If any annual or special meeting of the Association cannot be held because a quorum is not present, a majority of the Voting Members who are present at such meeting, either in person or by proxy, may reconvene the meeting by giving notice in accordance with the last sentence of this Section 2.7. At the reconvened meeting, a quorum shall constitute one-half (1/2) of the quorum required at the original meeting, and if such number of votes are present, any business which might have been transacted at the meeting originally called may be transacted. If one-half (1/2) of the quorum required at the original meeting are not present at such reconvened meeting, then a majority of the Voting Members who are present at such reconvened meeting, either in person or by proxy, may again reconvene such meeting. At the second reconvened meeting, a quorum shall constitute ten percent (10%) of the eligible total votes of all Voting Members. Notice of the time and place for reconvening any meeting must be given in the same manner prescribed for the meeting that is being reconvened.

2.8 **Voting.** The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein. Except as otherwise specifically provided herein or in the Declaration, the vote allocated to each Lot shall be cast only by the Voting Member. No cumulative voting shall be allowed.

2.9 **Proxies.** Voting Members may vote by proxy as permitted by the Texas Non-Profit Corporation Act.

2.10 **Majority.** As used in these Bylaws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

2.11 **Quorum.** Except as provided in Section 2.7 with respect to a reconvened meeting, the presence in person or by proxy of twenty-five percent (25%) of the eligible total votes of all Voting Members shall constitute a quorum at all meetings of the Association.

2.12 **Conduct of Meetings.** The President or its designee shall preside over all meetings of the Association, and the Secretary or its designee shall keep the minutes of each meeting and record in a minute book all resolutions adopted at each meeting, as well as a record of all transactions occurring at each meeting.

2.13 **Action Without a Meeting.** Any action required by law to be taken at a meeting of the Voting Members, or any action which may be taken at a meeting of the Voting Members, may be taken without a meeting if written consent setting forth the action so taken is signed by a number of Voting Members sufficient to take such action as if all Voting Members were present and voted on such action.

ARTICLE 3
BOARD: NUMBER, POWERS, MEETINGS, COMPOSITION AND SELECTION

3.1 **Governing Body; Composition.** The affairs of the Association shall be governed by the Board of Directors, each of whom shall have one (1) vote. Except with respect to the initial Directors appointed in the Certificate of Formation, the Directors shall be Members or spouses of Members; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of a Member which is a corporation or partnership, the person designated in writing to the Secretary of the Association as the representative of such corporation or partnership shall be eligible to serve as a Director.

3.2 **Number of Directors.** The number of Directors in the Association shall not be less than three (3) nor more than five (5). The initial Board shall consist of three (3) Directors as identified in the Certificate of Formation. The Board may be increased in size by majority vote of the then-existing Board.

3.3 **Election and Term of Office.**

3.3.1 At the first annual meeting of the Members, the Voting Members may elect three (3) new Directors to replace the initial Directors. At such election, one (1) Director shall be elected for a term of one (1) year and two (2) Directors shall be elected for a term of two (2) years under such procedures as the Board may determine. At each annual meeting thereafter, successors for each Director whose term is expiring shall be elected to serve for a term of two (2) years.

3.3.2 Each Voting Member shall be entitled to cast all votes attributable to the Lots which it represents with respect to each vacancy to be filled from each slate on which such Voting Member is entitled to vote. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected. The Directors elected by the Voting Members shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.

3.4 **Removal of Directors and Vacancies.** Any Director elected by the Voting Members may be removed, with or without cause, by a majority of the Class A Members and the Class B Members of the Association. 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 then and there be elected by the remaining Directors.

Any Director elected by the Voting Members who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any Assessment or other charge due to the Association for more than thirty (30) days may be removed by a majority of the Directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a Director, a vacancy may be declared by the Board, and it may appoint a successor to fill the vacancy for the remainder of the term.

3.5 **Organizational Meetings.** The first meeting of the Board following each annual meeting of the membership shall be held within three (3) months after such meeting of the membership at such time and place as shall be fixed by the Board.

3.6 **Regular Meetings.** Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least one (1) such meeting shall be held during each fiscal year. Notice of the time and place of the meeting shall be communicated to Directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any Director who has signed a waiver of notice or a written consent to the holding of such meeting.

3.7 **Special Meetings.** Special meetings of the Board shall be held when called by written notice signed by the President or by any two (2) Directors. The notice shall specify the time and place of the meeting. The notice shall be given to each Director by one of the following methods: 3.7.1 by personal delivery; 3.7.2 written notice by first class mail, postage prepaid; 3.7.3 telephone communication, either

directly to the Director or to a person at the Director's office or home who would reasonably be expected to communicate such notice promptly to the Director; 3.7.4 electronic communication addressed to the Director at its home or office; or 3.7.5 by fax, charges prepaid. All such notices shall be given at the Director's telephone number or sent to the Director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, email or fax, shall be delivered, telephoned, emailed or faxed at least seventy-two (72) hours before the time set for the meeting.

3.8 **Waiver of Notice.** The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if 3.8.1 a quorum is present, and 3.8.2 either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.9 **Quorum of Board.** At all meetings of the Board, 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. If any meeting of the Board cannot be held because a quorum is not present, a majority of the Directors who are present at such meeting may adjourn the meeting to a time not less than one (1) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.10 **Compensation.** No Director shall receive any compensation from the Association for acting as such unless approved by Voting Members representing a majority of the total votes of the Association at a regular or special meeting of the Association; provided any Director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other Directors.

3.11 **Conduct of Meetings.** The President or its designee shall preside over all meetings of the Board, and the Secretary or its designee shall keep a minute book of meetings of the Board, recording therein all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings.

3.12 **Action Without a Formal Meeting.** Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a number of Directors sufficient to take such action as if all Directors were present and voted on such action.

3.13 **Powers.** The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do or cause to be done all acts and things as are not directed to be done and exercised exclusively by the Voting Members or the membership generally by the Declaration, Certificate of Formation, or these Bylaws. The Board may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager of the Association, if any, which might arise between meetings of the Board.

3.14 **Management.** The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board by these Bylaws that can properly be delegated. Declarant, or an affiliate of the Declarant, may be employed as managing agent or manager.

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

3.15.1 accrual accounting, as defined by generally accepted accounting principles, shall be employed;

3.15.2 accounting and controls should conform to generally accepted accounting principles;

3.15.3 cash accounts of the Association shall not be commingled with any other accounts;

3.15.4 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 commission, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association;

3.15.5 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;

3.15.6 financial reports shall be prepared for the Association at least annually containing:

3.15.6.1 an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

3.15.6.2 a statement reflecting all cash receipts and disbursements for the preceding period;

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

3.15.6.4 a balance sheet as of the last day of the preceding period; and

3.15.6.5 a delinquency report listing all Owners who are delinquent in paying any Assessments at the time of the report and describing the status of any action to collect such Assessments which remain delinquent. For purposes of this Section 3.15(6)(5) only, any Assessment shall be considered delinquent on the thirtieth (30th) day following the due date unless otherwise determined by the Board; and

3.15.7 an annual report consisting of at least the following shall be available to all Members within one hundred twenty (120) days after the close of the fiscal year: 3.15.7.1 a balance sheet; 3.15.7.2 an operating (income) statement; and 3.15.7.3 a statement of changes in financial position for the fiscal year.

3.16 **Borrowing.** The Board shall have the power to borrow money for the purpose of maintenance, repair or restoration of Common Areas without the approval of the Voting Members. The Board shall also have the power to borrow money for other purposes; provided, the Board shall obtain Voting Member approval in the same manner provided in the Declaration for Special Assessments in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities and the total amount of such borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

3.17 **Rights of the Association.** With respect to the Common Areas, and in accordance with the Certificate of Formation and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and functions. Such agreements shall require the consent of a majority of Directors of the Association.

3.18 **Enforcement.** The Board shall have the power to impose reasonable fines as provided in the Declaration, which shall constitute a lien upon the Lot of the violating Owner, as provided in the Declaration, and to suspend an Owner's right to vote or any person's right to use the Common Areas for violation of any duty imposed under the Declaration, these Bylaws, or any rules and regulations duly adopted by the Association. The failure of the Board to enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be a waiver of the right of the Board to do so thereafter.

3.18.1 **Notice.** Prior to imposition of any sanction hereunder, the Board or its delegate shall serve the alleged violator with written notice describing 3.18.1.1 the nature of the alleged violation, 3.18.1.2 the proposed sanction to be imposed, 3.18.1.3 a period of not less than thirty (30) days within which the alleged violator may present a written request to the Covenants Committee (as defined in Section

5.2), if any, or Board for a hearing and 3.18.1.4 a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within thirty (30) days of the notice. If a timely challenge is not made, the Board may, without further notice, impose the sanction stated in the notice.

3.18.2 **Hearing.** If a hearing is requested within the allotted thirty (30) day period, the hearing shall be held in executive session affording the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, Director, or agent who delivered such notice. The notice requirement shall be satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board or the Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (30) day period. Such suspension shall not constitute a waiver of the right to sanction violations of the same or other provisions and rules by any person.

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

3.19 **Additional Enforcement Rights.** The Association, acting through the Board, may elect to enforce any provision of the Declaration, these Bylaws, or the rules and regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations), or by suit at law or in equity to enjoin any violation or to recover monetary damages or both, or by an action to foreclose the lien against any Lot, without the necessity of compliance with the procedure set forth above. In addition, the Association, acting through the Board, may elect to enforce any remedy provided by the Declaration or these Bylaws for the collection of delinquent Assessments without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees and expenses actually incurred.

ARTICLE 4

OFFICERS

4.1 **Officers.** The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

4.2 **Election, Term of Office, and Vacancies.** The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the Voting Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

4.3 **Removal.** Any officer may be removed by the Board whenever, in the Board's judgment, the best interests of the Association shall be served thereby.

4.4 **Powers and Duties.** The officers of the Association shall each have such powers and duties as generally associated with their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget and reports as provided for herein and may delegate all or part of the preparation and notification duties to a finance committee, managing agent, or both.

4.5 **Resignation.** Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified herein.

4.6 **Agreements, Contracts, Deeds, Leases, Checks, Etc.** All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board.

ARTICLE 5 **COMMITTEES**

5.1 **General.** The Board is authorized to establish committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Each committee established by the Board shall operate in accordance with the terms of the resolution of the Board designating the committee and such rules as are adopted by the Board.

5.2 **Covenants Committee.** The Board may appoint a "**Covenants Committee**" consisting of at least five (5) and no more than seven (7) Voting Members, who shall be appointed to serve a term of one (1) year and may, in the discretion of the Board, be appointed for any number of consecutive terms of one (1) year each. Acting in accordance with the provisions of the Declaration, these Bylaws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.18.

ARTICLE 6 **MISCELLANEOUS**

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

6.2 **Conflicts.** If there are conflicts between the provisions of Texas law, the Certificate of Formation, the Declaration, and/or these Bylaws, then the provisions of Texas law, the Declaration, the Certificate of Formation, and these Bylaws (in that order) shall prevail.

6.3 Books and Records.

6.3.1 **Inspection by Members and Mortgagees.** The Declaration, Bylaws, Certificate of Formation, any amendments to the foregoing, the rules and regulations of the Association, the membership register, books of account, and the minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any lienholder at any reasonable time during reasonable business hours and for a purpose reasonably related to his or her interest in the Lot at the office of the Association or at such other place within the Subdivision as the Board may prescribe. The Board may impose a reasonable fee for costs of copying any such information, which shall be payable in advance.

6.3.2 **Rules for Inspection.** The Board shall establish reasonable rules with respect to:
6.3.2.1 notice to be given to the custodian of the records; 6.3.2.2 hours and days of the week when such an inspection may be made; and 6.3.2.3 payment of the cost of reproducing copies of documents requested.

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

6.4 **Notices.** Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been properly delivered if delivered personally or if sent by United States Mail, twenty-four (24) hours after deposited in the United States Mail, first class postage prepaid:

6.4.1 if to a member or Voting Member, at the address which the member or Voting Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the last known address of the person who appears as Owner in the public records at the time of such mailing; or

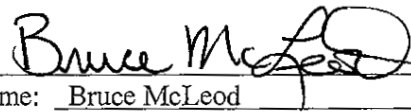
6.4.2 if to the Association, the Board, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6.5 **Amendment.** The Declaration may only be amended pursuant to its provisions. These Bylaws may be amended or modified upon the express consent of at least sixty-six and two-thirds percent (66-2/3%) of the outstanding votes of each class of Members entitled to vote present at a meeting at which a quorum is present; provided, however, so long as Declarant continues as a Class B Member, these Bylaws may not be amended without first obtaining the prior written consent of Declarant as evidenced by Declarant's execution of the amendment instrument. Notwithstanding the foregoing, Declarant shall have the right to execute amendments to these Bylaws without the consent or approval of any other party (i) at any time while Declarant continues as a Class B Member, (ii) to correct technical errors, (iii) to cause these Bylaws to be in compliance with any and all applicable laws, rules, and regulations of any applicable governmental authority, including the FHA and VA, or (iv) to clarify any provision hereof. In addition, as long as there remains any Class B Member and any first lien mortgage is in effect with respect to any Lot which is insured by FHA or VA, then any amendment to these Bylaws may require the prior approval of the FHA or VA if such approval is required under then applicable FHA or VA regulations.

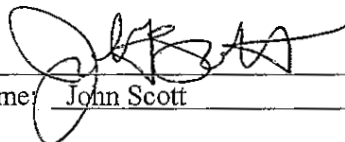
If an Owner consents to an amendment to these Bylaws, it will be conclusively presumed that such Owner has the authority to so consent and no contrary provision in any mortgage or contract between Owner and a third party will affect the validity of such amendment.

The undersigned hereby certify that the foregoing set of Bylaws was unanimously adopted as the Bylaws of Williamsburg Fate Homeowners' Association, Inc. by the Board effective as of Decemebr 2007.

DIRECTORS:

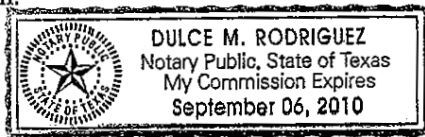

Name: Bruce McLeod

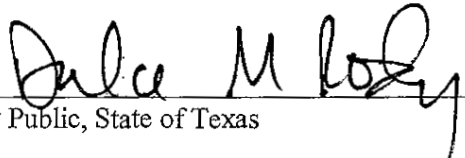

Name: Bill Durham


Name: John Scott

**STATE OF TEXAS
COUNTY OF ROCKWALL**

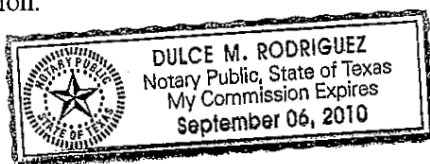
This instrument was acknowledged before me on 6-20, 2007, by Bruce McLeod
Director of Williamsburg Fate Homeowners' Association, Inc., a Texas non-profit corporation, on behalf of
said corporation.

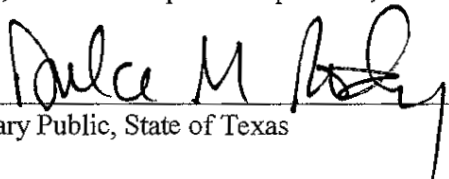



Notary Public, State of Texas

**STATE OF TEXAS
COUNTY OF ROCKWALL**

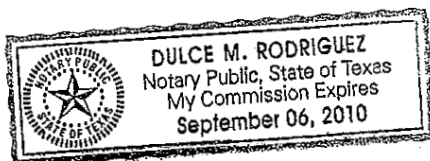
This instrument was acknowledged before me on 6-20, 2007, by Bill Durham
Director of Williamsburg Fate Homeowners' Association, Inc., a Texas non-profit corporation, on behalf of
said corporation.




Notary Public, State of Texas

**STATE OF TEXAS
COUNTY OF ROCKWALL**

This instrument was acknowledged before me on 6-20, 2007, by John Scott
Director of Williamsburg Fate Homeowners' Association, Inc., a Texas non-profit corporation, on behalf of
said corporation.



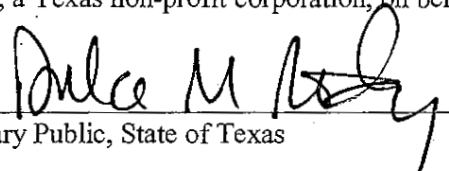

Notary Public, State of Texas

EXHIBIT F

Summaries of Disclosures

By its acquisition and ownership of a Lot in the Property, each Owner acknowledges that:

(a) due to the topography of its Lot and the Property, water will, at times, flow through and over portions of its Lot from adjacent and surrounding Lots in order to achieve positive drainage away from its Residence and all applicable Lots. No adverse action may be taken by said Owner(s) to the detriment of this positive drainage on its or adjacent Lots. Because its Lot may have "back-to-front" or "front-to-back" drainage, there may be a swale or swales over various portions of its Lot due. The depth and width of any swales will vary depending on the elevations of its and adjacent Lots. The front and the rear portions of its Lot will not be level and no adjustments to the depth or severity of any swales should be made due to cosmetic or aesthetic concerns. Any alterations made after closing to any swales or drainage patterns by an Owner may impact the drainage as well as any applicable foundation warranty.

(b) the property adjacent to Williamsburg is not owned or controlled by Declarant and Owner has hereby been advised to consult with the applicable departments of the City for any changes to and/or specific zoning information regarding its Lot, the Property and the zoning or proposed (re-)zoning of any adjacent property. It is also understood that there are no oral, written or implied representations or warranties regarding conditions such as traffic, noise, school attendance zones, zoning or development related to its Lot, the Property or adjoining properties.

(c) its lot falls under the jurisdiction of the Williamsburg Homeowners' Association, Inc. which requires mandatory affiliation thereto, including the payment of an annual fee (which may be payable on a quarterly or other basis) per Article 6 of the Declaration. In conjunction therewith, a proforma budget reflecting an estimate of the Association's expenses for a full year of operation is attached. It may also incur a working capital contribution fee and a transfer fee per Article 6 of the Declaration, which it understands should be further reviewed for more detailed information regarding Association dues, assessments and restrictions.

(d) it is anticipated that each Lot will be serviced by FEC for electrical, by Atmos for gas, by AT&T for telephone service, and by AT&T for cable service, although other service providers may utilize the utility easements and/or public rights-of-way throughout the Property.

(e) it understands and agrees that neither Declarant nor Builder has any responsibility as to the present condition or future maintenance of any trees on its Lot. Furthermore, it is understood that neither Declarant nor Builder makes any assurances, implied or stated, in regard to the survival of any trees during the construction process of building and completing a Residence on its Lot. It is also acknowledged that neither Declarant nor Builder has any liability consideration on trees either during construction or after a Residence is purchased and occupied on the Lot. It is further understood that each Owner assumes all responsibility for the maintenance and the condition of any trees on his Lot.

(f) it understands that failure to submit and obtain prior written ACC approval of plans and specifications for any modifications or additions to its Residence or any Structure on its Lot may result in the imposition of fines against the Owner and/or the removal of such modifications or additions at Owner's expense.

(g) there is no prescribed time for the construction or marketing by Builder or Declarant of a Residence on any Lot or the Lot itself. It is also understood that Builder and Declarant make no assurances regarding any established period of time during which Lots near the model homes or trailers of any Builder will remain vacant since the utility of such homes or trailers is of an indeterminate length of time.

(h) it should direct any issues, concerns or questions regarding the Common Area or the Association to the Managing Agent, whose name can be obtained by contacting the Builder or Declarant.

(i) there is an amenity center (scheduled for completion by July 2008) planned for the Subdivision.

(j) The Declarant has agreed to fund any shortfall in the HOA operating expense budget during the first four years of development up to an amount of \$508,000. Any funds the Declarant provides for HOA operating expenses that exceed \$508,000 will be considered a loan to the Association and must be paid back to the declarant within two years of the date of Transition.

EXHIBIT G-1

1st Year Budget Example (Amounts are projections and actual budget may vary)

2008

INCOME

Annual Dues- @ \$650/yr. **	\$35,100
Late Fees/NSF Fees	\$240
Working Capital Fee @ \$250 each	\$64,800

TOTAL INCOME **\$100,140**

EXPENSES

UTILITIES

Electricity	\$10,524
Water/Sewer	\$40,516

TOTAL UTILITIES **\$51,040**

GROUND & BUILDING

Landscape Maintenance	\$32,164
Pool & Pool related	\$20,000
Irrigation Repairs	\$8,000
Electrical Repairs	\$2,500
Wall/Fence Maintenance	\$2,500
Common Area Maintenance/Cleaning	\$4,500

TOTAL GROUND & BUILDING **\$69,664**

GENERAL & ADMINISTRATIVE

Professional Management - Onsite	\$53,100
Legal Fees	\$1,500
Audit & Accounting	\$535
Administrative Supplies/Postage	\$1,589
Web site/Newsletter	\$2,789
Bank Charges	\$0
Homeowner Functions	\$2,683

TOTAL GENERAL & ADMINISTRATIVE **\$62,196**

INSURANCE & TAXES

General Property/Liability Insurance	\$11,616
Directors & Officers Insurance	\$2,000
Property Taxes	\$2,174
Corporate Franchise Tax	\$350

TOTAL INSURANCE & TAXES **\$16,140**

TOTAL EXPENSES **\$199,040**

RESERVE FUNDING **\$32,400**

NET SURPLUS (DEFICIT) **(\$131,300)**

**Estimated Closings based on the following:

April 08 - Dec 08 = 162 @ \$prorated amount = \$8,640

TOTAL ESTIMATED CLOSINGS = 162 TOTAL ESTIMATED INCOME = \$35,100

EXHIBIT G-2

Completion Budget Example (Amounts are projections and actual budget may vary)

INCOME

Annual Dues- @ \$650/yr.	\$943,150
Late Fees/NSF Fees/other	\$2,253
Interest Income	\$1,500
TOTAL INCOME	\$946,903

EXPENSES

UTILITIES

Electricity	\$65,706
Water/Sewer	\$86,213
TOTAL UTILITIES/COMMON AREA	\$151,919

GROUND & BUILDING

Landscape Maintenance	\$150,223
Pool & Pool related	\$33,661
Onsite maintenance	\$95,000
Electrical, Irrigation, other Repairs	\$22,500
Wall/Fence Maintenance	\$19,800
Common Area Cleaning/Pool	\$43,450
TOTAL GROUND & BUILDING	\$364,634

GENERAL & ADMINISTRATIVE

Professional Management – onsite	\$158,385
Legal Fees	\$11,650
Audit & Accounting	\$3,394
Administrative Supplies/Postage	\$15,854
Web site/Newsletter	\$13,904
Collection Charges	\$13,059
Homeowner Functions	\$9,427
TOTAL GENERAL & ADMINISTRATIVE	\$225,673

INSURANCE & TAXES

General Property/Liability Insurance	\$79,743
Directors & Officers Insurance	\$6,500
Property Taxes	\$4,120
Corporate Franchise Tax	\$450
TOTAL INSURANCE & TAXES	\$84,963

TOTAL EXPENSES	\$827,189
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RESERVE FUNDING	\$94,315
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NET SURPLUS (DEFICIT)	\$25,399
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EXHIBIT G-3
Budget Narrative

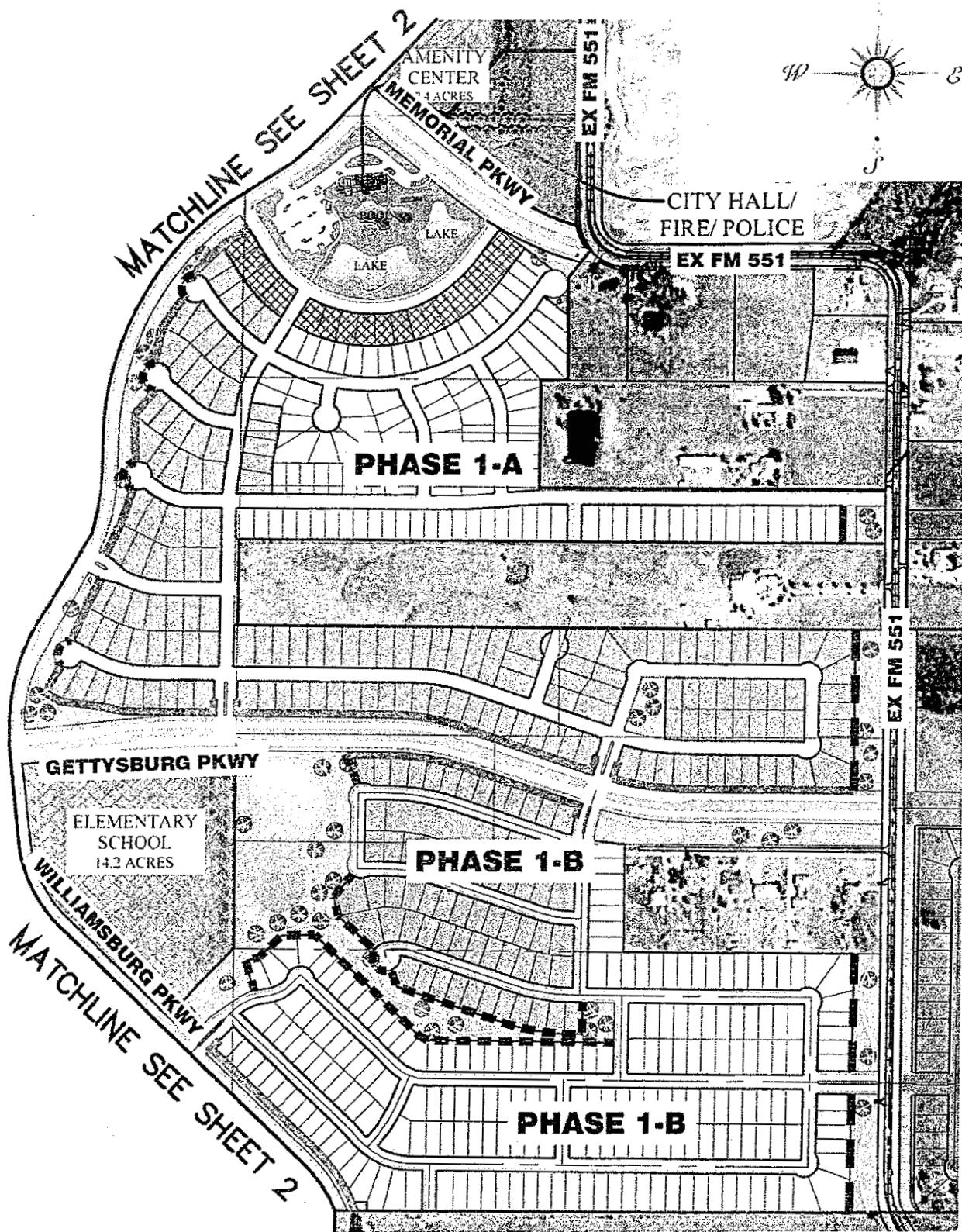
INCOME

Association Annual Dues	Estimate of association dues from all homeowners at \$650.00 per year.
Late Charges/NSF Fees	Other income collected from delinquent dues.
Interest Income	Interest earned on money market account.

EXPENSES

Electricity	Estimate for common area electricity.
Water/Sewer	Estimate for common area water consumption. Well water may be used.
Landscape Maintenance	Estimate for landscape maintenance contract.
Landscape Improvement/Color	Estimate for color changes in the common area, and other landscape additions and replacements. May be included in the Maintenance line item.
Irrigation Repairs	Estimate for irrigation maintenance/repairs.
Electrical Repairs	Estimate for common area electrical repairs.
Wall/Fence Maintenance	Estimate for perimeter wall maintenance.
Common Area Maintenance	Estimate for miscellaneous common area repairs, cleaning and maintenance.
Professional Management	Estimate for professional management services by RealManage
Legal Fees	Estimate for Association legal expense.
Audit & Accounting	Estimate for an independent audit of the balance sheet and the related statements of revenue and expense.
Administrative Supplies/ Postage	Estimate for supplies necessary for Association business such as postage, bank charges, homeowner mailings, printing and other miscellaneous expenses.
Website/Newsletter	Estimate for possible community website and/or periodic newsletter.
Bank Charges	Estimate for association operating and money market accounts.
Homeowners Functions	Estimate for homeowner functions, annual meeting facility.
Association Insurance	Premium costs for insurance required by the CCRs (i.e., Property and Liability Insurance, Directors and Officers Insurance).
Taxes	Estimate of Income and Property Taxes.
Operating Surplus (Deficit)	Operating surplus or net deficit.
Reserve Funding	Reserve funding for future replacements.
Net Surplus (Deficit)	Estimated year end surplus or deficit.

EXHIBIT H
Fencing Plan and/or Details



USA PROFESSIONAL SERVICES GROUP, INC.
CIVIL ENGINEERS - SURVEYORS - PLANNERS
LANDSCAPE ARCHITECTS
1323 WICKROY DRIVE
DALLAS, TEXAS 75205
(214) 634-3300 (214) 634-3338 (FAX)
JCB B. 0000000000

THIS LAYOUT IS CONCEPTUAL IN NATURE AND
SHOULD NOT BE INTERPRETED AS A FINAL
DESIGN. IT IS SUBJECT TO REVIEW AND
APPROVAL BY ALL GOVERNING AUTHORITIES.

	4' HIGH WROUGHT IRON FENCE
	6' HIGH WROUGHT IRON FENCE
	6' HIGH THIN BRICK FENCE

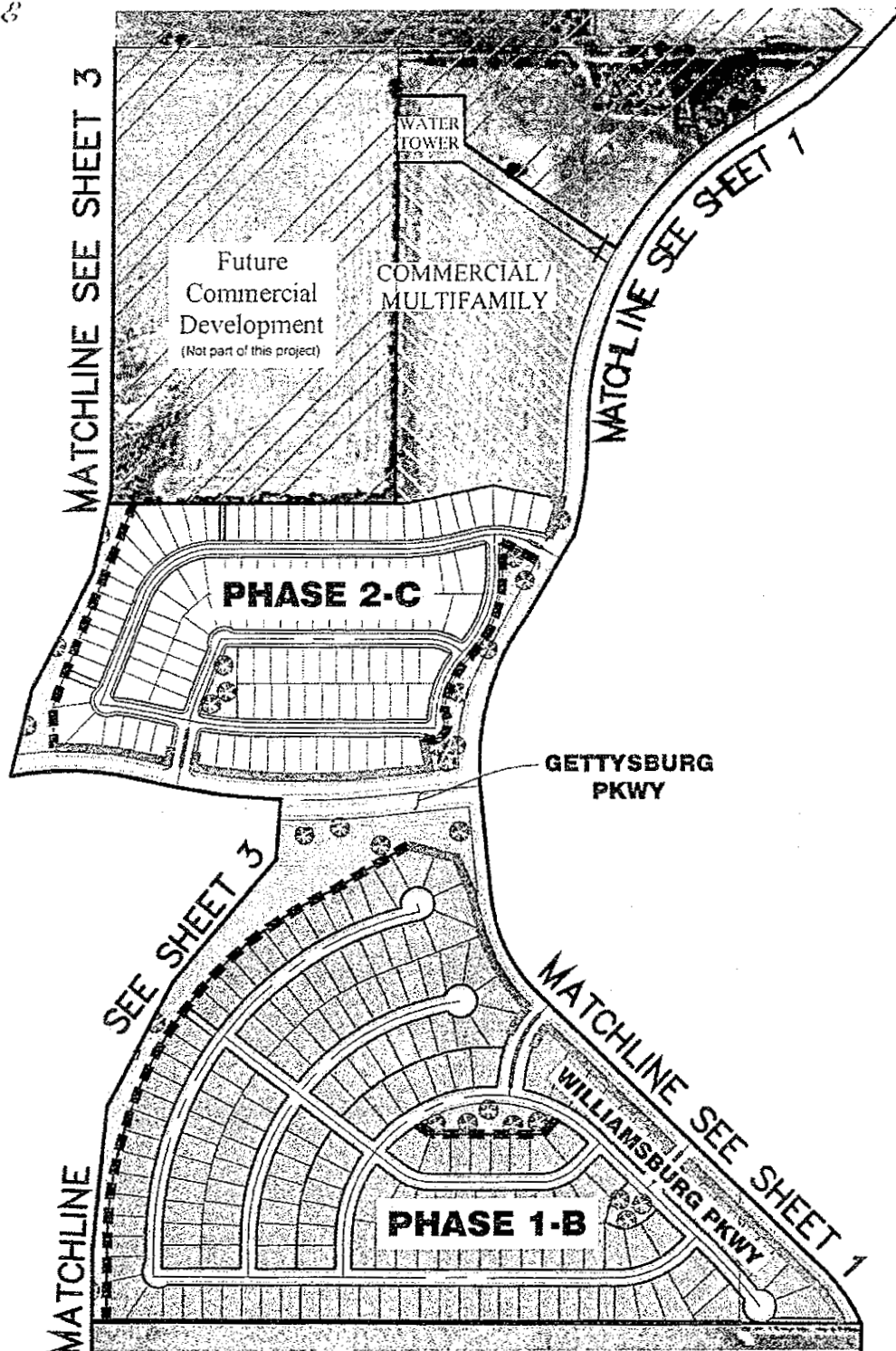
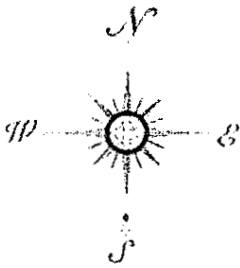
Williamsburg
Fate, Texas

MeritageHomes
CORPORATION

Meritage Homes of Texas, L.P.

4050 WEST PARK BOULEVARD
PLANO, TEXAS 75093
(972) 543-0704 (972) 543-0756 (FAX)

Sheet 1 of 4



	4' HIGH WROUGHT IRON FENCE
	6' HIGH WROUGHT IRON FENCE
	6' HIGH THIN BRICK FENCE



USA PROFESSIONAL SERVICES GROUP, INC.
 CIVIL ENGINEERS - SURVEYORS - PLANNERS
 LANDSCAPE ARCHITECTS
 1245 WICKORY DRIVE
 DALLAS, TEXAS 75225
 (214) 634-2300 (214) 634-2308 (FAX)
 JOB # 20050614.00

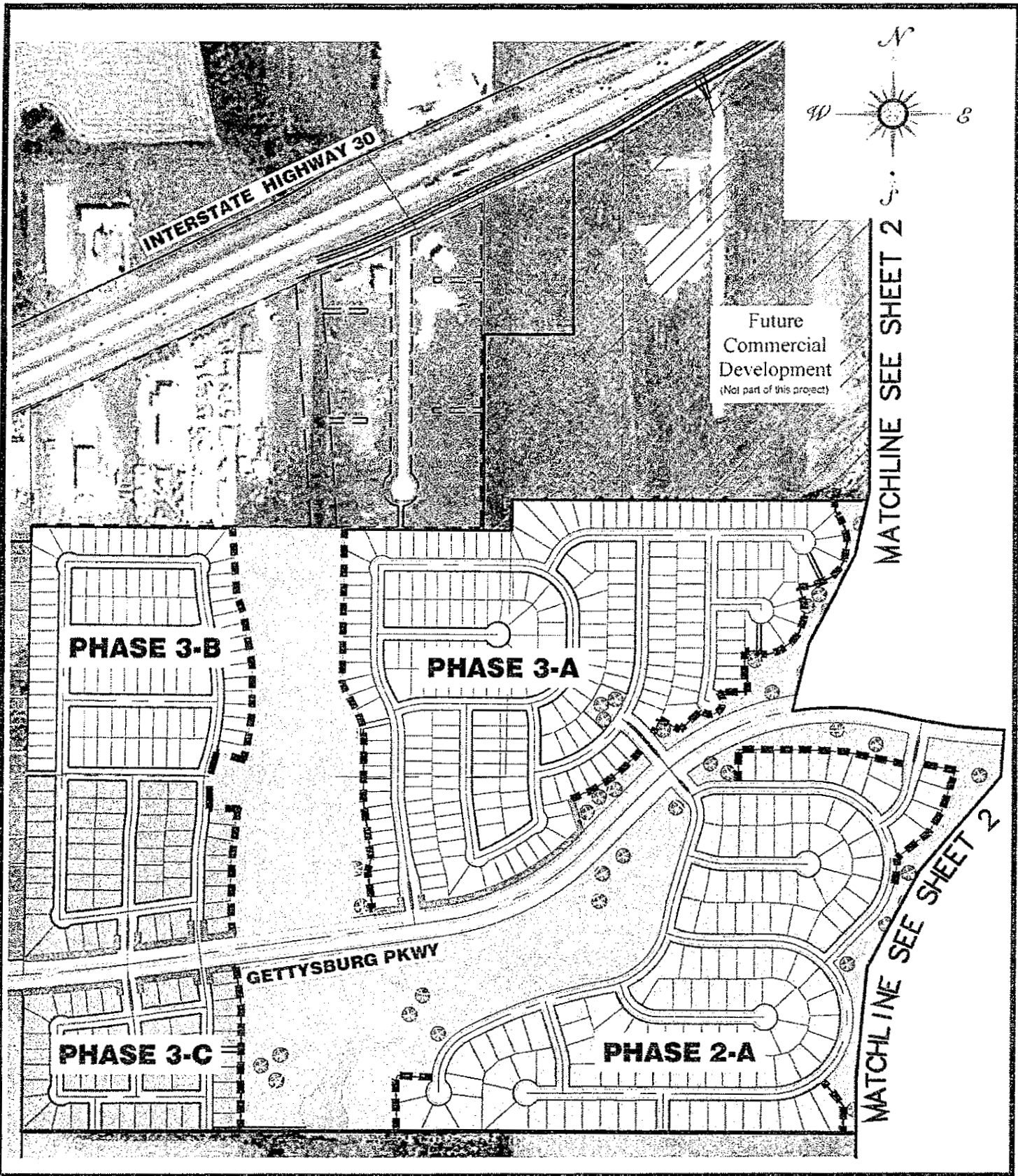
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MeritageHomes
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USA PROFESSIONAL SERVICES GROUP, INC.
 CIVIL ENGINEERS - SURVEYORS - PLANNERS
 LANDSCAPE ARCHITECTS
 1525 HICKORY DRIVE
 DALLAS, TEXAS 75205
 (214) 824-3300 (214) 824-3338 (FAX)
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	4' HIGH WROUGHT IRON FENCE
	6' HIGH WROUGHT IRON FENCE
	6' HIGH THIN BRICK FENCE

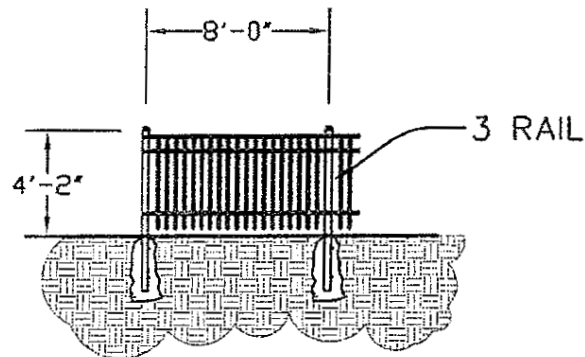
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 Fate, Texas



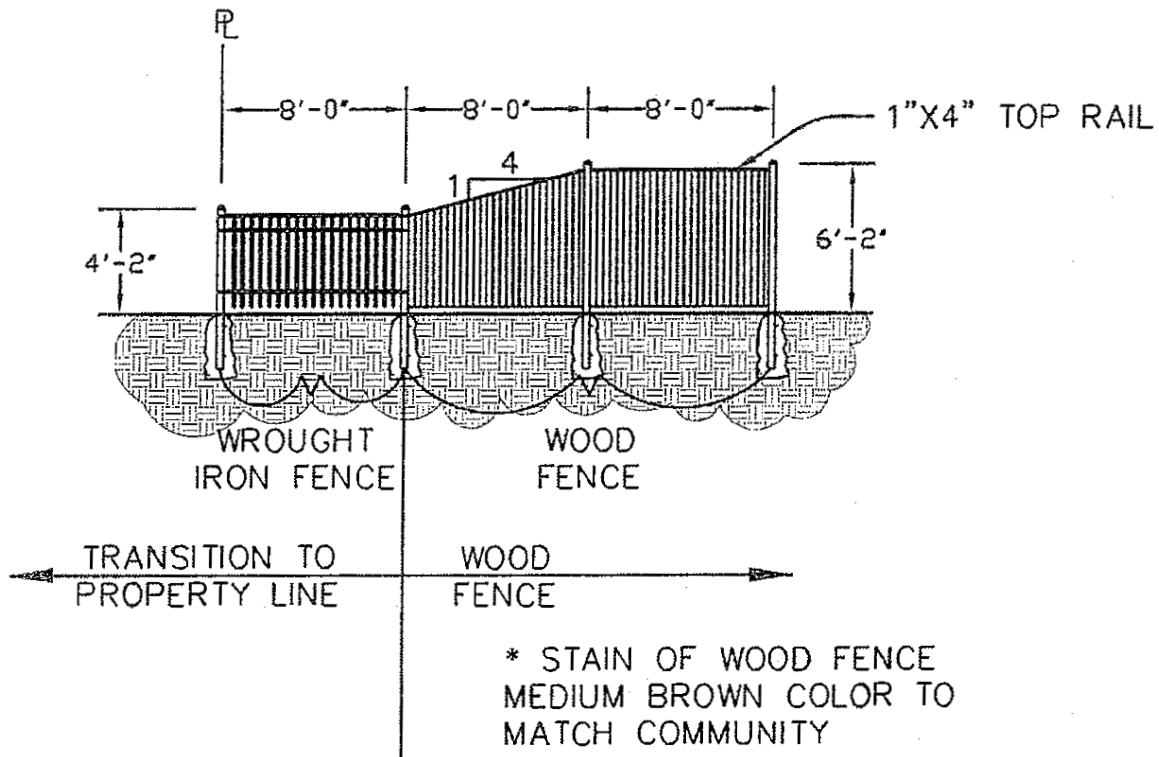
Meritage Homes of Texas, L.P.

4150 WEST PARK BOULEVARD
 PLANO, TEXAS 75093
 (972) 543-4704 (972) 543-6756 (FAX)

WROUGHT IRON FENCE DETAIL



TRANSITION DETAIL - WROUGHT IRON TO WOOD



USA PROFESSIONAL SERVICES GROUP, INC.
CIVIL ENGINEERS - SURVEYORS - PLANNERS
LANDSCAPE ARCHITECTS
3220 WOODSTOCK DRIVE
DALLAS, TEXAS 75235
(214) 624-5000 (214) 624-5338 (FAX)
JOB # R00000400

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